



**THE GAIRDNER FOUNDATION
CONFLICT OF INTEREST POLICY
November 2008**

A. INTERPRETATION

For purposes of this Policy, the following terms have the following meanings:

- (a) **By-laws** refers to the By-laws of the Foundation, as they may be amended from time to time;
- (b) **Chair** refers to the Chairperson of the Board of the Foundation;
- (c) **Designated Official** refers to the following:
 - (i) the Chair, in the case of all of the Directors, except for the Chair, and in the case of the President and the Scientific Director;
 - (ii) the Vice-Chairperson of the Board, in the case of the Chair; and
 - (iii) the President, in the case of all of the Employees except for the President and the Scientific Director.
- (d) **Directors** refers to the directors of the Foundation from time to time and **Director** means any one of them;
- (e) **Employees** refers to the employees and independent contractors of the Foundation from time to time and **Employee** means any one of them;
- (f) **Foundation** refers to ~~The~~ Gairdner Foundation; and
- (g) **Policy** refers to this Conflict of Interest Policy, as it may be amended from time to time.

B. APPLICATION AND OBJECTIVE

This Policy applies to all Directors and Employees in the course of their participation in, and activities with, the Foundation, each of whom is required to act in the best interests of the Foundation and to avoid a conflict of interest with the Foundation.

This Policy establishes the requirements that must be observed by all Directors and Employees to reduce the risk of conflicts of interest and to identify and resolve such conflicts of interest should they arise.

All Directors and Employees must comply at all times with the conflict of interest provisions set out in this Policy and in the By-laws, if any, and shall further comply with any applicable statutory obligations and requirements in the Province of Ontario that govern conflicts of interest, including, without limitation, the provisions of the *Corporations Act* (Ontario).

C. DEFINITION OF CONFLICT OF INTEREST

A conflict of interest arises when the personal or financial interest of a Director or an Employee takes precedence over or competes with his or her duties and responsibilities as a Director or as an Employee, as applicable. Conflicts of interest may be real, perceived or potential, and may evolve at any time before, during or after an individual becomes a Director or an Employee, as applicable.

Without limiting the terms of the general definition above, a Director or an Employee is in a conflict of interest with the Foundation under the following circumstances:

- (a) the Director or Employee is in any way directly or indirectly interested in a proposed contract, actual contract or other matter involving the Foundation; or
- (b) the Director or Employee has a direct or indirect financial interest in a matter involving the Foundation, as applicable; or
- (c) the Director or Employee uses or attempts to use information gained in his or her capacity as a Director or Employee for personal gain, including to gain employment, to hold office in any other organization or in any personal undertaking; or
- (d) the Director or Employee has the opportunity to influence the Foundation's awards process.

The recognition of a real, perceived or potential conflict of interest is a matter of judgment and the primary responsibility for recognizing a conflict of interest rests with each individual Director or Employee in the course of his or her participation in, and activities or employment with, the Foundation, as applicable.

D. DUTY TO DECLARE CONFLICT OF INTEREST

Where a Director believes that he or she has an actual, perceived or potential conflict of interest with a proposed contract, actual contract or other matter involving the Foundation, he or she must declare such interest:

- (a) at the meeting of the Directors at which the proposed contract, actual contract or other matter is first taken into consideration;
- (b) if the Director is not, at the date of that meeting, interested in a proposed contract, actual contract or other matter, as soon as he or she becomes so interested;
- (c) if the Director becomes interested after a contract is made or other matter is considered, as soon as he or she becomes so interested; or
- (d) if an individual who is interested in a proposed contract, actual contract or other matter later becomes a Director, as soon as he or she becomes aware of the proposed actual contract, contract or other matter.

A Director or an Employee shall declare his or her conflict of interest to the Designated Official.

E. RECORDING IN MINUTES

Any conflict of interest declaration made by a Director shall be recorded in the minutes of the meeting of Directors at which such declaration was made or at the next meeting following receipt by the Designated Official of a conflict of interest declaration.

F. PROHIBITION ON PARTICIPATION

A Director or Employee who has a conflict of interest:

- (a) must not participate in further discussions or decision-making on the proposed contract, actual contract or other matter giving rise to such conflict of interest, and, in the case of a Director, must not vote or attempt to influence the vote on any resolution to approve the proposed contract, actual contract or other matter involving the Foundation;
- (b) shall absent himself or herself from that portion of a meeting during which the proposed contract, actual contract or other matter giving rise to his or her conflict of interest is under discussion; and
- (c) shall not discuss a matter about which an Employee or another Director has a conflict of interest with such Employee or other Director.

G. QUORUM

Where a conflict of interest has been declared at a meeting of Directors, the Chair must ensure that a quorum remains to consider the proposed contract, actual contract or other matter involving the Foundation.

If, at a meeting of the Directors, there is an insufficient number of Directors without a conflict of interest remaining to constitute a quorum, the Chair shall defer consideration of the proposed contract, actual contract or other matter involving the Foundation until such time as a quorum is present. If there is an insufficient number of Directors without a conflict of interest to constitute a quorum, the proposed contract, actual contract or other matter involving the Foundation shall not be approved by the Directors.

H. GIFTS, HOSPITALITY AND OTHER BENEFITS

Gifts, hospitality or other benefits shall not be given or received by any Director or Employee in the course of his or her participation in, and activities with, the Foundation, if the gift, hospitality or other benefit could, or could be perceived to, influence his or her judgment or performance of his or her duties and responsibilities in the Foundation. If there is any doubt as to the perceived effect of the gift, hospitality or other benefit, authorization for its receipt must be approved by the Designated Official.

I. ACKNOWLEDGMENT AND UNDERTAKING

In recognition of the importance of this Policy, all Directors and Employees shall be provided with a copy of this Policy and shall be requested to sign an acknowledgment of its receipt and an undertaking to comply with its procedures and guidelines.