

1. Scope of Application

This Code of Conduct and Ethics (the “Code”) applies to all Directors of the Board of Peninsula Co-op and is intended to outline the principles and standards of conduct that should guide the behaviour of each of the Board members.

2. Code Purpose and Objectives

The Board is committed to the values of Peninsula Co-op: People First, Accountability, Integrity, Respect and Excellence. The Board believes that operating according to these standards is critical to protect the interests of Peninsula Co-op, its member-owners and its customers. Peninsula Co-op’s reputation may be influenced by the actions, choices and decisions of the Board and of the individual Directors.

The Board recognizes its responsibility to promote good conduct and ethical behaviour. The Directors acknowledge that the Code of Ethical Standards for Co-operatives, adopted by the Peninsula Co-op as an official policy of Peninsula Co-op., is also applicable to members of the Board and that their primary responsibility is to abide by and comply with those sections of the Code of Ethical Standards for Co-operatives having particular application to persons in their position.

The Directors also recognize that they stand in a fiduciary relationship to Peninsula Co-op. This requires that they adhere to **additional** standards for business conduct and ethical behaviour as set out below. These standards are not exhaustive and are not intended to cover all situations. Accordingly, all Directors are expected to conduct themselves in a manner consistent with the spirit and intent of this Code.

3. Standard of Conduct

In exercising their powers and discharging their duties, each Director is expected to:

- Act honestly and in good faith with a view to the best interests of Peninsula Co-op;
- Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- Exercise their powers for the purpose for which they were intended; and,
- Ensure that their personal interests and duty to Peninsula Co-op are not brought into conflict relative to personal, financial or other gain.

In discharging their duties outlined above, the Directors are expected to adhere to the following standards:

a) Conflict of Interest

Directors must act in the best interests of Peninsula Co-op and avoid situations where their personal interests or relationships interfere with acting in good faith on behalf of Peninsula Co-op.

Directors will adhere to the Board’s Conflict of Interest Guidelines (the “Conflict Guidelines”). The Conflict Guidelines address situations in which personal, occupational or financial considerations may affect, or appear to affect, a Director’s objectivity, judgement or ability to act in the required best interests of Peninsula Co-op.

b) Confidentiality and Privacy

Each Director is under a duty to maintain the confidentiality of information gained through the performance of their duties, except in circumstances where disclosure is authorized or legally mandated. This includes information about Board members, employees or contractors, as well as general information pertaining to Peninsula Co-op’s business, operations, and other organizational or internal matters which are intended to remain confidential. Board members must avoid inadvertent disclosure of confidential information through casual or public discourse which may be overheard or misinterpreted. It is the responsibility of each Director to know what information is confidential and to obtain clarification when in doubt. This duty applies at all times during their appointment as a Director and continues after the end of their appointment.

c) Compliance with the Policies of Peninsula Co-op

Directors must comply with the policies and bylaws of Peninsula Co-op, as they relate to their position.

d) Compliance with the Law

Directors will conduct Peninsula Co-op's business in accordance with all applicable legislation, including the British Columbia Cooperatives Act and its Regulations. As an individual, each Director is under an obligation to promptly advise the Board Executive if:

- he or she is charged with any serious breach of trust or serious violation of the law, including any criminal or quasi-criminal offence, as well as the outcome of those charges;
- any party commencing civil proceedings against him or her which could potentially result in a material detrimental financial impact; or,
- any proceedings that are initiated by or against them under the Bankruptcy and Insolvency Act.

A Director must resign as a Director if convicted of a serious violation of law or civil judgement for breach of trust, fraud or other wrongdoing.

e) Fair Dealing

Peninsula Co-op adheres to a practice of fair dealing in all of its undertakings. Each Director shall deal fairly with Peninsula Co-op's members, customers, suppliers, competitors and employees. A Director may not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation and any other unfair dealing practices.

f) Protection and Proper Use of Corporate Assets

Material and programs developed for Peninsula Co-op are the property of Peninsula Co-op and are not to be used in situations external to Peninsula Co-op, without prior approval. Directors should ensure that Peninsula Co-op's assets are protected and properly used for legitimate business purposes. Internet and email are to be used in a responsible and professional manner.

g) Gifts or Honoraria

It is not permissible to offer or accept gifts, gratuities, excessive favours or personal rewards intended to influence the organization's decisions or activities.

It is permissible to accept gifts of a nominal value (eg., pens, calendars, advertising items) in recognition of work well done. Board members are not permitted to accept cash under any circumstances. Board members, if representing the Board, must turn over to the organization any honoraria they receive.

h) Corporate Opportunities

Directors owe a duty to advance Peninsula Co-op's legitimate interests whenever an opportunity arises and may not;

- take personal advantage of opportunities discovered through the use of corporate assets, property, information or their position;
- use or deploy corporate assets, property or information for their personal gain; or, compete with Peninsula Co-op.

i) Harassment

Harassment, interpreted as unwelcome conduct, comment, gesture, contact or intimidating or offensive behaviour likely to cause offence or humiliation, will not be tolerated and may result in disciplinary measures which may include requiring their resignation from the Board.

j) Incident Reporting

Directors are encouraged to proactively promote ethical behaviour in all things they do and ensure a healthy ethical workplace. Directors are expected to support incident reporting, by immediately contacting the Board Executive.

k) Consultation and Waivers

Each Director is responsible for their conduct at all times. Directors whose conduct or actions have failed to meet the principles and standards set out in this Code must report such behaviour. In addition, from time to time, a situation may arise that warrants a waiver of one or more of the provisions of this Code. In either case, the Director is encouraged to discuss the matter with the Board Executive.

l) Affirmation

At least once annually, each Director must review and confirm their adherence to this Code or report any non-compliance to this Code.

4. Breach of the Code

Directors must be perceived to be honest and display integrity at all times. In order to protect Peninsula Co-op's reputation, Peninsula Co-op will act to maintain confidence in the integrity of its Board. To this end, a breach of this Code by a Director may result in disciplinary action, which may include requiring their resignation from the Board and potential legal action.

5. Board Executive

The Peninsula Co-op Board Executive will investigate any alleged breach of this Code of Conduct and Ethics.

Should the alleged breach concern any of the members of the Board Executive, that member will be replaced by the Chair of the Governance Committee.

6. Review Cycle

The Code shall be subject to review by the Board at least once every three years.

Failure to abide by the Code of Conduct and Ethics may result in removal from the Board.

I have read this Code of Conduct and Ethics and agree to follow it during my tenure as a Board member.

Signature:

Date signed: