

CONFLICT OF INTEREST POLICY

Category	Governance	Policy Owner	Governance Committee
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Approver of Related Procedures	Governance Committee	Approver(s)	Board of Directors

1.0 PURPOSE

- 1.1 The purpose of this Policy is to ensure that HDC Personnel shall protect the interests of the HDC and adhere to the highest standards of personal and professional integrity and transparency.

2.0 SCOPE

- 2.1 This policy and related disclosure requirements applies to Board of Directors of the Health Data Coalition (HDC), committee members, officers, employees and contractors (“Personnel”) of the HDC.

3.0 POLICY STATEMENT

- 3.1 It is the policy of the HDC to operate free from conflict of interest, and as even the appearance of a conflict will impact physician trust in the HDC, HDC will avoid creating such a perception.

4.0 EXCEPTIONS

- 4.1 The HDC Board may permit/authorize temporary exceptions to the application of the provisions of this policy if the interests of the HDC are clearly better served.
- 4.2 A request for an exception must be submitted by the Executive Director for approval by the Board Governance Committee, accompanied by reasons in writing.

4.3 Reasons for granting, or refusing exceptions, will be made known to the affected parties, in writing, including the period of time for which the exception is authorized, to a maximum of four months.

4.4 Documents concerning exceptions shall be kept in the official records of the HDC.

5.0 DEFINITIONS

A. Personnel

5.1 Personnel is defined as Board members, officers, committee members, employees and contractors of the HDC.

B. Conflict of Interest

5.2 Conflict of interest is defined as a situation where a reasonable person could think that the personnel's duty to act in the organization's best interests may be affected or influenced by other competing interests.

5.3 A conflict of interest can be real, potential or perceived and may or may not lead to negative outcomes.

5.4 An actual conflict of interest is one that has already occurred or currently exists.

5.5 A potential conflict of interest exists when a private interest could result in a real conflict of interest in the future.

5.6 A perceived conflict of interest occurs when a well-informed person might reasonably believe that a conflict of interest exists.

C. Private Interest

5.7 Private interest is defined as a material relationship, obligation or responsibility that is unique to the employee and/or a related person, and that benefits them in a disproportionate or preferential way. A private interest is often, but does not have to be, financial in nature. For example, it might be a duty to another organization, and accountability/achievement regarding that other organization's aims.

5.8 Conflicts of interest may arise in a variety of circumstances including financial, non-financial, direct, and indirect transactions with others.

5.9 Financial gain is not necessary to establish a conflict of interest.

- 5.10 Personnel do not need to directly profit from the relationship. A conflict of interest may arise where the benefit is accrued by the personnel's family, close friends, corporation or other businesses, business partners, or organizations in a position to provide benefit to the personnel.
- 5.11 A conflict of interest may exist whether or not the personnel is proven to be influenced by the competing interest.

D. Recusal

- 5.12 Recusal or to recuse oneself means to remove oneself from participation in a decision so as avoid a conflict of interest.

6.0 POLICY DESCRIPTION

A. Responsibility

- 6.1 All personnel are responsible for declaring any potential or actual conflict of interest and for updating their disclosure statements as necessary.
- 6.2 The Executive Director is responsible for ensuring all personnel have provided statements and is required to interview all personnel to ensure a complete disclosure, assess any potential or actual conflicts of interest, and propose organizational decisions required to address conflicts of interest.
- 6.3 The Executive Director is responsible for presenting a recommendation on any potential or actual conflicts to the Governance Committee for review in advance of decisions not covered by the guidance of this policy.
- 6.4 In relation to the Executive Director's disclosure of real, potential or perceived conflict of interest, the Board Chair will assume responsibility to ensure formal disclosure is recorded and managed appropriately.
- 6.5 The Governance Committee is responsible to review all disclosure statements, interview to obtain further information as required, advise on the adequacy of mitigation, and ensure the resolution of conflicts of interest.
- 6.6 HDC Privacy Officer is responsible to review and advise the Executive Director and Board Chair on the collection, use or disclosure of personal information requested on the disclosure form.

B. Disclosure

- 6.7 The HDC requires all real, potential or perceived conflicts to be declared in writing so that the business of the HDC can be conducted without conflict of interest.
- 6.8 A Personal and Conflict of Interest Disclosure Statement (Appendix 2) must be completed before confirmation of an appointment or contract, or within one month of this policy's approval by the Board.
- 6.9 If a Board member, employee, or contractor, acting reasonably and in good faith, concludes at any time after this initial disclosure that there is a conflict of interest or that there are reasonable grounds for a perception of conflict of interest, then the personnel has a duty to disclose the matter in writing to the Executive Director (for employees and contractors) or Board Chair (for Directors) and to remove the conflict.
- 6.10 A written record of the disclosure and disposition of the potential conflict of interest must be maintained by both the personnel and the HDC.
- 6.11 At each Board meeting, the Board members will be asked to verbally disclose new associations, to accompany a written disclosure to be provided to the Executive Director.
- 6.12 An updating of the conflict of interest disclosure statements will be initiated annually after the Annual General Meeting and elections.

C. Recusal – Board Directors

- 6.13 Directors must perform their duties solely in the interest of the HDC, and avoid circumstances which compromise their ability to make impartial judgments on any basis other than their fiduciary duty to the HDC.
- 6.14 HDC Board Directors must recuse themselves from any discussion, decision, debate or vote on any matter in which he or she has a direct personal or pecuniary interest not common to other members of the organization. For example, if a motion proposes that the organization enter into a contract with a commercial firm of which a member of the organization is an officer and from which contract he would derive personal pecuniary profit, the Director should abstain from voting on the motion. (Robert's Rules, 11th ed., p. 407.)
- 6.15 In some instances, if the interested Director were to stay in the meeting, their presence could inhibit the Board's discussion and influence the vote. In this situation, a conflicted Director must remove him/herself from the process of conferring and voting on matters in which he has a personal interest. In such

instances, the interested Director may be asked by the Chair to leave the meeting room/teleconference so the remaining Directors can freely discuss and vote on the issue. Once the vote is taken, the recused Director may return to the meeting.

- 6.16 If the interested Director refuses to leave when asked by the Chair, the Board may entertain a vote of censure, and note for the minutes the Director's refusal to recuse him/herself. If the interested Board Director is a Board Officer, the Board may consider a motion to remove them from their role as an Officer.
- 6.17 Potential conflict of interest should be a consideration for potential Board members. Discharging the duties of a Board member requires a member to vote on motions that come before the Board. Consideration of the degree of recusal that will be required due to conflict of interest should be part of the process for advertising and orientation for new Board members.

D. Working Group and other Committees

- 6.18 The HDC governance structure provides for working groups as the means to engage, involve and consult with stakeholders (i.e. vendors, Doctors of BC representatives, research organizations, representatives of government). It is understood that individuals invited to participate in working groups and other ad hoc committees rightly represent the interests of other organizations. Their input is valuable because it represents other groups' interests and other points of view.
- 6.19 Therefore, working group members are not required to disclose conflict of interest, because they are not expected to make impartial judgments in the best interest of the HDC, and do not owe fiduciary duty to HDC.
- 6.20 Board members, employees and contractors who serve on working groups continue owe fiduciary duty to the HDC and should not participate in a working group where a conflict of interest exists.

E. Employees

- 6.21 HDC prohibits employees from being in conflicts of interest, and requires all potential or perceived conflicts be eliminated from their areas of responsibility or influence.
- 6.22 Examples are:
 - a) Hiring, supervising or otherwise having influence over job duties, compensation or promotion of a related person, close friend or someone with whom they have a personal relationship;

- b) Participating in the development of, or adjudication of responses to, a Request for Proposals or Request for Qualifications to which a related person, close friend or someone with whom they have a personal relationship is responding; and
 - c) Representing the HDC in providing estimates or proposals of work for which they would receive direct or indirect benefit.
- 6.23 A conflict of interest cannot be removed merely by acknowledging the conflict, or by a statement of intention not to be influenced by conflicting interests.
- 6.24 Removing a conflict of interest may require changing aspects of employee responsibilities or terminating external commitments that create conflict of interest; if those changes are not possible or in the best interests of HDC, it may require ending the relationship with the HDC.
- 6.25 A conflict of interest clause will be included in all Employment Agreements stipulating that any conflict of interest on the part of the employee shall be immediately disclosed to the HDC. It will further stipulate that the HDC may, at its option, terminate the agreement if it finds that a conflict of interest exists and poses a conflict to and with the performance of the employee's obligations.

F. Contractors

- 6.26 The HDC will not permit actual, perceived or potential conflict of interest for contractors.
- 6.27 A conflict of interest clause will be included in all contractor agreements stipulating that any conflict of interest on the part of the Contractor shall be immediately disclosed to the HDC. It will further stipulate that the HDC may, at its option, terminate the agreement if it finds that a conflict of interest exists and poses a material conflict to and with the performance of the contractor's obligations (Appendix 1).

7.0 ASSOCIATED PROCEDURES

- 7.1 None.

APPENDIX 1: CONTRACTOR AND EMPLOYMENT AGREEMENTS

The HDC's Contractor and Employment Agreements will include the following language to support this policy:

Conflict of Interest

Contractor/Employee represents and warrants the following:

No Current or Prior Conflict of Interest: The Contractor/Employee will complete the Disclosure Statement provided to affirm that it has no business, professional, personal, or other interest, including, but not limited to, the representation of other clients, that would conflict in any manner or degree with the performance of its obligations under this Agreement.

Notice of Potential Conflict: If any such actual or potential conflict of interest arises under this Agreement, Contractor/Employee shall immediately inform the Executive Director of the HDC in writing of such conflict.

Termination for Material Conflict: If, in the reasonable judgment of the HDC, such conflict poses a material conflict to and with the performance of Contractor/Employee's obligations under this Agreement, then the HDC may terminate the Agreement immediately upon written notice to Contractor/Employee; such termination of the Agreement shall be effective upon the receipt of such notice by Contractor/Employee.

APPENDIX 2: PERSONAL AND CONFLICT OF INTEREST DISCLOSURE STATEMENT

This form will be completed by HDC Personnel before confirmation of appointment as a Board member, contractor or employee; and must be completed by all existing personnel within one month of the date this policy goes into effect. An interview to clarify the information provided may be required.

The personal information requested on this form is being collected and used by the HDC to enact its Conflict of Interest Policy. This information will not be disclosed except as required for the exercise of due diligence related to compliance with the HDC Conflict of Interest Policy.

Questions about the collection, use or disclosure of personal information requested on this form should be directed to the HDC Privacy Officer.

Name: _____

Current/Anticipated Position in the Health Data Coalition: _____

(i.e. Board Director, Employee, Contractor)

PART 1: CONFLICT OF INTEREST

A conflict of interest arises is defined as a situation where a reasonable person could think that the personnel's duty to act in the organization's best interests may be affected or influenced by other competing interests.

A conflict of interest could arise in relation to personal matters including:

- Directorships or other employment;
- Interests in business enterprises or professional practices;
- Share ownership;
- Beneficial interests in trusts;
- Existing professional or personal associations;
- Professional associations or relationships with other organizations; and
- Personal associations with other groups or organizations, or family relationships.

Personnel in the HDC must disclose any obligation, commitment, relationship or interest that could conflict or may be perceived to conflict with his or her duties to or interests of the HDC.

1. A direct or indirect conflict with my duty as an appointee to the Health Data Coalition may arise because:
 - a) I hold the following offices (appointed or elected):

 - b) I, or any trustee or any nominee on my behalf, own or possess, directly or indirectly, the following interests:
2. The nature and extent of the conflicting office duty or interest is:
3. A real or perceived conflict of interest with my duty to the HDC could arise because I receive financial remuneration (either for services performed by me, as an owner or part owner, trustee, or employee or otherwise) from the following sources:
4. Other than disclosed above, do you have any relationships or interests that could compromise, or be perceived to compromise, your ability to exercise judgment or decision-making independently and objectively with a view to the best interests of the HDC?

Yes _____ No

Describe:

PART 2: INTEGRITY AND ACCOUNTABILITY

Note: An affirmative answer to any of the following questions does not disqualify a potential applicant or contractor from being appointed. Each individual's background will be considered in relation to the specific requirements of the appointment.

1. In connection with your employment or business affairs, have you, or any company in which you have a direct or indirect controlling interest, in BC or elsewhere:

a) Been charged with (where charges are still outstanding and unresolved) or convicted of an offence under the Criminal Code (Canada) in respect of which a pardon has not been granted or issued under the Criminal Records Act (Canada)?

Yes _____ No

b) Been charged with (where charges are still outstanding and unresolved) or convicted of an offence under any other Federal statute, including but not limited to the Income Tax Act, in respect of which a pardon has not been granted or issued under the Criminal Records Act (Canada)?

Yes _____ No

2. Have you been charged with (where charges are still outstanding and unresolved) or been disciplined for an offence by a professional association or body?

Yes _____ No

If you answered "Yes" to any of the above questions, please provide details below (attach a separate sheet if required):

PART 1

I have read the above information and understand the request for disclosure. The details are accurate to the best of my knowledge.

If, at any time following the signing of this Personal and Conflict of Interest Disclosure Statement, there occurs any material change to the information given herein regarding conflict of interest, either by way of addition or deletion, I shall forthwith file a supplementary disclosure statement with the Health Data Coalition Executive Director describing such change.

Signature (Required)

Date