



CFO Board Director Code of Business Conduct

CFO's Vision, Mission and Values:

CFO Vision

A growing, profitable and sustainable chicken industry

CFO Mission

To lead positive change and build value as Canada's premier provider of trusted, family-farmed, safe, high quality chicken

CFO Values: "The CFO Way"

1. *Leadership*: CFO will lead and be a catalyst for quality change initiatives to reach full industry potential. Leadership by personal example is at the core of CFO's culture. We do what we say!
2. *Accountability*: We know our business, are outcome-focused and results driven. We commit to making a positive impact and take responsibility for our actions and results.
3. *Excellence*: In our superior knowledge of our business, in the quality of our operations and execution, in our constant search for solutions, and in our "Can Do" winning attitude.
4. *Collaboration*: Recognizing the value of working together and the superior results we can collectively achieve, we commit to communicating and collaborating with our farmer-members, industry value chain partners, government and staff-associates.
5. *Innovation*: continually improving and innovating to profitably respond to consumer and customer demand for safe, high quality Ontario chicken.

CFO's Code of Business Conduct

The CFO Code of Business Conduct sets out minimum standards of business conduct that apply to all employees, officers, directors and District Committee Representatives. Compliance with the Code is mandatory. It is your responsibility to read, understand and comply with the Code, to ask for guidance when necessary, and to report violations.

Upon commencement of your term and then annually, you will be asked to affirm your commitment to comply with the Code by completing the Code Acknowledgement.

All declarations and disclosures made by Directors are held in confidence.

Guiding Principles

The following principles guide the behavior and decisions of directors:

- Directors act with impartiality and integrity
- Directors demonstrate respect and accountability
- Directors conduct themselves with dignity and in a professional manner
- Directors understand that the objective of the Organization is to have a diverse, talented, engaged group of Directors on the Board continuously improving Board strategy and results

- Directors practice and encourage ethical behavior and governance best practices
 - Directors engage fully, openly and honestly in the Peer/Board evaluation process understanding that the intent is for continuous improvement among peers, personally the Board as whole
 - Directors will act on the feedback they receive through the process annually to structure a personal development plan to ensure continuous improvement and maximize individual contribution to the Board in their Director role
 - Directors agree that should they not be able to meet Board expectations in their role that they will resign their position as a Board Director for CFO recognizing that it is in the best interest of the Board and organization
- Directors are responsible stewards of organizational resources and exercise financial management
- To serve the Organization's interest, Directors have a responsibility to uphold the Organization's mandate
- Directors have a responsibility to act in good faith and to place the interests of the Organization above their own personal interest
- Directors behave in a way that demonstrates that their behavior and actions are fair and reasonable
- Directors who are Chicken Farmers (quota holders) enjoy the same rights in their private dealings as any other Chicken Farmer (quota holder), unless it is demonstrated that a restriction is necessary in the Organization's best interest
- When a Director, as an individual, is subject to more than one code of conduct, the director must consider the expectations in all codes
- Directors understand that this Code is not intended to conflict with other codes of conduct, and they will discuss any potential conflicts, that may occur in the near future with the Code Administrator
- Directors understand that disclosure itself does not remove a conflict of interest
- Each director confirms, on an annual basis, their understanding of, and commitment to, the expectations of the Code. This includes a signed acknowledgement to abide by the Code.

1. **Complying with the law: *acting ethically requires you to comply with the laws and regulations that govern CFO and to work to the spirit of the law***

At a minimum, behaving ethically requires you to take all reasonable steps to understand and comply with all laws and regulations applicable to your role. It also requires you to work to the spirit of the law.

2. **Fairness: *you must treat peers, staff and stakeholders with respect and dignity***

CFO is committed to fairness in all of our dealings. You may not unlawfully discriminate against peers, staff and stakeholders or anyone else you encounter in the course of your work on CFO's behalf on the basis of their race, colour, religion, sex, sexual orientation, national origin, citizenship, creed, age, marital status, family status, disability, or other grounds included in human rights legislation. You must not engage in threatening, intimidating or violent acts against peers, staff and stakeholders or anyone else you encounter in the course of your work on CFO's behalf. Sexual or other harassment, or offensive behaviour such as verbal abuse, or unnecessary physical contact, are also prohibited. Our reputation is built on our daily interactions with our peers, staff and stakeholders. You can build the value of CFO by meeting the highest standards of professional conduct.

3. **Avoiding conflicts of interest: *you must avoid any conflict or appearance of conflict between your personal interests and those of CFO***

Many situations could give rise to a potential conflict of interest, or to the appearance of a conflict. Any action you take on behalf of CFO must not be influenced by the possibility of gain for yourself or for anyone personally associated with you. Board Directors and District Committee Representatives, in particular, need to acknowledge and manage the conflicts inherent in their roles given that they are also farmer-members. It is also important to avoid any appearance of a conflict.

4. **Keeping information confidential:** *you are responsible for protecting confidential information against theft, loss, unauthorized access, disclosure, destruction or misuse*
All CFO Board deliberations and CFO's business dealings are confidential and must not be disclosed to anyone outside CFO, including family and friends or to other CFO staff unless they need to know the information to carry out their employment. CFO's Board is responsible for creating a communication strategy for the organization and for deciding what and how information will be shared within and beyond CFO. Board Directors and District Committee Representatives must also adhere to the *CFO Confidentiality Agreement*, executed annually. CFO digital and printed business information must be safeguarded and disposed of in a secure manner.

5. **Using and safeguarding CFO's assets:** *you may only use CFO's assets for legitimate business purposes, and are required to use good judgement in spending CFO's funds; you must ensure that your accounting and financial records meet the highest standards*
You must take reasonable steps to protect assets owned by CFO against theft, loss, damage or misuse. You may only ask to be reimbursed for legitimate and reasonable expenses related to CFO's activities. You must ensure expenses are documented and approved in keeping with applicable expense reimbursement policies. CFO is required to maintain accurate and reliable records to meet its legal and financial obligations and to manage its affairs. CFO's books and records should reflect accurately all business transactions. Undisclosed or unrecorded revenues, expenses, assets or liabilities are prohibited.

6. **Gifts, favours, benefits or entertainment:** *you must not let the exchange of benefits between yourself and CFO stakeholders influence or appear to influence business decisions*
It is possible that you may be offered, or may provide, gifts, favours, benefits or entertainment in the course of your work for CFO. You should not accept gifts, favours, benefits or entertainment that could in any way influence, or appear to influence, your ability to make objective business decisions. You should not offer gifts, favours, benefits or entertainment that might be perceived as inappropriately influencing another stakeholder's business dealings with CFO.

7. **Reporting unethical behaviour:** *you should report people whose behaviour contravenes this Code of Conduct*
It is expected that people who observe behaviour which they perceive is in contravention of this Code will report this to the Board Chair or Chair of the Governance and Leadership Committee. The Board Chair or Chair of the Governance and Leadership Committee are to investigate the report and bring the matter to the Board for resolution.

Administrative Processes

Administrative processes help Directors to manage ethical dilemmas, including any actual or perceived conflict of interest concerns.

Administration

The Code Administrator receives and ensures the confidentiality of all disclosures and ensures that any actual or perceived conflict of interest is avoided or effectively managed. As well, the Code Administrator is responsible for providing advice and managing concerns and complaints concerning potential breaches of the Code, including conflicts of interest within the Organization. Even though the Organization may have a delegated process for responding to and managing concerns, the Code Administrator is responsible for ensuring procedural fairness.

The Code Administrator of the Chair of the Board is the Chair of the Governance and Leadership Committee, and the Code Administrator for Directors, District Committee Representatives and the President & CEO is the Chair of the Board.

The Code Administrator for the Organization's employees other than the President & CEO is the President & CEO, as outlined in the CFO Employee Code of Conduct.

Disclosure

It is the responsibility of each Director to disclose in writing an actual or perceived conflict of interest that they think could be seen to have an influence on decisions or actions that they may make on behalf of the Organization.

When there is a change in the responsibilities within the organization or in their personal circumstance, Directors shall disclose in writing any relevant new or additional information about those interests as soon as possible. Where an actual or perceived conflict of interest cannot be avoided, Directors must take the appropriate steps to manage the conflict.

Directors disclose these actual or perceived conflicts of interest so that the Code Administrator is aware of situations that could be seen as influencing the decision or actions they are making on behalf of the Organization. This provides Directors, following a review by the Code Administrator, an opportunity to take action to minimize or remove conflict. To actively manage a conflict of interest, options include:

- removing themselves from matters in which the conflict exists or is perceived to exist;
- giving up the particular private interest causing the conflict; and,
- in rare circumstances, resigning their position with the Organization

Reporting a Potential Breach

Directors are encouraged to report in writing a potential breach of this Code to the Code Administrator. When reporting a potential breach in good faith and with reasonable grounds, Directors are protected from retaliation for such reporting.

Responding to a Breach

Once a potential breach has been reported, the Organization's procedures for responding to and managing a potential breach will be promptly initiated. The Code Administrator will review the circumstance and details of the potential breach and will notify the alleged Director. The alleged Director has the right to complete information and the right to respond fully to the potential breach. The identity of the reporter will not be disclosed unless required by law or in a legal proceeding. The Code Administrator makes a decision and completes a report in a timely manner. The decision may range from finding no potential breach to one that reveals suspected criminal conduct.

Consequences of a Breach

Directors who do not comply with the standards of behavior identified in this Code, including taking part in a decision or action that furthers their personal interests, will be subject to appropriate disciplinary action commensurate with the circumstances. Any serious breach of this Policy may be grounds for the Code Administrator to suspend the Director from attending meetings and recommend that the Director's position on the Board be terminated.

Review of Decision

A Director can request in writing that the decision made by the Code Administrator be reviewed by the Governance and Leadership Committee.

Where to Get Advice

- The Code Administrator for Directors
- The Code Administrator for Governance and Leadership Committee
- The President & CEO
- Legal Counsel



Questions to Consider

- Have I reflected on or consulted with the Code Administrator about whether I am compromising the Code's values, principles or standards?
 - Have I considered the issue from a legal perspective?
 - Have I investigated whether my behavior aligns with a policy or procedure of the Organization?
 - Could my private interests or relationships be viewed as impairing my objectivity?
 - Could my decision or action be viewed as resulting in personal gain, financial or otherwise?
 - Could my decisions or actions be perceived as granting or receiving preferential treatment?
8. CFO's governance structure: *you agree to work within the governance structure approved by CFO's Board*
It is expected that CFO staff, directors and DCRs will respect and work within CFO's governance framework and policies.

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Acknowledgement

I have read and understand the intent of CFO's Code of Business Conduct and agree to adhere to it in my dealings on behalf of CFO.

(Signature)

(Date)

(Name)