



## Director's Code of Conduct

### Duties of a Director

A Director of a company owes seven general **statutory duties** to the company (Companies Act 2006, sections 171 to 177).

These seven duties are set out below:

- to act within powers;
- to promote the success of the company for the benefit of its members as a whole;
- to exercise independent judgment;
- to exercise reasonable care, skill and diligence;
- to avoid conflicts of interest;
- not to accept benefits from third parties; and
- to declare interest in proposed transaction or arrangement.

### How Directors should act

- Act in the company's best interests, taking everything you think relevant into account.
- Obey the company's constitution and decisions taken under it.
- Respect confidentiality of the board's discussions.
- Be honest, and remember that the company's property belongs to it and not to you or to its shareholders.
- Be diligent, careful and well informed about the company's affairs.
- If you have any special skills or experience, use them.
- Make sure the company keeps records of your decisions.
- Remember that you remain responsible for the work you give to others.
- Avoid situations where your interests conflict with those of the company. When in doubt disclose potential conflicts quickly.
- Seek external advice where necessary, particularly if the company is in financial difficulty.

***As a Trustee of Stronsay Development Trust (hereinafter referred to as SDT), I confirm that I will respect and uphold the values that underpin all the activity of this organisation.***

These are:

**General**

- I will act in the best interest of the Trust.
- I will support the aims and objectives of SDT.
- I will be an active Trustee, making my skills, experience and knowledge available to SDT.
- I will participate in induction, training and development activities for Trustees.
- I accept my responsibility to ensure that SDT is well run and will raise issues and questions in an appropriate and sensitive way to ensure that this is the case.
- I will strive to identify good candidates for Directorship.
- I will make sure that decisions, including making staff appointments, awarding contracts or other business transactions are made solely on criteria defined by the Board.

**Integrity and honesty**

- Integrity and honesty will be the hallmarks of all conduct when I am dealing with colleagues within SDT and equally when I am dealing with individuals and organisations outside it.
- I will not put myself under any financial or other obligation to individuals or organisations that might seek to influence me in my performance.
- I will declare to the Board any gifts and hospitality that might reasonably be thought to influence my judgement. If in doubt I will declare them to the Board.

**Governance**

- I will act within the governing document of SDT and the law, and abide by the policies and procedures of the organisation. This includes having knowledge of the contents of the Articles of Association and relevant policies and procedures.
- I will act with probity, due prudence and should take professional advice where the Trustees do not have relevant expertise.
- I will continually seek to improve Board governance practice.
- I will be accountable for my decisions and actions to our members, subsidiaries, stakeholders, the public, funders, the media and the court, and must submit myself to scrutiny as appropriate to my role.
- I acknowledge that the Board shares the responsibility as employer and I will ensure to comply with employment law and effective staff management.

**Conflict of interest / personal gain**

- I will declare any conflict between my private interests and my different roles both within and outside SDT, the Board will consider appropriate action and I will abide by the Board's decision.
- I will not gain materially or financially from my Trusteeship with SDT, unless specifically authorised to do so.
- I will document expenses, retain receipts and seek reimbursement according to policy and procedure.
- I will use the Trust's resources responsibly, when authorised, in accordance with policy and procedure.

**Confidentiality**

- I will respect the confidentiality of the Organisation, Board and individuals.
- I will ensure that confidential material is handled with due care.
- I will be open about my decisions and the action I take and give reasons for my decisions.
- I will never use confidentiality as an excuse not to disclose matters that should be transparent and open and I will restrict access to information only when the wider interest clearly demands.

**Protecting the organisation's reputation**

- I will not communicate as a Trustee of SDT with other individuals or organisations without the prior knowledge and approval of the Board.
- When I have been authorised to communicate as a Trustee of SDT, my comments will reflect current Trust policy even when these do not agree with my personal views.
- I will inform the Board at once if I have communicated as a Trustee of SDT without prior consent.
- When speaking as a private person I will strive to uphold the reputation of SDT and those who work in it.

**Relations with others**

- I will not break the law or act in disregard of Trust's policies in my relationships with fellow Trustees, staff, service recipients, contractors or anyone I come into contact with in my role as Trustee.
- I will strive to establish respectful and courteous relationships with all I come into contact with in my role as Trustee.
- I will communicate and consult with other members of the Board openly and collegially and in a manner that assists each of us to fulfil our duties and responsibilities faithfully and efficiently.
- I will not deliberately undermine the Chair, fellow Trustees, the Trust or its staff.
- I will respect diversity, different roles and boundaries, and avoid giving offence.
- I will respect the privacy and private lives of fellow Trustees and staff when dealing with personal information.

**Meetings**

- I will attend Board meetings or give my apologies in advance.
- I am aware that if I am unable to attend three consecutive Board Meetings without permission of the Board, I will be deemed to have resigned.
- I will respect the authority of the Chair in his or her role as meeting leader.
- I will read circulated papers before meetings and will be ready to comment/ask questions at the meeting.
- I will exercise independent judgment and participate in collective decision making, accept a majority decision of the board and will not act individually unless specifically authorised to do so.
- I will maintain confidentiality about what goes on in the boardroom unless authorised by the Board.
- I will attend events out with Stronsay if such events are considered by the Board to be relevant and useful to the Trust, within reasonable bounds and with expenses paid, and to share my knowledge and experience.

**Communication**

- I will be expected to have my own email facility.
- I will strive to access my email on a daily basis, since vital information is often passed on electronically and effective communication is of paramount importance to the organisation.
- In the event that I cannot access my email, I will be responsible for obtaining hard copies.
- I will be expected to reply promptly where a reply is required.

**Administration**

- I will notify any change in circumstances (address, etc.) immediately to the Company Secretary so that Companies House can be kept informed as this is a legal requirement.

**Leaving the board**

- I understand that a substantial breach of any part of this code may result in procedures being put in motion that could result in my removal as Trustee of the Board.
- Should this happen I will be given the opportunity to be heard. In the event that I am removed from the board I will accept the majority decision of the board.
- Should I resign from the board, I will inform the Chair in advance in writing, stating my reasons for resigning if required by the Board.

***I have read and understood my role with Stronsay Development Trust***

**Signed.....Name.....**

A Company Limited by Guarantee, Registered in Scotland. Company Number SC271553  
A Scottish Charity SC038888 Registered Office: Unit 1, Wood’s Yard, Stronsay, Orkney KW17 2AR

