

CONFLICTS OF INTEREST POLICY

While we expect that employees have private lives outside of the CAFB, each CAFB Team Member has an obligation to ensure that his or her activities do not conflict with, or appear to conflict with, the best interests of the CAFB or our mission. A conflict of interest exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the CAFB or its mission. A conflict of interest can arise when a CAFB Team Member takes actions or has interests that may make it difficult to perform his or her work on behalf of the CAFB objectively and effectively. This policy does not limit the political or religious affiliations of a CAFB Team Member in their private capacity where it is clear that such affiliation is not on behalf of the CAFB and does not create the appearance of a conflict of interest.

CAFB Team Members should conduct themselves with the highest legal and ethical standards at all times. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management. Team Members who become aware of a potential or actual conflict of interest should immediately bring it to the attention of the following individuals:

- Employees, volunteers and interns should address their questions to their supervisor, Director of Human Resources, or the CEO;
- Members of the Board should address their questions to a member of the Executive Committee, which consists of the Chairman of the Board, the CEO, the Vice-Chairman of the Board, the Treasurer of the Board, the Secretary of the Board, the Chairman of the Audit Committee, and the Chairman of the Executive Committee; and
- Other individuals to whom this Code applies should address their questions to the CAFB employee(s) who assign their work or who serve as their primary point of contact.

Then, as appropriate, the CAFB Team Member should remove him or herself from that situation unless they have received permission, in writing, by the appropriate CAFB Authority. The terms of this Code do not seek to prohibit participation in certain protected concerted labor activities, regardless of potential conflicts with CAFB's interests.

The Executive Committee in its capacity to act for the Board will make the final determination whether to proceed with a conflicted transaction or arrangement.

General Conflicts of Interest Guidelines Applicable to All CAFB Team Members

The following guidelines apply to all CAFB Team Members; however, additional guidelines are included below for the Board, officers, and Key Management Personnel (defined below).

Business dealings with third parties should not result in unusual gains. Unusual gains refer to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the CAFB, a CAFB Team Member or both. Promotional

plans that could be interpreted to involve unusual gains require specific approval by the Executive Committee.

An actual or potential conflict of interest occurs when a CAFB Team Member is in a position to influence a decision that may result in a personal gain for that CAFB Team Member or for a relative as a result of the CAFB's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the CAFB Team Member is similar to that of persons who are related by blood or marriage.

As a CAFB Team Member, you have a duty of loyalty to the CAFB. You may not be an employee of, or have any undisclosed financial interest in, a supplier or customer of the CAFB. CAFB Team Members shall make prompt and full disclosure in writing to their manager of any potential situation, which may involve a conflict of interest. Such conflicts include:

- Ownership by a CAFB Team Member or by their relative of a significant interest in any outside enterprise, which does or seeks to do business with the CAFB.
- Serving as director, officer, partner, and consultant or in a managerial or technical capacity with an outside enterprise which does or is seeking to do business with the CAFB.
- Acting as a broker, finder, go-between or otherwise for the benefit of a third party in transactions involving or potentially involving the CAFB or its interests.
- Any other arrangements or circumstances, including family or other personal relationships, which might dissuade an employee from acting in the best interest of the CAFB.

Additional Conflicts of Interest Guidelines Applicable to the Board, Officers, and Key Management Personnel

In addition to the above, the following guidelines also apply to members of the Board, officers, and Key Management Personnel. "Key Management Personnel" includes any manager who reports directly to the CEO and any other employee who is in a position to exercise substantial influence over the CAFB's affairs at any time. Key Management Personnel includes (without limitation) the CEO, the Chief Financial Officer, the Controller, and other personnel designated by the Chair of the CAFB Board of Directors after consultation with the CEO.

As a non-profit, tax-exempt organization, the CAFB depends on the public trust for its effectiveness and financial stability. It also depends on maintaining its tax-exempt status. Therefore, the CAFB's operations must fulfill all legal requirements, and meet the government's and public's expectations, regarding actual or potential conflicts of interest.

Consequently, there exists between the CAFB and its Board, officers, and employees a fiduciary duty that carries with it a broad and unbending duty of loyalty and fidelity. The Board, officers, and employees are responsible for administering the affairs of the CAFB honestly and prudently, and for exercising their best care, skill, and judgment for the CAFB's sole benefit. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the CAFB or knowledge gained therefrom for their personal benefit. The organization's interests must have the first priority in all decisions and actions related to it.

General Areas in which an Actual or Potential Conflict of Interest Might Arise

Conflicts of interest may arise in the relations of directors, officers, and Key Management Personnel with any of the following third parties (and regardless of whether remuneration of any kind is paid or received):

- Persons and firms supplying goods and services to the CAFB;
- Persons and firms from whom the CAFB leases property and equipment;
- Persons and firms with whom the CAFB is dealing or planning to deal in connection with the gift, purchase, or sale of real estate, securities, money or other property;
- Competing or affinity organizations;
- Donors of goods, services, or money, and others supporting the CAFB;
- Recipients of grants of goods, services, or money from the CAFB; and
- Agencies, organizations, and associations that affect the CAFB's operations.

A material, conflicting interest may be defined as an interest, direct or indirect, with any persons and firms mentioned below. Such an interest might arise, for example, through:

- Owning stock or holding debt or other proprietary interests in any third party dealing with the CAFB;
- Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) by any third party dealing with the CAFB;
- Receiving remuneration for services with respect to any transaction involving the CAFB;
- Using the CAFB's time, personnel, equipment, supplies, or good will other than for approved CAFB activities, programs, and purposes; or
- Receiving personal gifts or loans from third parties dealing with the CAFB, except gifts of nominal value that could not be refused without discourtesy. No personal gift of money should ever be accepted.

The areas and relationships of conflicting interest listed in this policy are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the Board, officers, and Key Management Personnel will recognize such areas and relation by analogy.

The fact that one of the interests described in this section exists does not mean necessarily that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the CAFB's interests.

However, it is the policy of the Board that the existence of any of the interests described in this section shall be disclosed on a timely basis and always before any transaction is consummated. It shall be the continuing responsibility of the Board, officers, and Key

Management Personnel to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

Specific, Potential Conflicts of Interest

There are three specific, potential conflicts of interest that the Board has evaluated and for which it has established specific guidelines: (1) Board members who are employed by, or sit on the board of, a CAFB partner agency; (2) Board members who are employed by food retailers or wholesalers that provide food, services, or other support to the CAFB; and (3) Board members who are owners, officers, partners, or employees of organizations that donate goods, services, or money to the CAFB.

Board Members Who Are Employed By a CAFB Partner Agency

The CAFB's Board of Directors recognizes the important contribution that employees of partner agencies can make to the Board and the CAFB. Consequently, the Board has determined that, so long as the relations between the CAFB and the partner agency whose employee sits on the CAFB's Board of Directors are typical of those between the CAFB and partner agencies who have no employees sitting on the CAFB's Board of Directors, the business dealings between the CAFB and the partner agency whose employee sits on the CAFB's Board of Directors need not be subject to Board scrutiny.

If the CAFB and the partner agency whose employee sits on the CAFB's Board of Directors wish to enter into an atypical arrangement, such arrangement must be submitted for consideration to the Executive Committee in accordance with the policy below.

Board Members Who Are Employed By Food Retailers or Wholesalers That Provide Food, Services, or Other Support to the CAFB

The CAFB's Board of Directors recognizes the important contribution that employees of food retailers or wholesalers can make to the Board and the CAFB. Consequently, the Board has determined that, so long as the relations between the CAFB and the food retailer or wholesaler whose employee sits on the CAFB's Board of Directors are typical of those between the CAFB and food retailers or wholesalers who have no employees sitting on the CAFB's Board of Directors, the business dealings between the CAFB and the food retailer or wholesaler whose employee sits on the CAFB's Board of Directors need not be subject to Board scrutiny.

If the CAFB and the retailer or wholesaler whose employee sits on the CAFB's Board wish to enter into an atypical arrangement, such arrangement must be submitted for consideration to the Executive Committee in accordance with the policy below.

Board Members Who Are Owners, Officers, Partners, or Employees of Organizations That Donate Goods, Services, or Money to the CAFB.

The CAFB's Board of Directors recognizes that organizations with which Board members are affiliated through ownership or employment donate goods, services, and money to the CAFB. These contributions are important to the CAFB and can be part of a Board member's

overall contribution to the CAFB. Consequently, the Board has determined that, so long as (1) the contributions to the CAFB from organizations with which Board members are affiliated through ownership or employment, and (2) the CAFB's treatment of such organizations as a result of such contributions, are typical of those between the CAFB and other donors of goods, services, or money, the contributions between the CAFB and such organizations (and the CAFB's treatment of such organizations as a result of such contributions) need not be subject to Board scrutiny.

If the CAFB and an organization with which a Board member is affiliated through ownership or employment wish to enter into an atypical arrangement, such arrangement must be submitted for consideration to the Executive Committee in accordance with the policy below.

Procedures to Disclose Potential Conflicts of Interests

Duty to Disclose

Any person covered by this policy must disclose the existence of a potential conflict of interest along with material facts to the Chair of the Board of Directors or the CEO as soon as the person becomes aware of the potential conflict. It is especially important that any potential conflicts be disclosed before the CAFB enters into any transaction or arrangement that could be tainted by the conflict. If the Chair of the Board or if the CEO is involved in the potential conflict, the Chair of the Audit Committee should replace that individual in this and subsequent paragraphs.

Determining Whether a Conflict of Interest Exists

The CEO and Chair of the Board shall jointly determine whether a potential conflict of interest represents a true conflict of interest for further evaluation by the Executive Committee. They will report all disclosed conflicts of interest and their determinations to the Executive Committee and the Executive Committee may accept or reject such determinations. The CEO and Chair of the Board may consult with legal counsel as they deem appropriate or necessary.

Procedures for Addressing the Conflict of Interest

- General Procedure: Decisions regarding transactions or arrangements that present conflicts of interest shall follow the normal process to make such a decision EXCEPT THAT the final decision shall be made by the Executive Committee.
- When the Executive Committee meets to make a decision regarding a conflict of interest, an interested person may make a presentation to the Executive Committee regarding the proposed transaction or arrangement that gives rise to a conflict of interest. However, the interested person shall leave the Executive Committee meeting before discussion of the transaction or arrangement, including any vote related thereto.

- In its deliberations, the Executive Committee shall determine whether the CAFB can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If appropriate, the Executive Committee may appoint, or designate the Chair of the Board to appoint, one or more non-conflicted individuals to investigate alternatives to the proposed transaction or arrangement. These individuals may be Board members, staff members, or qualified outsiders.
- If a more advantageous transaction or arrangement is not reasonably possible under circumstances without a conflict of interest, the Executive Committee shall determine whether the transaction or arrangement is in the CAFB's best interest and whether it is fair and reasonable to the CAFB. In conformity with the above determination, the Executive Committee shall make its decision as to whether to authorize the CAFB to enter into the transaction or arrangement. Per the paragraphs above, the interested person shall not be present when these determinations are made.
- The Executive Committee may consult with legal counsel as it deems appropriate or necessary.

Conflicts Regarding Compensation

- A voting member of the Board of Directors or Executive Committee who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's own compensation. In addition, any such member shall exit any meeting before a discussion of that member's compensation.
- Voting members of the Board or Executive Committee who are precluded from voting on their own compensation per the policy above are permitted to provide information to the Board or Executive Committee about their compensation before exiting the meeting and are permitted to participate in discussions regarding compensation of other members. Notwithstanding the foregoing, the Board Chair or Executive Committee chair may determine that a member may not participate in the discussion or vote on the compensation of other members whose compensation is subject to very similar considerations.

Violations of the Conflicts of Interest Policy

- If the CEO or Chair of the Board has reasonable cause to believe a member of the Board, an officer, or a member of Key Management Personnel has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford that person an opportunity to explain the alleged failure to disclose.
- If, after hearing that person's response and after making further investigation as warranted by the circumstances, the CEO or Chair of the Board determines the person has failed to disclose an actual or possible conflict of interest, it shall recommend appropriate corrective action to the Executive Committee, which will then determine what, if any, action to take, including disciplinary action. The Executive Committee shall inform the full Board of Directors of any action taken. In certain instances, the Executive Committee's recommended action may require

the Board's approval, in which case the recommended action shall be submitted to the Board for its consideration and approval.

- The CEO, Chair of the Board and Executive Committee may consult with legal counsel as each deems appropriate or necessary.

Records of Proceedings

The CAFB Board of Directors and its committees shall include in their minutes names of individuals who disclosed potential conflicts of interest, the determination of whether it was an actual conflict, and any actions taken to address an actual conflict of interest, including clear records of who was present for discussions and votes.

Annual Statements

Each Board member, officer, and member of Key Management Personnel shall annually sign the statement attached hereto as Exhibit A.