



CODE OF ETHICS/ CODE OF CONDUCT POLICY

The Kumasi Wood Cluster's (KWC) reputation is dependent upon the good judgment, ethical standards and personal integrity of every individual in KWC. As KWC continues to grow, it is of paramount importance that we always conduct our day-to-day activities in an ethical and responsible manner.

GENERAL STATEMENT

The purpose of this policy is to outline the high standards of ethics and excellence applicable to volunteers, employees, agents, interns, and representatives of KWC.

COMPLIANCE WITH LAWS AND REGULATIONS

KWC's business is to be conducted in compliance with all applicable legal requirements. Therefore, each employee and volunteer is required to comply with both the letter and spirit of such laws and regulations. Except as required, in the performance of their duties for the Company, employees may not use or disclose any proprietary information such as, business plans, financial data, management information, not-for-public reports, organization secrets, customer and supplier information and contracts to anyone who does not work for us or has a need to know the information.

The understanding of legal requirements by all concerned is responsibility of the staff, consultants, resource persons, interns, volunteers and Board of Directors. Employees and interns should consult with the appropriate staff or officer and Board members should consult with the Board Chair should the need arise. Whenever necessary, legal advice should also be sought.

The Board of Directors, with the assistance of staff and legal counsel, will prescribe procedures to assure understanding and compliance with laws and regulations. Staff will implement necessary procedures to follow the Board's directive and to assure understanding and compliance within their areas of responsibilities. Minutes of all Board and committee meetings shall be written, distributed, and approved. Attendance and votes shall be recorded.

CONFLICTS OF INTEREST

The success and integrity of KWC depends upon its employees, interns, volunteers and their legal, moral, and ethical standards. When engaged in personal and outside interests, employees, interns

and should be free from any interest, influence or relationship which might conflict, or appear to conflict, with the best interests of KWC; or which might affect their judgment or loyalty. All have the legal, moral, and ethical duty to protect KWC interests and refrain from doing anything that would injure KWC's services or reputation. Employees, interns and volunteers are prohibited from engaging in activities, which constitute actual or apparent conflicts of interest.

If employees have interests, which could conflict with those of KWC, they should immediately discuss them with their supervisor. Volunteers are required to disclose potential conflicts annually to the Board of Directors. Participation in any activity in violation of this policy must not be started or continued without written approval of the responsible executive or officer of the Board of Directors.

The Board of Directors, with the Executive Director and legal counsel, will prescribe procedures for determining whether objectionable conflicts do in fact exist; and will be the final arbiter as to whether or not a particular activity violates this policy. Examples of activities, which will generally violate this conflicts of interest policy, are:

1. Other employment that may interfere with or adversely affect work performance.
2. Direct or indirect ownership by employees or members of their immediate family of a substantial equity or debt interest in a supplier to KWC.
3. Accepting substantial gifts, entertainment, loans, compensation, concessions, or benefits of any kind from a supplier to KWC.
4. Having financial interests in any KWC transaction involving the purchase or sale, lease, or rental of any goods, materials, equipment, supplies, services, or property.
5. Unauthorized disclosure or use of confidential information.
6. Using employees, materials, equipment, or other assets of KWC for any unauthorized purpose.
7. Involvement in any other business activity, transaction, or relationship, which could reasonably be interpreted by others as illegal or unethical conduct or in conflict with KWC interests.

Payments to Government Officials, Customers, or Others

In order to comply with applicable law and to avoid situations which can damage KWC's reputation and integrity, no employee, intern or volunteer shall make any bribe, or other payment for illegal purposes to or for the benefit of government officials, customers, suppliers, or others. This policy covers not only payments, but also indirect payments made in any form through consultants, third parties, or some other intermediary.

Offering or Accepting Gifts or Gratuities

The KWC's continued success and prosperity shall not be impaired by acts or situations, which cause it embarrassment, or obligations or liabilities which compromise its ability to operate

independently and effectively. Accordingly, it is KWC's policy to generally prohibit the giving and accepting of gifts or gratuities.

Whenever an employee or volunteer deals with a supplier, a customer or governmental agency as an agent of the KWC, the employee or volunteer has an obligation to act solely in KWC's best interest. This obligation includes not only those acts formalized by written contracts, but also covers the everyday business relationships with suppliers, customers, governmental officials, and government employees.

Employees are prohibited from giving or accepting substantial gifts or gratuities. An exception may be made for gifts which are recognized as a custom of the trade, are of insignificant value, and could in no way cause KWC to be embarrassed, obligated, or incur liability.

Receipt of Items by Employees, Agents, and Representatives

KWC employees, interns, volunteers, agents, and representatives may accept meals, refreshments, or entertainment of nominal value in connection with discussions related to KWC business. Luncheons or dinner meetings, held to conserve time and build relationships, are an acceptable practice. They should, however, be infrequent and the other party should not be permitted to consistently bear the expense. Such expenditures should be nominal. Common sense should be used to define "nominal" and to determine what is lavish, extravagant, or frequent.

All employees, volunteers, agents, and representatives have a personal responsibility to ensure that their acceptance of such meals, refreshments, or entertainment is proper and not reasonably constructed as an attempt by others to secure favorable treatment.

KWC personnel are not permitted to solicit or accept personal gifts from individuals, firms, or their representatives who have or seek business relationships with KWC.

Except for loans by recognized banks and financial institutions, which are generally available at market rates and terms, KWC employees, agents, or representatives may not accept loans, guarantees of loans, or payments from individuals or firms doing or seeking business with the KWC. Employees may also not accept services, accommodations, or travel of any value unless received in conjunction with the performance of KWC business.

Employees shall not make personal purchases via KWC channels from outside suppliers. This provision excludes authorized employee purchases of KWC products under programs established for such purposes.

General Guidelines for Employees

Laws, regulations, and policies pertaining to entertainment, gifts, and payments may vary. Questions regarding their interpretation shall be submitted to the Executive Director. All approved expenditures for meals, refreshments, and entertainment must be fully documented and recorded on the KWC's books in strict accordance with established Company policies and procedures. Inexpensive advertising gifts from vendors are acceptable. Gifts having more than a nominal value shall be returned to the donor with a note of explanation.

It is imperative that all employees conduct themselves with integrity and transact all business in a strictly ethical manner. Any attempts by KWC vendors to operate unethically shall be reported to the Executive Director.

All KWC employees shall sign a “Statement of Understanding” which confirms that they understand and will comply with this Ethics Policy.

BIDDING NEGOTIATION AND PERFORMANCE OF CONTRACTS

The KWC will strictly observe the laws, rules, and regulations that govern state, and local governments with regard to acquisition and solicitation of goods and services. It will compete fairly and ethically for all such business related opportunities. No KWC employee, volunteer, agent, or representative shall attempt to obtain sensitive government or procurement information from any source; nor attempt to obtain information on competitors’ bids or proposals when release of such is unauthorized.

Individuals negotiating contracts for the KWC shall ensure that all statements, communications, and representations to KWC customers are accurate and truthful. Employees and volunteers shall not withhold relevant information that might affect a customer’s ability to negotiate a fair contract.

Sufficient care must be taken to ensure that all costs are properly recorded and charged to the appropriate account, regardless of its budget status.

Employees, volunteers, agents, and representative are specifically prohibited from submitting or concurring in the submission of any claims, bids, proposals or other documents that are knowingly inaccurate, false, fictitious, or fraudulent. Such acts may constitute criminal violations that could result in prosecution of the KWC and those involved.

Supervisors, managers, officers and Board members must be careful in their words and conduct to avoid placing or seeming to place pressure on subordinates that might cause them to deviate from acceptable norms of conduct.

KWC is dedicated to developing and providing products and services of the highest quality. Customers have a right to expect and KWC has an obligation to ensure that they are delivered at a fair price. This can only be accomplished by a continuing dedication to fair negotiation and strict adherence to all contractual obligations.

Personnel Issues

Governed by the KWC of Employee Handbook.

Accounting and Financial Records

Complete and Accurate Books, Records and Communications – Applicable laws and regulations establish the following requirements about record keeping and communications:

1. The KWC’s financial statements, all books and records upon which they are based, must accurately reflect all of the organization’s transactions.
2. All disbursements and receipts of funds must be properly and promptly recorded.

3. No undisclosed or unrecorded fund may be established for any purpose.
4. No false or artificial statements or entries may be made for any purpose in the KWC's books and records or in any internal or external correspondence, memoranda, or communication of any type.
5. Insure that all employees' benefits and prerequisites are authorized by appropriate boards and committees, and so noted in meeting minutes.

Internal Accounting Control

The KWC should maintain a system of internal control, which provides reasonable assurance that:

1. Transactions are executed in accordance with management's general or specific authorization.
2. Transactions are recorded as necessary to (a) permit preparation of financial statements in conformity with International Financial Reporting Standard (IFRS) or any other criteria applicable to such statements; and (b) maintain accountability for assets.
3. Access to assets is permitted only in accordance with management's general or specific authorization.
4. The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action taken for any difference.

Preservation of Assets and Cost-Consciousness

Every employee, intern, volunteer, agent, and representative has a duty to preserve the KWC's assets. Because the KWC is a non-profit organization, it is imperative that all demonstrate strong sensitivity to cost control and follow vigorous procurement standards. Materials and services, acquired for KWC's business, must be of appropriate performance, quality, and the best possible price.

KWC will reimburse reasonable expenses incurred by employees who travel on business or to KWC sponsored or approved events. Economies of travel should be practiced at all times in the selection of airlines, vehicle, accommodations, and meals. KWC may offer reimburse for such expenses to policy volunteers as deemed appropriate and affordable by the Chief Executive Officer.

Internet, Software, Electronic Data, Information

Violation of copyrights, patents, and the terms of license agreements are prohibited by law in most circumstances. Copies of software should be made only with proper authorization. Unauthorized duplication of materials must not be condoned.

Computing and communication technology enables the collection and exchange of personal information on a scale unprecedented in the history of civilization. Thus, there is increased potential for violating the privacy of individuals and groups. It is the responsibility of KWC professionals to maintain the privacy and integrity of data describing individuals. This includes

taking precautions to ensure the accuracy of data, as well as protecting it from unauthorized access or accidental disclosure to inappropriate individuals.

It is unethical when someone:

- seeks to gain unauthorized access to information,
- disrupts the intended use of information systems,
- wastes resources (people, capacity, computer) through such actions,
- destroys the integrity of computer-based information
- compromises the privacy of users

Fundraising and Projects

Fundraising and projects provide important sources of financial support for the work of the KWC. KWC's fundraising/project program should be maintained on a foundation of truthfulness and responsible stewardship. Its fundraising/project practices should be consistent with its mission, compatible with its organizational capacity, and respectful of the interests of donors and prospective donors.

Safety and Risk Management

KWC has an obligation to manage the risk it assumes in its programming and facilities without compromise towards the safety of participants, staff, and the community or the sustainability of the Company. Levels and types of insurance or other forms of risk transfer should be adequate, based on the Company's exposures to loss, to provide for the long term health of the KWC.

Compliance and Disciplines – Ethics Violations

Failure to comply with the standards, contained in this Ethics Policy, will result in disciplinary action that may include suspension, termination of employment, removal from a policymaking position (such as membership on the Board), termination of contract, referral for criminal prosecution, and/or reimbursement to the KWC for any losses or damages resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any person charged with a violation of this policy will be given an opportunity to explain his or her actions before the appropriate disciplinary action is taken.

Disciplinary action may be taken:

1. Against any person who knowingly authorizes or participates directly in actions which are a violation of this policy.
2. Against any person who deliberately fails to report a violation or withholds relevant and material information concerning a violation of this policy.
3. Against the violator's manager or supervisor when the circumstances reflect inadequate supervision or lack of diligence.

4. Against any supervisor or manager who directly or indirectly retaliates against any employee for reporting a violation of this policy, or encourages other to do so.

ETHICAL EDUCATION TRAINING FOR EMPLOYEES

Since well-informed and well-supervised KWC employees reflect good management practices, individual employees who know what is expected of them may be more likely to meet accountability standards and less likely to refuse responsibility for their performance – or to choose whistle blowing as a vehicle for communicating. Workshops and other forms of training programs on ethics are useful in helping managers and their employees cope with ethical dilemmas.