



CONFLICTS, CONFIDENTIALITY AND CODE OF CONDUCT POLICY

<i>Approved By:</i> Board of Directors	<i>Committee:</i> Governance and Nominating
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PURPOSE

To assist directors, officers and committee members of the Canadian Pharmacists Association (CPhA) in meeting their fiduciary obligations to CPhA.

INTRODUCTION

This Code of Conduct consists of a Conflict of Interest Policy, a Confidentiality Policy and a requirement for a Director Consent. The Conflict of Interest Policy will help directors, officers and committee members to identify situations that present potential conflicts of interest and to provide CPhA with a procedure which, if observed, will provide for a proper handling of the conflict in a manner which best serves the interests of CPhA. Further, the Confidentiality Policy will help directors, officers and committee members to safeguard the privacy of and to protect confidential information of CPhA, its directors, employees, and members. The Director Consent is intended to help directors and CPhA to meet certain statutory obligations. The Code of Conduct also contains compliance provisions that are intended to ensure that directors comply with the provisions of this Code of Conduct. With the exception of the Director Consent and certain compliance provisions, this Code of Conduct shall apply equally to directors, officers and committee members of CPhA and all references to directors herein shall include the officers and committee members of CPhA.

Section 1 – Conflict of Interest Policy

1.1 Definition of Conflict of Interest

- a) A conflict of interest may be said to exist when a director of CPhA has an interest in a material contract or transaction with CPhA or outside CPhA that could influence him/her or could be perceived to influence him/her to act in a manner that is contrary to the best interests of CPhA.
- b) A conflict of interest may include the conferral of an advantage as determined in the opinion of the Board of Directors:
 - i) Whether or not the advantage is monetary;
 - ii) Whether the conferral has already occurred or will occur in the future;
 - iii) Whether the advantage has been bestowed on the director, a member of the director's immediate family ("Family Member") or a personal friend, business partner or business associate (an "Associate");
 - iv) Whether or not the advantage is to the actual or perceived detriment of CPhA; and
 - v) Whether or not the conferral has occurred intentionally.

- c) The following areas may give rise to a conflict of interest for directors as determined in the sole opinion of the Board of Directors:
 - i) Where a director, a Family Member, or Associate has a direct or indirect financial interest in another corporation with which CPhA is doing business;
 - ii) Where a director competes with CPhA in the rendering of services;
 - iii) Where a director serves as a director, officer or employee of an entity which results in there being conflicting duties owed to that entity and to CPhA; or
 - iv) Where a director has a private or personal interest, or has engaged in or not engaged in certain acts, which negatively impacts his/her ability to be a director acting in the best interests of CPhA or to properly carry out his/her duties and responsibilities as a director.

1.2 Where Conflict of Interest Does Not Apply

Subject to the review and sole discretion of the Board of Directors, conflict of interest will not generally arise in the following situations:

- a) Where the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the director, or where a pecuniary interest is in common with a broad group of which the director is a member; or
- b) Where the issue is one of general or public information.

1.3 Expectations of Directors of CPhA

A director shall:

- a) Refrain from using his/her position with CPhA or taking advantage of knowledge acquired as a result of such position, for personal advantage or gain or for that of his or her Family Members or Associates;
- b) Generally avoid being interested or involved, directly or indirectly in any contract, lease or other agreement to or in which CPhA is a party or has an interest;
- c) Immediately disclose to CPhA any circumstances, of which the director is aware, in which his/her Family Members or Associates do business or contract with CPhA, which disclosure shall be done in accordance with the procedures set out in this Policy;
- d) Immediately disclose to CPhA any circumstances, of which the director is aware, under which he/she, a Family Member or Associate has a material financial interest in any concern with which CPhA has an interest, which disclosure shall be done in accordance with the procedures set out in this Policy;
- e) Disclose to CPhA any circumstances under which he/she has been convicted of a criminal offence for the misappropriation of funds, theft, fraud, forgery or any other related crimes as determined by the Board of Directors from time to time that have occurred in the ten (10) year period immediately proceeding his/her election or appointment or the anniversary of his/her election or appointment as a director, which disclosure shall be done in accordance with the procedure set out in this Policy;

- f) Avoid missing meetings of the Board of Directors or any committee of CPhA at which their attendance was required provided that a director shall not miss more than 30% of CPhA Board and committee meetings during any twelve (12) month period following his/her election or appointment or the anniversary of his/her election or appointment as a director without providing reasonable (as determined by the Board) written explanation for such absence based upon health considerations or other extenuating circumstances that are acceptable to the Board of Directors in its sole and absolute discretion;
- g) Act at all times in a respectful and courteous manner while attending to the director's duties;
- h) Respect the decisions made by the Board on behalf of CPhA in recognition that legal authority is vested in the Board and in this regard, to specifically avoid making any public statement that is contrary to a Board decision;
- i) Not disclose confidential information acquired in connection with his/her position or work with CPhA, the disclosure of which might be adverse to the interests of CPhA and contrary to the Confidentiality Policy provided in Section 2 of this Policy;
- j) Refrain from accepting gifts from anyone doing business with or soliciting business from CPhA, provided that customary and proper courtesies of nominal value (e.g., business meals) may be accepted or given as long as they do not place the recipient under any real or perceived obligation;
- k) Consider whether or not his/her position in another organization (including both commercial and non-profit organizations) conflicts with or competes with his/her role as a director, and/or whether or not the aims and objectives of the other organizations are in conflict or competition with those of CPhA, and immediately disclose such conflict, if one exists or may be perceived to exist, to CPhA in accordance with the procedure set out in this Policy;
- l) Consider whether or not his/her private or personal interests and beliefs, regardless of whether they are pecuniary or non-pecuniary, conflict with or compete with his/her role as a director and immediately disclose such conflict, if one exists or may be perceived to exist, to CPhA in accordance with the procedure set out in this Policy; and
- m) Respect the decision of the Board of Directors regarding whether a conflict of interest exists, recognizing that the Board's decision is final and binding on the director.

1.4 Conflicts Committee

1.4.1 Establishment of Committee

In order to administer compliance with this Policy, the Board of Directors will create a Conflicts Committee, which shall consist of the CEO and two (2) other members of the Board of Directors of CPhA as appointed by the Board of Directors. The Board of Directors will appoint an alternate for each member of the Conflicts Committee in the event of a real or potential conflict of interest involving a member of the Committee or in the event that a member of the Committee is absent or unavailable to act as a member of the Committee at any time. The Vice President of Corporate Services (or another person appointed by

the Board) will act as the alternate for the CEO. The precise terms of reference of the Conflicts Committee will be established in the sole discretion of the Board of Directors.

1.4.2 Authority of Committee

The Conflicts Committee shall have the following duties:

- a) To review any instances of real or potential conflicts of interest on the part of directors as brought to the attention of the Committee by the CEO based on information contained in the Initial Disclosure Forms or the Annual Disclosure Forms of all directors of CPhA as described below, or as may otherwise come to the attention of the CEO;
- b) To review any instances of real or potential conflict of interest on the part of the CEO as brought to the attention of the Committee by the Vice President of Corporate Services;
- c) To review and provide feedback and guidance to any director who has or thinks he/she may have, or who is unsure whether he/she has, a real or potential conflict of interest (whether before or after the completion by any director of either the Initial Disclosure Form or Annual Disclosure Form) including, but not limited to, providing strategies to a director on how to address any real or potential conflict of interest that he/she may have in accordance with the terms of this Policy and whether the director is required to make a disclosure to the Board in accordance with Section 1.5.5;
- d) To make regular and prompt recommendations to the Board of Directors respecting whether any director is or is not in a conflict of interest in accordance with this Policy and/or recommendations respecting the sanctions to be imposed on a director for any breach of this Policy; and
- e) To perform such other duties as may be determined by the Board of Directors from time to time.

1.4.3 Reporting of Meeting Results

The Conflicts Committee shall present a full report to the Board of Directors on any of the Committee's meetings at the next meeting of the Board.

1.5 Disclosure Requirements

1.5.1 Compliance with Disclosure Requirements

- a) It is the policy of CPhA that every director should perform his/her duties and arrange his/her personal affairs in such a manner that confidence and trust in the integrity, objectivity and impartiality of CPhA are maintained. Successful implementation of this Policy assumes shared responsibility by all directors.
- b) A key element in avoiding potential conflicts of interest is a process by which directors provide immediate disclosure of any real or potential conflicts of interest. By disclosing such interests to CPhA, the Board can evaluate their impact on CPhA's purposes, programs and activities and can make a

determination regarding whether an actual or potential conflict of interest exists. It can also identify what steps may be taken to minimize the likelihood that a conflict might arise. Directors are expected to comply with all of the disclosure requirements set out below.

1.5.2 Initial Disclosure Form

Each director shall be required, within thirty (30) days of initial election or appointment to the Board of Directors, to complete an Initial Disclosure Form (Appendix A) identifying any relationships, positions or circumstances in which the director may be involved that he/she believes could contribute to a conflict of interest arising. All Initial Disclosure Forms shall be submitted to the CEO for review and safe-keeping. The CEO will bring any real or potential conflicts of interest to the attention of the Conflicts Committee. Where a director also has an interest in a material contract or transaction, the director shall also be required to comply with the provisions of Section 1.5.5.

1.5.3 Annual Disclosure Form

For as long as the director remains in office, he/she will be required to complete an Annual Disclosure Form (Appendix B) confirming that he/she will continue to comply with this Policy, and identifying any relationships, positions or circumstances in which the director has subsequently become involved since his/her completion of the Initial Disclosure Form that he/she believes could contribute to a conflict of interest arising. All Annual Disclosure Forms shall be submitted to the CEO for review and safe-keeping. The CEO will bring any real or potential conflicts of interest to the attention of the Conflicts Committee. Where a director also has an interest in a material contract or transaction, the director shall also be required to comply with the provisions of Section 1.5.5.

1.5.4 Reporting of Substantial Changes

Whenever substantial changes occur that a director believes may materially alter the information disclosed in his/her Initial Disclosure Form or his/her last Annual Disclosure Form, the director shall immediately report such changes by submitting a new Annual Disclosure Form to the CEO. The CEO will bring any real or potential conflicts of interest to the attention of the Conflicts Committee. Where a director also has an interest in a material conflict or transaction, the director shall also be required to comply with the provisions of Section 1.5.5.

1.5.5 Disclosure and Procedure at Board Meetings

- a) Every director who, either directly or indirectly, has or thinks he/she may potentially have a conflict of interest with respect to a proposed or current contract or transaction of CPhA, shall, after having first had the opportunity to consult with the Conflicts Committee, disclose the nature and extent of the conflict of interest at a Board meeting or provide any other written declaration or general notice permitted under the governing corporate statute of CPhA¹.

¹ As of the date of this Policy, the governing corporate statute is the *Canada Not-for-Profit Corporations Act* S.C. 2009, c.23 (the "Act")

- b) The declaration of conflict of interest shall be disclosed at the Board meeting at which the contract or transaction is first raised.
- c) If the director becomes interested in a contract or transaction after the Board meeting at which it is first raised, the director shall make a declaration at the next Board meeting following the director's perception or apprehension of a conflict of interest.
- d) If the director becomes interested in a contract or transaction after the contract or transaction is made, the director shall make a declaration at the next Board meeting after the director becomes so interested.
- e) If a director believes that any other director (including without limitation the CEO) is in a conflict of interest position with respect to any contract or transaction, matter or decision of CPhA or otherwise in accordance with this Policy, the director shall have his/her concern recorded in the minutes, and the director with the alleged conflict of interest shall have the right to address the Board with respect to the allegation. Thereafter, at the request of the director who recorded the initial concern, the Board, after the director alleged to have a conflict of interest has absented himself/herself from the room, shall either:
 - i) Vote on whether the director alleged to have a conflict of interest is, in the opinion of the Board, in a conflict of interest; or,
 - ii) Refer the matter to the Conflicts Committee for review, to be voted upon at the next meeting of the Board with the benefit of the Committee's recommendations.

If the Board finds the said director in a conflict of interest, or for the duration of the period that the matter remains unresolved as a result of its referral to the Conflicts Committee, that interested director shall absent himself/herself during any subsequent discussion or voting process relating to or pertaining to the conflict.

- e) The question of whether or not a director has a conflict of interest shall be determined by a simple majority of the Board and shall be final.
- f) If the Board finds that a director is in a conflict of interest, the director shall absent himself/herself during any subsequent discussion pertaining to the conflict and shall not vote on the contract, transaction, matter or decision pertaining to the conflict.
- g) If the Board finds that the director is not in a conflict of interest, the Board will then vote on the contract, transaction, matter or decision and the votes of each director shall be recorded.
- h) The Board shall record every declaration of a conflict of interest and the general nature of such conflict in the minutes.

Section 2 – Confidentiality Policy

It is the policy of CPhA that directors shall protect the private nature of the deliberations of any Board or committee meetings of CPhA and ensure the confidentiality of information of CPhA, its directors, employees, and members.

2.1 Confidential Information

All directors of CPhA shall keep confidential and not disclose to anyone else, including members, within CPhA, during and after their service on the Board, all direct or indirect information acquired pertaining to CPhA and any related activities including, but not limited to:

- a) Any and all written material, including reports, policies, program descriptions, sponsorship information, operational details, and best practices;
- b) All electronic information, including mailing lists, information shared on listservs, information available on the Board extranet and passwords providing access to this information;
- c) Membership information, including personal information such as names, addresses, telephone numbers, etc.;
- d) Strategic or tactical information pertaining to CPhA's personnel or competitive position;
- e) Financial information including annual budgets, revenues, expenses, fundraising activity, long-term capital expenditures and equipment purchases, and information regarding CPhA's financial condition, such as profitability, return on investment and liquidity;
- f) Litigation that CPhA is currently involved with, may be threatened against, or is contemplated to be taken in the future;
- g) Performance of management executives, including evaluations, compensation, contract or employment conditions, and management succession plans; and
- h) Legal advice received by CPhA, either in writing or verbally.

This obligation shall not apply to information which:

- a) Is made available by CPhA to its members through CPhA's website or by other means;
- b) At the time it is received by the director is already in the public domain;
- c) Subsequently comes into the public domain through no fault of the director;
- d) Is lawfully received by the director from a third party on an unrestricted basis;
- e) Is already legitimately known to the director prior to disclosure; or

- f) is required by law to be disclosed, including but not limited to a court order or proceeding.

2.2 Does not Invalidate Contract or Transaction

The failure to any director to comply with the conflict of interest provisions of this Code of Conduct does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board of Directors.

Section 3 – Director Consent

Upon his/her election to the CPhA Board of Directors, each director must covenant and agree as follows, by signing a Director Consent Form (Appendix C):

3.1 Consent to be a Director

The director will consent to act as a director of CPhA, such consent to continue in effect unless revoked by an instrument in writing delivered to CPhA.

3.2 Qualifications

The director will certify that they are qualified pursuant to By-law No. 1 of CPhA, as amended (the “By-laws”), to become a director and agree to advise CPhA in writing forthwith upon ceasing to meet such criteria.

3.3 By-laws and Policies

The director will covenant and agree to abide by the articles, By-laws, policies, rules and regulations of CPhA, as amended from time to time.

3.4 Consent to Electronic Meetings

The director will further consent to the participation by any director of CPhA in a meeting of the Board by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, such consent to continue in effect unless revoked by an instrument in writing delivered to CPhA.

3.5 Consent to Electronic Documents

The director will consent, until revoked by an instrument in writing delivered to CPhA, to receive electronic documents and communications from CPhA from time to time at an email address to be provided by him/her.

Section 4 – Compliance

4.1 Breach of Code of Conduct

Breaches of this Code of Conduct by directors include, but are not limited to, the following:

- a) Failure to disclose a real or potential conflict of interest as required by this Code of Conduct;

- b) Failure to file an Initial Disclosure Form or Annual Disclosure Form;
- c) Intentionally filing an incomplete, erroneous or misleading Initial Disclosure Form or Annual Disclosure Form;
- d) Failure to report substantial changes to the information disclosed in an Initial Disclosure Form or an Annual Disclosure Form as required by this Code of Conduct;
- e) Failure to comply with any of the confidentiality requirements set out in this Code of Conduct; or
- f) Failure to otherwise comply with this Code of Conduct.

4.2 Consequences of Breach of Code of Conduct

Where there has been a failure on the part of a director to comply with the terms of this Code of Conduct, unless such failure is the result of bona fide error in judgement by the director as determined by the Board of Directors, then the Board of Directors may:

- a) Issue a verbal reprimand to the director;
- b) Issue a written reprimand to the director;
- c) Request or require that the director resign; or
- e) Impose any other sanction as it may determine in its sole discretion.

Section 5 – Review of Code of Conduct

5.1 Review of Code of Conduct

This Code of Conduct shall be reviewed every two years by the Board of Directors or more frequently as the Board may determine. Any changes to the Code of Conduct shall be approved by the Board of Directors.

AMENDMENTS

This policy may be amended by the Board of Directors.

REFERENCES

CPhA Board of Directors Minutes, May 2010
 CPhA Board of Directors Minutes, Oct 2013
 CPhA Board of Directors Minutes, March 2018
 CPhA Board of Directors Minutes, June 2021
 CPhA Board of Directors Minutes, Dec 2023



CONFLICT OF INTEREST – INITIAL DISCLOSURE FORM

Name _____

Position _____

1. I hereby certify that I have and read and understood the Conflicts, Confidentiality and Code of Conduct Policy for the Canadian Pharmacists Association (CPhA). I agree to comply with the terms of the Policy. I recognize that compliance with its terms is a condition of my election or appointment as a director, officer or committee member of CPhA.

2. Check one box only:

☐ I have no interest which conflicts with the interests of CPhA.

☐ I am currently in a situation which is or may constitute a conflict of interest as defined in the said Policy and which is described as follows:

I declare that the information given is true, correct and complete to the best of my knowledge and belief.

Signature _____

Date _____



CONFLICT OF INTEREST – ANNUAL DISCLOSURE FORM

Name _____

Position _____

1. I agree to continue to comply with the terms of the Conflicts, Confidentiality and Code of Conduct Policy for the Canadian Pharmacists Association (CPhA). I recognize that compliance with its terms is a condition of my continued election or appointment as a director, officer or committee member of CPhA.

2. Check one box only:

- ☐ I continue to have no interest which conflicts with the interests of CPhA.
- ☐ I am currently in a situation which is or may constitute a conflict of interest as defined in the said Policy and which is described as follows:

I declare that the information given is true, correct and complete to the best of my knowledge and belief.

Signature _____

Date _____



CONSENT TO ACT AS A DIRECTOR

TO: Canadian Pharmacists Association (the “**Association**”)

AND TO: The Directors and Members Thereof

The undersigned hereby covenants and agrees as follows:

1. The undersigned consents to act as a Director of the Association, such consent to continue in effect until revoked by an instrument in writing delivered to the Association.
2. The undersigned certifies that he/she is qualified pursuant to General Operating By-law No. 1 of the Association, as amended (the “**By-laws**”), to become a Director and agrees to advise the Association in writing forthwith upon ceasing to meet such criteria.
3. The undersigned further consents to the participation by any Director of the Association in a meeting of the Board by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, such consent to continue in effect until revoked by an instrument in writing delivered to the Association.
4. The undersigned consents, until revoked by an instrument in writing delivered to the Association, to receive electronic documents and communications from the Association from time to time at the email address provided by the undersigned to the Association from time to time.
5. The undersigned covenants and agrees to abide by the articles, By-laws, policies, rules and regulations of the Association, as amended from time to time.

Signed, Sealed, and Delivered this _____ day of _____, 202____.

Director Name

Director Signature