

SOLARSHARE POLICIES AND PROCEDURES			
DEPARTMENT: Corporate			POLICY #: C-01
TITLE: Conflict of Interest			
EFFECTIVE DATE: 2019/06/25	REVISION DATE: 2020/10/01	REVISION #: 02	PAGE#: 1 of 6

1 Purpose

SolarShare enjoys a high level of public support and respect due in part from the high degree of integrity and professionalism of its board, officers, committee members and staff. The purpose of this policy is to establish a standard of conduct in order to ensure that all SolarShare personnel act in the best interests of the Co-op and to maintain standards related to conflict of interest.

This policy and related procedures are intended to enhance confidence in the integrity of SolarShare and its personnel. The co-op benefits from the expertise of individuals with a multiplicity of interest, however it is important that those interests not conflict with the interest of SolarShare or erode the support and respect necessary for the successful growth and development of the Co-op's business interests.

2 Applicability

This policy applies to all directors, officers, committee members and employees of SolarShare, and includes their household partners, dependents and relatives. For clarity, employees also include employees of TREC who work for SolarShare.

3 Definitions

"Board" or **"Board of Directors"** refers to the board of directors of SolarShare or any of its affiliates and/or subsidiaries. **"Director"** is a person elected or appointed to the Board of Directors.

"Co-op", **"Organization"** or **"SolarShare"** refers to TREC SolarShare Co-operative (No. 1) Inc. or any of its affiliates and/or subsidiaries.

"Conflict of Interest" refers to a situation where an individual:

- Recommends, makes or takes part in a decision affecting the co-op's affairs, and
- The result of that decision gives or may in future give that individual, their relatives, or persons in their household, a financial or other benefit which is not available to the Co-op or its members. This financial or other benefit may be direct or indirect.

Examples of conflict of interest may include (but are not limited to):

- a contract for goods or services that generates a financial or personal benefit either to an Individual who makes or contributes to the decision to enter into or award the contract, or to his or her relatives by blood, marriage or household, or generates a financial benefit to an entity in which the Individual has a financial interest by way of debt or equity or other form of control;
- Accepting a gift from a person who wishes to do business with the Co-op;

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- A Co-op employee promoting or giving preference (or promising to do such) to another employee who is related by blood, marriage or household, or for purposes of receiving financial gain or personal benefit.

For the purposes of this policy, conflicts of interest may be:

- Actual – an event or transaction has occurred (or is about to occur) which appears to be a clear Conflict of Interest
- Perceived – an event or transaction has occurred (or is about to occur) which is not a Conflict of Interest but appears to be or could appear to be to persons without full possession of all the facts
- Potential – an event or transaction is being considered which could result in a perceived or actual Conflict of Interest

“**Individuals**” are all directors, officers, committee members, and employees of SolarShare. An Individual is any one of these persons.

4 Responsibilities

The **General Manager** is responsible for applying and implementing this policy including ensuring all new personnel are made aware of this policy and sign the Conflict of Interest Declaration (C-01A) and investigating any potential breach.

The **Governance Committee** is responsible for reviewing Potential, Perceived or Actual Conflicts of Interest, upon request of the Board, and for supporting the General Manager in his or her role.

All **Individuals** are responsible for reviewing and understanding their obligations and signing the Conflict of Interest Declaration (C-01A) annually.

5 Policy

5.1 Performance of Duties

Each Individual must carry out his or her duties honestly, in good faith and in the best interests of the Co-op rather than in their own personal interest, and must follow the Co-op’s policies regarding Conflict of Interest.

5.2 Contracts

Each Individual will promote fair and objective business policies and practices in all of the Co-op’s purchasing, contracting and hiring.

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5.3 Board Remuneration

No Director or officer of the Co-op is disqualified from receiving remuneration or being reimbursed for work (other than as a volunteer Director). All monies paid to Directors will be monitored and tracked by the Governance Committee upon request of the Board.

5.4 Outside Employment

Individuals may engage in remunerative employment with another employer, undertake volunteer activity, and carry on a business or receive payment for activities outside their position with SolarShare provided that such actions do: not interfere with the performance of such Individual's employment duties to SolarShare; not make use of SolarShare premises, equipment or supplies, unless prior approval is granted by the General Manager or Board; not bring the Co-op into disrepute, and provided that steps are taken to avoid creating a perception that such activities are an official act of the Co-op or represent its position or policies.

5.5 Conflict of Interest Declaration

All Individuals will review and sign the Conflict of Interest Declaration (C-01A) when they begin their tenure/employment and annually or with such frequency thereafter as is considered necessary or desirable by the General Manager or the Board.

6 Procedures

The facts of each case are different, and careful judgement is needed to decide whether there is a Conflict of Interest. Even the perception of a Conflict of Interest could undermine the appearance of integrity and the credibility of the Co-op's business practices. All declarations of Actual, Perceived or Potential Conflict of Interest by any Individual will be reviewed by the General Manager (unless the General Manager is the Individual, in which case the Board shall review) with such consultation with the Board and Governance Committee as the Board considers necessary or advisable. All individuals shall follow the procedures below to deal with Actual, Perceived or Potential Conflicts of Interest.

6.1 Self-reporting

This procedure focusses on supporting an organizational culture where Individuals take responsibility for self-declaring possible Conflicts of Interest through the use of the annual Conflict of Interest Declaration (C-01A) and by encouraging all Individuals to declare Potential Conflicts of Interest faced by themselves and others in the organization. The goal is to prevent Individuals from facing an Actual Conflict of Interest and the attendant review and results.

6.2 Measures for Preventing a Potential Conflict of Interest

The following includes steps that may be taken once a Potential Conflict of Interest has been declared and is known. The General Manager shall review the situation and determine the appropriate action to be taken in the

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case of employees, and the Governance Committee (unless otherwise determined by the Board) shall review and determine the appropriate action to be taken in the case of the General Manager, Board or committee members.

1. **Restricting involvement** – The Potentially conflicted Individual may be asked to recuse themselves from any or all decision-making processes.
2. **Recruit a neutral third party** – If the involvement of a Potentially conflicted Individual in a particular decision-making process cannot be avoided due to unique skills, knowledge or other factors determined by the reviewer, a neutral third party may be asked to participate to provide an additional outside opinion, for example on a hiring committee.
3. **Remove the individual from the affected duties** – If it isn't practical to restrict a Potentially conflicted Individual's involvement in decision making, or to recruit a neutral third party, the reviewer may need to remove such Individual from the activity/duties/committee etc. and reassign him or her to other work for the duration of the Conflict of Interest.
4. **Relinquish the private interest** – If the Conflict of Interest is particularly severe, the reviewer may ask the Individual to give up the interest that gives rise to the Conflict of Interest where that is feasible, such as taking steps to ensure that the expected personal or financial gain cannot occur as a result of the event or transaction giving rise to the Conflict of Interest. This might include, for example, leaving the board of another organization or selling an equity interest to an arm's length third party.
5. **Resignation** – If other solutions are not possible or do not adequately mitigate the potential for an Actual or Perceived Conflict of Interest, the Individual may be asked to resign from their position with SolarShare.

6.3 Specific Procedures – Directors

- 6.3.1 Each Director shall declare any Actual, Perceived or Potential Conflict of Interest as soon as it is known or perceived, whether at or before the Board meeting (and either verbally, which shall be recorded in the minutes, or by the declarant in writing) where the matter or issue in question is to be considered. The minutes shall show the Board's response to the declaration, whether the Director was asked to leave the meeting, whether the matter declared appears to be an Actual Conflict of Interest, and what steps the Board takes and intends to take regarding it.
- 6.3.2 An Individual who has reason to believe that a Director has an undeclared Potential Conflict of Interest shall notify the Board of it at or before the Board meeting at which the relevant event or transaction is to be discussed.
- 6.3.3 If the Board decides that a Director has a Conflict of Interest, the Director cannot vote on the matter, shall be physically excluded from all parts of the meeting during which the matter is discussed, and, if required by law or the by-laws, shall not be counted in the quorum for those parts of the meeting.

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- 6.3.4 The Board reserves the right to ask a director to participate in part of the discussion if they believe the director has a useful contribution to make in the matter.
- 6.3.5 Each Director and Officer employed by the Co-op for remuneration that comes to represent 50% or greater of their total income, or 10% or more of SolarShare’s annual revenues, shall resign from that position without seeking or taking compensation for lost future income or damages for breach of contract except to the extent that the contract of engagement specifically provide for compensation upon termination.
- 6.4 Specific Procedures – Committee Members**
- 6.4.1 A Conflict of Interest involving a committee member shall follow substantially the same procedure as that involving a Director or officer. A committee member shall declare his or her Actual, Perceives or Potential Conflict of Interest to the committee of which he or she is a member, which shall report it to the General Manager and the Governance Committee, and may report it to the Board.
- 6.4.2 The Governance Committee may review or direct the General Manager or other staff to review the situation and to provide a report. The Governance Committee may then propose to the Board such processes, remedies or actions as it sees fit for final decision or direction by the Board.
- 6.5 Specific Procedures – Employees and Officers**
- 6.5.1 If a Co-op employee, or an officer of the Co-op who is not a Director, has an Actual, Perceived or Potential Conflict of Interest, he or she shall report it to the General Manager who shall inform the Governance Committee in writing.
- 6.5.2 The Governance Committee may review or direct the General Manager or other staff to review the situation and to provide a report. The Governance Committee may then propose to the Board such processes, remedies or actions as it sees fit for final decision or direction by the Board.
- 6.6 Breach of Conflict of Interest**
- 6.6.1 Employees who fail to comply with these standards during the course of their employment will be subject to such appropriate measures as may be determined by the Co-op up to and including dismissal from employment.
- 6.6.2 Board members, committee members and officers who fail to comply with these standards during the course of their tenure will be subject to such appropriate measures as may be determined by the Governance Committee up to and including dismissal from the board.
- 6.6.3 The terms of this policy are in addition to and not in substitution for or limitation of any other terms and conditions of any contract of employment or services for the benefit of the Co-op, or duty of care to the Co-op, to which an Individual is or may in future become subject.

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6.7 Record Retention

6.7.1 Conflict of Interest Declarations (C-01A) will be maintained on SolarShare’s server. Declarations made at board meetings will be recorded in the minutes and be kept as part of the corporate records of SolarShare.

7 Appendices and Attachments

B-02-Committee Terms of Reference

C-01A-Conflict of Interest Declaration and Confidentiality Statement

8 Revision History

Revision	Date	Description of Changes	Approved By
00	unknown	Initial Release	Board
01	2019/06/25	SolarShare Policy Development Project	Board
02	2020/10/01	Remove reference to board policies document	Governance Committee



Conflict of Interest Declaration and Confidentiality Statement

Directors, Officers, Committee Members, Employees
TREC SolarShare Co-operative (No. 1) Inc.

I acknowledge that I have received a copy of SolarShare’s conflict of interest and confidentiality policies. I have read and understood the policies and procedures and have had the chance to ask questions of and received acceptable answers from the General Manager and/or the Board of Directors. I agree to abide by the terms of the policies.

Either:

- To the best of my knowledge and belief, I am involved in no situation or action that might be regarded as a potential conflict of interest with my duties with SolarShare; or
- As of the date of this declaration, the following constitutes the direct or indirect affiliations or relationships, financial or otherwise, that constitute or could be perceived as a conflict of interest:

Signature: _____

Name: _____

Date: _____