

Code of Conduct for Directors of the HRPA Board, Directors of HRPA Chapter Boards and Committee Members

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1.0 Overarching Principles

- 1.1 The purpose of this Code is to record the minimum standards of conduct required of all directors in carrying out their duties and responsibilities as directors. A Director is a member of the Board of the Human Resources Professionals Association (HRPA), or a member of the Board of one of HRPAs Chapters for the purpose of this Code. For the purposes of this document only, a Director includes anyone appointed to serve on a committee, working group or task force of the HRPAs or one of its Chapters.
- 1.2 The Board of HRPAs has approved this Code. The Board may approve updates or amendments to this Code from time to time.
- 1.3 Nothing in this Code requires or permits a Director to act in a way that would be a breach of any duty owed by that Director or that would be unlawful.
- 1.4 This Code is in addition to any other charter, policy, protocol or code of conduct that, from time to time, is approved by the directors.
- 1.5 Since no code or policy can anticipate every situation that may arise, this code is intended to provide guidance to directors for handling unforeseen situations that may arise.
- 1.6 Directors are encouraged to bring questions about particular situations to the attention of the Chair of the HRPAs Governance and Nominating Committee and/or the Chair of the Board of HRPAs. Chapter directors may, at the discretion of said Director, first raise their questions about particular situations with the Chair/President of the Board of their local chapter.

2.0 Duties

2.1 Duty of Good Faith:

As a fiduciary, a Director must act honestly, in good faith in the best interests of HRPAs as a whole and for a proper corporate purpose. A Directors duty to act in the best interests of HRPAs as a whole takes preference to acting in the interests of individuals or groups of members. This does not mean that a Director may not present the views of selected members for consideration by the Board so as long as the Director genuinely and reasonably believes that in so doing they are acting consistently with the interests of the association as a whole.

Equally, a Director must not prefer, promote or protect the interests of any particular group of directors or a director's personal or commercial interests at the expense of the best interests of HRPAs as a whole.

In special circumstances, a Director may also owe a duty to other stakeholders. For example, the interests of creditors must be taken into account if HRPAs is in financial difficulty. HRPAs and the directors must also comply with all relevant statutory obligations, including human rights, environmental, occupational health & safety, industrial relations and competition & consumer protection laws.

Directors must exercise the powers granted to them for the purpose for which they were given, rather than a collateral purpose. For example, a Director must not directly or indirectly use their powers to protect their own position or perpetuate their own control or the position or control of a particular group of directors.

A Director must not make improper use of information acquired as a Director to gain an advantage for himself or herself or someone else or to cause detriment to HRPAs.

A Director must not take improper advantage of their position as a Director to gain an advantage for himself or herself or someone else or to cause detriment to HRPAs.

2.2 Duty of Loyalty and Conflict of Interest

A Director must not place him or herself in a position where there is the possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other company and the interests of HRPAs or duties to HRPAs. A conflict of interest exists where there is an arrangement or relationship between the Director or a related person or related corporation and another person where a reasonable person could conclude that the exercise of the Director's powers or judgment may conflict with or be influenced by the arrangement or relationship. A conflict of interest may be actual, potential or perceived.

- (a) *Relationships with third-parties.* Directors should not receive a personal benefit from any person or firm that is seeking to do business or to retain business with HRPAs.
- (b) *Gifts.* Directors and members of their families must not accept gifts from persons or firms that deal with HRPAs where any such gift has a value beyond what is a normal and customary business courtesy.
- (c) *Personal use of HRPAs assets.* Directors must not use HRPAs assets, resources or information except in connection with HRPAs business.

Actions where conflict arises: Apart from the obligation to notify the other directors of any material personal interest or other actual or potential conflicting interest, a director shall recuse him or herself from any HRPAs decision involving another firm or company with which the director is affiliated. This includes abstaining from voting on the matter and absenting him or herself from all deliberations relating to the matter.

2.3 Duty of Care

The duty of care refers to the Director's obligation to exercise due diligence in making decisions and is often expressed as the duty of care that "an ordinarily prudent person would exercise in a like position and under similar circumstances". It applies to all decision making and to every action of the Board or committee and includes the obligation to stay informed and attentive – regardless of their degree of participation, presence or absence at a meeting, or lack of opportunity to read, question, or otherwise intervene. While directors may delegate a decision to committees or rely upon the advice of professional outsiders, the duty of care standard requires a Director to conduct a thoughtful and careful inquiry before reaching a decision.

The “business judgment rule” protects directors from liability for business decisions that turn out poorly if it can be demonstrated that they acted in good faith, considered all of the relevant facts, and delegated decision making only to qualified individuals.

2.4 Duty to HRPAs Mission

The duty of obedience requires directors to be faithful to the organization’s stated mission. Every decision a director makes concerning the allocation of resources should support and reinforce HRPAs mission. Activities that venture from HRPAs mission may constitute a breach of trust.

3.0 Conduct at Board and Committee Meetings

3.1 Decisions: A Director must bring an open and independent mind to Board and Committee meetings, listen to the discussion on each issue raised, consider all of the viewpoints—both for and against each motion and reach a decision that they believe, in good faith and on reasonable grounds, to be in the best interests of HRPAs as a whole.

3.2 Dialogue: An opportunity must be provided for a Director to put his or her views on issues before the Board or a Committee on which he or she sits. While directors must treat each other with courtesy and observe the other rules in this Code, directors should be able to engage in constructive dialogue to reach decisions that are in the best interest of HRPAs.

3.3 All elected directors must attend all Board and Board Committee meetings as per the annual schedule. Should they miss a meeting, leave early or arrive late at three consecutive meetings or miss more than one third of the total meetings, the Board may consider removal of the director.

3.4 All appointed directors must attend all Board and other committee meetings as per the annual schedule. Should they miss a meeting, leave early or arrive late at three consecutive meetings or miss more than one third of the total meetings, the Board may consider removal of the director.

4.0 Confidentiality

4.1 Confidential Information: Confidential information (including the contents of Board or Committee documents received by a Director in the course of the exercise of the Director’s duties) remains the property of HRPAs from which it was obtained. Accordingly, a Director must not disclose such confidential information, including the content of discussions and any decisions, resolutions, recommendations or directives made or given at Board or Committee meetings or any confidential communications between HRPAs and the directors or between some or all of the directors in relation to the affairs of HRPAs, or allow any of the foregoing to be disclosed, unless that disclosure:

- (a) has first been duly authorized by the Board;
- (b) is required by law or by any notice, order or regulation of any regulatory authority which is binding on the Director;
- (c) is made to such employees, agents or advisers of HRPAs who have a legitimate interest in the subject of the disclosure and on the basis that the information being disclosed is to remain confidential;
- (d) is made by the Board Chair but only where the Board Chair honestly and reasonably believes that such disclosure would not constitute a breach of the Board Chair’s statutory duties as a Director.

The above confidentiality restrictions are of fundamental importance. All directors must feel free to discuss without inhibition their views on issues before the Board. Likewise, executives must feel confident that commercially sensitive and potentially controversial issues concerning the business and affairs of HRPAs can be fully and frankly canvassed in the boardroom without risk of later unauthorized release to the public domain.

5.0 Professional integrity

- 5.1 **Courtesy:** A Director must not be discourteous toward fellow directors or staff or make personal attacks on a fellow Director or a member of staff, whether in Board, Committee or other internal HRPAs meetings or in discussion with others or in public statements.
- 5.2 **No prejudicial actions or statements etc:** A Director must not engage in conduct, or make any public statement, likely to prejudice HRPAs business or likely to harm, defame or otherwise bring discredit upon or denigrate HRPAs or any of the directors or employees of HRPAs.

6.0 Post-Term Responsibilities

- 6.1. A Director or committee member of the HRPAs Board or of a chapter of HRPAs shall not take improper advantage of past office after ceasing to be a Director or committee members of the HRPAs Board or of a chapter of HRPAs.
- 6.2 The Duty of Confidentiality will survive the end of one’s term as a Director or committee member of the HRPAs Board or of a chapter of HRPAs

DECLARATION

Each volunteer of the Human Resources Professionals Association shall be required to sign, annually, the declaration below with respect to matters discussed within the context of their role as a member of the HRPAs Board of Directors/Committees, HRPAs Chapter Boards and other Committees of HRPAs.

As a member of the Board of Directors/Committee Members of the Human Resources Professionals Association,

I _____ acknowledge that I shall act in the best interests of the Association when participating as a member of the Board of Director/Committee Members, Chapter Board, and/or HRPAs various Committees or Task Forces and agree to abide by the Director/Committee Member’s Code of Conduct and the following:

- 1. That I shall declare any and all conflicts of interest in which I find myself as a result of my role as a member of the Board of Director/Committee Members or as a member of a Committee of the Human Resources Professionals Association and will withdraw from participation in the decision making process with respect to the issues on which there is a conflict or potential conflict of interest.
- 2. That I shall hold confidential all discussion that occurs within the context of meetings of the Board of Director/Committee Members and its Committees, unless and until the Board shall approve the dissemination of information with respect to the deliberations of the Board and/or Committee.

Signed at _____, this _____ day of _____ 20_____.

DIRECTOR/COMMITTEE MEMBER’S SIGNATURE

WITNESS SIGNATURE

PRINT NAME

PRINT NAME