

GLOBAL LEADERSHIP SELECTION BOARD SELECTION PROCEDURES

Updated: October 24, 2024

1.0 Board Nomination Committee Creation

- 1.1 The Board shall establish a Board Nomination Committee ("BNC") annually for the purpose of conducting the annual Board Selection Process ("BSP"). The BNC will convene for a term determined by the Board and shall provide a slate of candidates for each annual election.
- 1.2 The guiding principles of the BNC shall be:
 - 1.2.1 Respect the spirit of EO membership;
 - 1.2.2 Maintain confidentiality of the identity of all BNC members except the BNC chair, whose identity shall be public and communicated to EO members;
 - 1.2.3 Maintain independence and neutrality;
 - 1.2.4 Develop a strong understanding of the Board candidate pool;
 - 1.2.5 Guarantee the confidentiality of Board candidates' personal data and the respectful handling of Board candidates' materials and information;
 - 1.2.6 Encourage meaningful involvement of EO membership; and
 - 1.2.7 Focus on cultural and demographic diversity, and regional inclusion, including reasonable efforts to ensure board composition accurately and proportionally represents the cultural, demographic, and regional diversity of EO's membership at large.
- 1.3 Balance continuous improvement of the BSP with a long-term sustainable approach to Board election.

2.0 Board Nomination Committee Membership

- 2.1 The organization, structure, and establishment of the BNC shall be in accordance with the following criteria:
 - 2.1.1 The BNC shall be composed of the BNC chair plus six (6) to eight (8) members, in addition to the one (1) member of the Board who shall act as the BNC Board liaison. Subject to the limitations above, the total number of BNC members of each BNC shall be at the discretion of the BNC chair.
 - 2.1.2 All members of a BNC must have served as a Tier One or Tier Two member leader (as defined in EO's Conflict of Interest Policy).
 - 2.1.3 All members must be in good standing with EO and agree in writing to adhere to the terms and requirements of this Appendix B and any other requirements as published by the BNC chair and the Board from time to time.
 - 2.1.4 Every effort will be made to have regional representation with no more than two (2) members, including the chair, being from the same



- region.
- 2.1.5 One (1) member must have served previously as a Board member, but not within the past three (3) years. No more than one (1) member of the BNC may have previously served as a Board member.
 - 2.1.6 Current Board members shall not be eligible to serve on a BNC.
 - 2.1.7 BNC members shall be prohibited from submitting an application for the Board for at least two (2) EO fiscal years following their term on the BNC.
 - 2.1.8 BNC membership, including the position of BNC chair, shall be limited to one (1) year terms unless otherwise agreed upon by the Board.
- 2.2 BNC Chair
- 2.2.1 The chair of the BNC shall be selected and appointed directly by the current Board.
 - 2.2.2 The BNC chair shall not be a member of the Board or a current Regional or Standing or Ad-hoc Committee chair.
 - 2.2.3 The BNC chair must have served as a past Tier One leader and as a chapter president. The Board may elect to make an exception to this rule by majority vote.
- 2.3 BNC Membership Selection
- 2.3.1 The BNC chair shall advertise and promote the creation of the BNC and conduct the BNC member appointment process by encouraging eligible members to apply for BNC membership. In order to do so, the BNC chair shall describe BNC tasks and BNC membership qualifications in a position and job description document to be shared with all BNC-eligible EO members.
 - 2.3.2 The Board shall make recommendations to the BNC chair for the skill set needed for BNC membership.
 - 2.3.3 Once applications for BNC election candidates have been received by the BNC chair, such qualified candidates' information shall be submitted to the Governance Committee for review and validation of pending or closed investigations. The Governance Committee shall have the authority to reject candidates from the list provided to it by the BNC to prevent candidacies that do not align with EO's mission or values.
 - 2.3.4 The Board will ratify the members of the BNC, but their names will not be made public with the exception of the BNC chair.
 - 2.3.5 The Board shall be responsible for ratifying BNC Board liaisons.

3.0 Board Nomination Committee Duties

- 3.1 The BNC shall be responsible for managing the entire BSP through the November Board meeting.
- 3.2 The BNC is to organize and supervise the execution of the annual BSP and Board elections, including, without limitation:
 - 3.2.1 Annual time frame for BSP;
 - 3.2.2 If required, adaption of the Board position and candidate



- specifications based on the Board's feedback;
- 3.2.3 Identification and pre-validation of Board candidates in an annual master list of candidates;
- 3.2.4 Creation of initial Master Annual List ("MAL") of eligible Board candidates.

3.3 Creation and proposal of an eligible Board candidate short list to the Board.

4.0 Nomination Process

4.1 The call for nominations is done in an email from the chair at the start of the application timeframe, posted in EOupdate, and promoted to select audience groups who are qualified for the position based on prior EO Global Leadership experience. The application period shall be from 1 August to 15 September each year.

4.2 Best practices

4.2.1 Each region is encouraged to nominate two (2) or more Board candidates through the Path of Leadership (PoL) Committee.

4.3 Applications

4.3.1 The member applying to the Board goes to the eonetnetwork.org website and fills out the application, including two (2) reference letters, a revenue verification form and an executed copy of the Intellectual Property Agreement.

4.3.2 The application deadline is 15 September.

4.3.3 The application deadline may only be extended by a majority vote of the BNC unless otherwise authorized in the Global Board Selection Procedures. If the Board application deadline is modified or extended, any applications filed previously will be granted additional time for resubmission, if desired.

4.3.4 The BNC shall have the discretion to accept individual late Board applications with prior disclosure of the circumstances to the BNC and if the majority of the BNC agrees.

4.4 EO staff responsible for Path of Leadership shall ensure that all applications are complete and all applicants are eligible before they are entered into the selection processes as stipulated in the following.

4.5 15 September - 31 October: Review process.

5.0 Candidate Review Process

5.1 The BNC shall ensure that it receives information and criteria on requirements, skills, and ideal candidate qualifications for Board election from the Board on a regular and ongoing basis in order to gain a deep understanding of the Board's needs. The Global Board shall submit a list of requirements for incoming Board members to the BNC by 30 May each year.



- 5.2 The BNC shall identify individuals and curate and validate the MAL of qualified potential Board candidates. The MAL shall be presented to the Board for review and feedback by 16 October each year. The MAL shall contain all applicants who complete the process, which shall include, without limitation:
 - 5.2.1 Adherence to the timelines set forth for applications with no exceptions;
 - 5.2.2 Submission of candidate information to the Governance Committee for review and input;
 - 5.2.3 Conduct a professional assessment and personal interview with all Board candidates;
 - 5.2.4 Record all interviews;
 - 5.2.5 Match candidate background with Board requirements;
 - 5.2.6 Work with senior staff to incorporate EO staff feedback into the assessment process.
 - 5.2.7 The MAL is created and submitted to the Board along with an explanation of any candidate who applied but did not complete the selection process.
- 5.3 Following receipt of feedback from the Board on the MAL to be provided no later than one week after submission of the MAL, the BNC shall subsequently create a Candidate Short List ("Short List") by majority vote, with a minimum of two (2) candidates per each open Board position, unless there are fewer candidates that would meet this requirement. The BNC reserves the right to indicate if any of the shortlisted candidates are not qualified. There shall be no limit to the maximum number of qualified candidates the BNC can include on the Short List.
- 5.4 The BNC may determine if it is appropriate or necessary to submit fewer than the minimum number of candidates mandated in Section 5.3, above, upon prior consultation with and authorization by the Board.
- 5.5 The Short List, along with all supporting documentation used in the selection process, including but not limited to applications, forms, assessments, interview videos, and scoring rubrics, will be presented to the Board and senior staff no later than two (2) weeks before the start of the November Board meeting. Documentation on candidates not selected for the Short List will not be provided to the Board.
- 5.6 If the Board would like to add a candidate for consideration who has submitted an application but was not included in the Short List, the Board may include additional candidates by motion with approval by simple majority. Board members will then be provided supporting documentation for the new candidate with time to review before the voting process commences. To allow for that, Board members are encouraged to notify the chair of their intention to make a motion as soon as possible.

6.0 Voting Process For Selection of Incoming Directors to the EO Global Board

- 6.1 Participation in the voting process



- 6.1.1 The Chief Executive Officer ("CEO") and EO's Senior Leadership Team ("SLT") will be included in the process. They are invited to listen to the interviews, review the applications, and share their thoughts on leadership and the candidates. Only voting members of the Board, including the CEO, as well as EO's Secretary, may be present for decision making discussions and voting, provided that the CEO shall not participate in voting for the appointment of directors to the Board, or the selection of the Chair.
- 6.1.2 All Board members must read all of the candidate applications, listen to all of the interview calls and review all of the materials collected. All Board members are required to comply with these steps in order to be eligible to vote - the BNC liaison will ask all Board members individually if they listened to and reviewed the applications.
- 6.2 Confidentiality reminder—what is said stays in the room.
- 6.3 The BNC Chair presents the Short List, answers any questions posed by the Board, and then departs the meeting. The SLT, with the exception of the CEO, departs the meeting.
- 6.4 The CEO shall provide comments on the candidate Short List.
- 6.5 Candidate review and preparation for discussion and voting:
 - 6.5.1 Voting members of the Board, including the CEO, as well as EO's Secretary, are the only individuals permitted to remain in the room during voting, provided that the CEO shall not participate in voting for the appointment of directors to the Board.
 - 6.5.2 Conflict of Interest Check – Disclosure and review of any potential and actual conflicts of interest between the applicants and current Board Members.
 - 6.5.2.1 Effective management of conflicts of interest requires timely disclosure. Disclosures may help protect directors against claims of breach of their duty of loyalty. All Board members must disclose any potential or actual conflicts of interest between themselves and the applicants. Conflicts of interest in the context of these Board Selection Procedures and the process for addressing such conflicts of interest, are defined and described in Appendix A to this Procedure, attached hereto and incorporated herein by this reference ("Col Appendix A").
 - 6.5.2.2 For the purposes of the Board selection process, Conflicts of interest are categorized in one of two ways: "Covered Interests", as defined in Col Appendix A, and "General Conflicts of Interest", as defined in Col Appendix A. A Board member with a Covered Interest shall recuse themselves from any Board discussions or votes related to the applicant with whom the conflict of Interest exists. The Board shall review and vote on both potential conflicts of interest and General Conflicts of Interest pursuant to the process set forth in Col



Appendix A.

6.5.2.3 The Board's authority to determine, establish, evaluate, and/or modify the CEO's compensation presents a General Conflict of Interest with respect to the CEO's participation as voting director of the Board in any vote for the appointment of directors of the Board, the Chair of the Board, or members of any other committee, council, organ, or body of EO dealing with CEO performance or compensation. Therefore, and notwithstanding the CEO's status as a voting director of the Board pursuant to EO's bylaws, nor anything to the contrary in these Board Selection Procedures, nor in Col Appendix, the CEO shall not be considered a voting director of the Board for purposes of voting processes related to the appointment of directors of the Board, the Chair of the Board, or any other committee, council, organ, or body of EO dealing with CEO performance or compensation.

6.5.3 Declaration - each Board member shall disclose any communication or correspondence between themselves and applicant(s) that are related to the applicant's application to the Board and which have been conducted after submission of the application.

6.5.4 Review of the ground rules

6.5.4.1 Expectations

6.5.4.2 Process: timeline

6.5.4.3 Secret vote process: weighted votes

6.5.5 Review criteria: The Board Chair shall set forth the review criteria which may be used to discuss each applicant and the parameters for sharing including time to speak, etc.

6.5.6 Needs of the Board

6.5.6.1 Special skills and experience (finance, technology, etc.)

6.5.6.2 Board representation aligned with organizational demographics.

6.5.6.3 Any other concerns brought forth by the Board.

6.5.7 Review application and interview data, testing, and CEO and SLT feedback and phone interviews.

6.5.7.1 Anything jump out good or bad?

6.5.7.2 Red flags? Surprises?

6.5.7.3 Questions

6.5.7.4 Assessments or tests

6.6 Final Selection: Weighted voting

6.6.1 Each voting Board member shall have as many votes as there are empty positions to be filled. For example, if in a given year the Board is appointing five (5) new directors, each voting Board member shall have five (5) votes; or four (4) votes in a year in which four (4) new



- directors are being appointed.
- 6.6.2 Each voting Board member must list and rank their preferred candidates. Each voting Board member must list and vote for as many candidates as there are positions to fill.
 - 6.6.3 Each director's ranked list of preferred candidates will be tallied with votes weighted such that a candidate listed as first choice receives the same number of points as there are positions to fill, with each subsequent lower-ranking candidate receiving one fewer vote. By way of example, in an election to appoint five (5) new Board directors, the votes would be weighted as follows:
 - 6.6.3.1 1st choice = 5 points
 - 6.6.3.2 2nd choice = 4 points
 - 6.6.3.3 3rd choice = 3 points
 - 6.6.3.4 4th choice = 2 points
 - 6.6.3.5 5th choice = 1 point
 - 6.6.4 The candidates with the highest total points will be elected until the number of open positions are filled, provided that, to be appointed, each candidate must appear on at least fifty percent (50%) of the ballots cast, regardless of the number of points received. For example, if electing five (5) new directors, the five (5) candidates with the highest total points will be elected, provided they appear on at least fifty percent (50%) of the ballots cast.
 - 6.6.5 In the event of a tie, the Board will discuss only the tied candidates and revote with only one (1) vote per Board member. Discussion and revote will continue until the final Board slots are filled.
 - 6.6.6 If any candidate(s) receive sufficient points to be appointed, but appear on fewer than fifty percent (50%) of the ballots cast, then the Board will discuss only the candidate(s) with less than fifty percent (50%) support and re-vote.
 - 6.6.7 Once all open member-director positions are filled, the Board shall decide whether to fill any vacancies for any optional independent director positions.
 - 6.6.8 If the Board determines to appoint any independent directors, such appointment shall be subject to a two thirds (2/3) vote of the Board.
- 6.7 Notwithstanding anything else to the contrary, the Board has the discretion to reject any and all applicants by majority vote at any time during the voting process described above and may postpone the selection process of the vacant seats, whether mandatory or otherwise, until a suitable applicant is found and agreed to by at least fifty (50%) of Board members, excluding the CEO.

7.0 Conclusion of November Board Meeting

- 7.1 Successful candidates will be called and invited to join the Board typically on site within the duration of the Board meeting. All selections are to remain confidential until the Board slate is sent via EOupdate.
- 7.2 Unsuccessful candidates will be called and notified of the selection decision



by the BNC Chair, ideally by the conclusion of the Board meeting.

7.3 The Secretary of the Board is to be notified when each call is complete.

8.0 Ratification of New Global Board Members

8.1 Member ratification process: Board slate is sent via EOupdate.

8.2 The membership shall have fifteen (15) calendar days after distribution of EOupdate to ratify the directors, and this process must be completed by 15 December at the latest. The membership shall vote on each proposed individual rather than the entire slate.

8.3 For a member's vote on the Board slate to be considered valid, he/she shall vote yes, no, or abstain for each proposed individual on the slate. A majority of votes actually cast shall constitute approval of a candidate, regardless of the number of votes.

8.4 The Chair announces and introduces new candidates to members attending GLC, asking each candidate in attendance to stand and be recognized.

8.5 1 July: Board term begins.

9.0 Exceptional Circumstances

9.1 The Board may, in its discretion, approve deviations from the dates in the nomination process timeline on account of exceptional circumstances by majority vote. Any changes to the substantive process shall require a resolution of the Board amending this Appendix B by majority vote.

10.0 Selection Process for Chair of the Board

10.1 General:

10.1.1 EO's Board of Directors will elect the Chair-Elect by a Board vote to be held during the meeting of the Board taking place in June at the end of the first year of the then current Chair's term. The Chair-Elect will automatically assume the office of Chair upon completion of the previous Chair's term, e.g., at the end of the second fiscal year of the current Chair's term.

10.1.2 The Board will agree to the applicable discussion process for each Chair-Elect election prior to the start of voting.

10.1.3 With the exception of the CEO, all current EO-member directors of the Board who have completed the first year of their term on the Board are eligible to apply as candidates for the office of Chair-Elect and serve in that capacity beginning in their second year if elected.

10.1.4 Only those eligible directors of the Board who expressly apply as candidates for the office of Chair-Elect shall be considered as candidates for the office of Chair-Elect.

10.1.5 The Board Selection Conflict of Interest Process described in Section 6.5.2. of this Procedure and set forth in further detail in Col Appendix



A to this Procedure shall also apply to the selection process for the Chair of the Board.

10.1.6 Subject to the Board Selection Conflict of Interest Process, all voting directors of the Board are permitted to vote in the election of the Chair-Elect, including the current Chair-Elect candidates.

10.2 Voting:

10.2.1 Each current Board director must vote by listing and ranking their top two (2) candidates for Chair-Elect. Board directors must vote for two (2) different candidates. Votes will be weighted as follows:

10.2.1.1 #1 choice= 2 votes

10.2.1.2 #2 choice = 1 vote

10.2.2 If a candidate receives the greatest number of votes and also receives a majority of the votes cast, that candidate will be selected as Chair-Elect automatically.

10.2.3 If the candidate with the greatest number of votes does not receive a majority of the votes, the Board shall conduct subsequent rounds of discussion and voting until one (1) candidate for Chair-Elect secures both the greatest number of votes and a majority of votes, with such subsequent rounds of voting proceeding as follows:

10.2.3.1 Second round: the same process as the first round of voting, as set forth in Section 10.2.1, above, provided, however, that if no candidate receives both the greatest number of votes and a majority of votes, only the two (2) candidates with the first and second greatest number of votes shall proceed to the third round, except for in the event of a multi-way tie. In the event of a multi-way tie, all tied candidates will proceed to the third round.

10.2.3.2 Third and subsequent rounds: the candidate with a majority of the votes shall be elected Chair-Elect. In the event of a two-way tie, the Board shall discuss and conduct a subsequent majority vote.

10.2.3.2.1 In the event of a multi-way tie in the second round of voting resulting in more than two (2) candidates proceeding to the third round, any vote without a majority winner shall result in the elimination of all candidates but the top two (2) candidates from proceeding to subsequent rounds.

10.2.3.2.2 Any subsequent voting rounds between two (2) candidates shall be determined by simple majority vote, with subsequent discussions and voting conducted as required until one (1) of two (2) candidates receives a majority.

10.2.3.3 Member ratification of the selected Chair-Elect is required even though all Board members were previously ratified by membership when they entered the Board.



10.3 Voting process to fill Board vacancies:

10.3.1 In the event of a Board vacancy due to resignation, removal or death of a Board member, as contemplated in Article VI, Section 11 of the Bylaws, the Board shall fill the vacancy for the remainder of the term of the vacant position as follows:

10.3.1.1 select a director in the next Board Selection Process; or

10.3.1.2 select a director from the last class of applicants of the Board Selection Process, subject to confirming their availability and willingness to be considered as a Board candidate, and following the voting process specified for incoming directors of the Board as above; or

10.3.1.3 if none of the above resolves the vacancy, then the Board may select a director in another fashion, subject to two-thirds (2/3) agreement of the Board.

11.0 Tallying of the Votes

11.1 The Secretary shall tally the votes cast for any voting process established in these Board Selection Procedures.

11.2 The CEO, together with the BNC Board liaison, may verify the Secretary's tally of votes for any voting process established in these Board Selection Procedures.



APPENDIX A
TO THE
EO BOARD SELECTION PROCEDURES
“BOARD SELECTION CONFLICT OF INTEREST DISCLOSURE AND EVALUATION PROCESS”

The purpose of this Conflict of Interest Process is to protect the interests of EO during EO's Board selection process by addressing and avoiding the appointment of directors to the Board that might benefit or appear to benefit the private interest of any present or former director of EO or indirectly benefit a related party.

1. Duty of Loyalty. EO Board members owe a legal duty of loyalty to EO. The duty of loyalty requires all members of the Board to act in good faith for the benefit of EO and its beneficiaries, and not for their own personal interest. This means directors:
 - A. Must put EO's interests ahead of their own.
 - B. Have an affirmative duty of care to protect the interests of EO.
 - C. Also have an obligation to refrain from conduct that may injure EO and its beneficiaries or deprive them of an advantage or opportunity.
2. Obligation to Disclose: All Board members are required to disclose any potential, actual, or perceived conflicts of interest they have in relation to any applicants to the Board. While disclosure is essential for managing conflicts of interests, disclosure alone is not sufficient. An evaluation of disclosed conflicts of interest with a determination about how to address it is also required to protect EO's interests.
3. Conflict of Interest, General Definition. In the context of the Board selection process, a Conflict of Interest arises when:
 - a. a Board member could benefit financially from their role in the appointment of new Board members. This includes indirect benefits such as to family members or businesses with which the person is closely associated.
 - b. EO also treats non-financial benefits, potential or perceived benefits, and divided loyalties as conflicts of interest, since all of these circumstances can jeopardize opportunities for EO, potentially generate bad publicity, and negatively impact EO's abilities efforts to promote entrepreneurship. Therefore, a conflict of interest also arises when a Board member has:
 - i. an outside interest related to a Board applicant that interferes or competes with EO's best interests;
 - ii. a stake in a transaction, relationship, or business endeavor related to a Board applicant that reduces the likelihood that the Board member can act impartially in the best interests of EO; or
 - iii. divided loyalties.
4. Categorization of Conflicts of Interest. For purposes of the Board selection process, Conflicts of Interest are categorized as either a "Covered Interest" or a "General Conflict of Interest."
 - a. "Covered Interest" means when any Board Member has directly, or indirectly through a Related Party:
 - i. An ownership or investment interest in any entity with which a Board applicant has a transaction or arrangement.



- ii. A compensation arrangement with the Board applicant or with any entity or individual with which the Board applicant has a transaction or arrangement.
 - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Board applicant is negotiating a transaction or arrangement.
 - iv. A legal commitment or financial interest, including by virtue of a board appointment, employment position, or volunteer arrangement, to act in the interests of another entity or individual related in any way to the Board applicant.
 - v. Any other business relationship with the Board applicant or a Related Party of the Board applicant.
 - vi. A first-degree or second-degree familial relationship with a Board applicant, where a first degree family member means an individual's parents, spouse(s) or legally recognized life partner(s), siblings, siblings in-law, and children and adopted children, and second degree family member means an individual's grandparents, grandchildren, uncles, aunts, nephews, nieces, and half-siblings. This section 4.a.vi. covers familial relationships with first and second degree in general and applies even in the absence of any material business, commercial, or financial ties, or other characteristics in such relationships.
- b. "General Conflicts of Interest" include any conflicts of interest not meeting the definition of Covered Interest. By way of example, General Conflicts of Interest could include:
- i. Long standing personal relationship with a Board applicant outside of and prior to either individual's EO membership – e.g. attended the same high school, shared a room or apartment in college, are members of or participate in the same sports club or hobby group, etc.
 - ii. Membership in the same Forum
 - iii. In-laws related by marriage beyond first- or second-degree family members.
 - iv. Other family members or familial relations beyond first- or second-degree family members
 - v. No direct personal relationship, but spouses have a personal relationship
 - vi. Members of the same local sporting club, social club, or other association outside of EO
 - vii. Children are involved in a romantic relationship
 - viii. Any other relationship or interest to or with the Board applicant or any Related Parties that could create the perception of divided loyalties for the Board member between their duty of loyalty to EO and the Board applicant
- c. Related Party Definition. "Related Party" means any one of the following persons or entities:
- i. Any entity in which the Board applicant has a has a thirty-five percent (35%) or greater ownership or beneficial interest.
 - ii. The spouse or domestic partner of a Board applicant
 - iii. Any entity in which the spouse or domestic partner of a Board applicant has a has a thirty-five percent (35%) or greater ownership or beneficial interest.
 - iv. The ancestors of a Board applicant.
 - v. The siblings or half-siblings, children (whether natural or adopted) of a Board applicant.



- vi. Any other entity or trust in which any individual described in subsection 4(c)(ii)-(v) above has a material financial interest.
 - d. Covered Interests Require Recusal. In the event of a Covered Interest, the Board member shall not participate in any discussions regarding the Board applicant or in any vote regarding the applicant.
 - e. General Conflicts of Interest Subject to Board Vote. The Board shall review and vote on any other General Conflicts of Interest disclosed.
5. Board Review and Vote on Disclosed Conflicts
- a. After disclosure or discovery of a potential conflict of interest, the Board shall:
 - i. Obtain all material facts regarding the conflict.
 - 1. Ask questions and request information from the disclosing Board member.
 - 2. The disclosing Board director should answer any questions and provide information to the Board regarding the conflict.
 - 3. The Board may, as required and appropriate, delegate the fact-finding task to the Chair of the Governance committee, the SVP of Governance, or legal counsel, who shall conduct an initial review and discuss the conflict of interest with the Board.
 - 4. The full board ultimately determines if a conflict of interest exists.
 - ii. Obtain advice from appropriate professionals regarding the matter, as appropriate and required
 - iii. Review facts sufficiently to avoid breaching duty of care.
 - b. Once the Board has obtained and reviewed all relevant facts, the Board shall deliberate and vote without the disclosing Board member present to determine if a conflict of interest exists. In evaluating the disclosure, the Board considers:
 - i. What benefit would the disclosing Board member receive?
 - ii. Would the Disclosing Board director be in two conflicting roles?
 - iii. Is the appointment of the Board applicant otherwise in EO's interest or benefit?
 - iv. Will the transaction be perceived to be a conflict of interest by regulators, watchdog agencies, or the public?
 - c. The Board's will vote by simple majority for one of three outcomes:
 - i. a finding of no conflict of interest – the disclosing Board member may fully participate in any discussions and voting regarding the Board applicant.
 - ii. a finding of a potential or perceived conflict of interest – the disclosing Board member must recuse themselves from any discussions regarding the Board applicant but may participate in votes regarding the applicant.
 - iii. A finding of an actual conflict of interest – the disclosing Board member shall not participate in any discussions or voting regarding the Board applicant.

EO follows a clearly established decision-making framework, known as RAPID, for amendments and/or updates to this procedure.

Below are appointed team members for each stage of RAPID process:

Recommend	Agree	Perform	Input	Decide
Board Secretary	Staff Legal Counsel	Staff Senior Manager of Compliance	EO Board Chair, Applicable EO Board Members, CEO	The Board of Directors