

Randolph Electric Membership Corporation

Board Policy No. 418

SUBJECT: Governance/Ethics Committee

I. OBJECTIVES

- A. To ensure that the Cooperative's business is conducted in accordance with proper legal and ethical standards;
- B. To encourage Directors and the CEO to conduct their business and personal lives according to the same high standards by which the members expect the Cooperative's business to be conducted;
- C. To reaffirm the Cooperative's commitment to the use of the highest ethical standards in the conduct of its affairs;
- D. To oversee compliance with the Cooperative's ethics-related policies; and
- E. To monitor the Board's adherence to requirements set forth in the Bylaws of the Cooperative.

II. POLICY

This policy will describe procedures ensuring the highest level of ethical conduct among Board members and the CEO.

III. PROVISIONS

- A. It has been the longstanding policy of the Cooperative to maintain the highest ethical standards in the conduct of Cooperative affairs and in its relationships with consumers, suppliers, employees, advisors, and the communities in which we serve.
- B. Directors and the CEO are expected to adhere to acceptable business principles in the conduct of the Cooperative's business and their personal affairs, and to exhibit a high degree of personal integrity at all times.
- C. Whether acting in an official capacity or not, conduct of a Director or the CEO reflects on the Cooperative. Therefore, Directors and the CEO should observe the highest standards of professionalism at all times.

- D. Without relieving other Directors and Officers of their responsibility to adhere to the highest ethical standards, the President shall appoint an Ethics Committee composed of three (3) or four (4) Directors, each being appointed for a one (1) year term. The Cooperative's CEO shall attend the Committee's meetings. The Committee shall consult the Cooperative's General Counsel on an as-needed basis.
- E. The Governance/Ethics Committee shall oversee compliance with the Cooperative's Whistleblower Protection policy and follow the directives contained therein. The Committee shall obtain necessary information and cooperation from the Finance and Audit Committee in furtherance of these responsibilities.
- F. The Governance/Ethics Committee shall monitor compliance with the Cooperative's Standards of Conduct policy.
- G. The Governance/Ethics Committee shall monitor compliance with the Cooperative's Conflicts of Interest policy, including the requirement to review IRS Form 990 disclosures.
- H. The Governance/Ethics Committee shall monitor the Board's compliance with the requirements of the Bylaws of the Cooperative.

IV. RESPONSIBILITY

- A. The President is responsible for appointing the Governance/Ethics Committee.
- B. The Committee is responsible for complying with the duties set forth in this policy.
- C. Directors and the CEO are each individually responsible for adhering to ethical standards of conduct.
- D. The Board of Directors is responsible for ensuring that the Cooperative's affairs are conducted in compliance with this policy and that each Director and the CEO accepts his/her responsibility as set forth herein.

EFFECTIVE DATE: October 27, 2008

REVISED EFFECTIVE DATE: August 27, 2012
April 25, 2024