

## **CONFLICT OF INTEREST POLICY**

### **THE SHARON FRANCIS FOUNDATION (THE “CORPORATION”)**

#### 1. Integrity.

(a) These conflict of interest guidelines are intended to ensure the highest standards and maintenance of the integrity of the Board of Directors (the “Board”) of the Corporation and its officers. The By-laws of the Corporation contain provisions with respect to conflict of interest that must be strictly adhered to. In addition to the By-laws, the process set out in this policy shall be followed when a conflict of interest arises.] The Corporation is governed by the *Canada Not-for-profit Corporations Act* (“CNCA”) which in section 141 requires disclosure by directors and officers of certain interests and avoidance of conflicts of interest. This policy is meant to supplement the CNCA and to the extent that there is any conflict between this policy and the CNCA, the CNCA shall prevail.

(b) Directors and officers shall act at all times in the best interests of the Corporation rather than in the interests of particular constituencies. This means putting the interests of the Corporation ahead of any personal interest or the interest of any other person or entity. It also means performing his or her duties and transacting the affairs of the Corporation in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Board.

#### 2. No Pecuniary Benefit.

(a) No director or officer shall directly or indirectly receive any profit from his or her position as such, provided that, notwithstanding anything herein contained to the contrary, directors and officers may receive reimbursement for reasonable expenses incurred by them in the performance of their duties as approved by the Board. Any officer who is an employee of the Corporation may receive remuneration in their capacity as an employee and pursuant to a written employment agreement with the Corporation.

(b) The pecuniary interests of immediate family members (including the immediate family members of a director’s or officer’s partner) or close personal or business associates of a director or officer are considered to also be the pecuniary interests of the director or officer.

#### 3. Definition of Conflict of Interest.

(a) A conflict of interest refers to situations in which personal, occupational or financial considerations may affect, or appear to affect, a director’s or officer’s objectivity, judgment or ability to act in the best interests of the Corporation and includes conflicts as described in section 4, below.

- (b) A conflict of interest may be real, potential or perceived in nature.
- (c) A real conflict of interest arises where a director or officer has a private or personal interest, for example, a close family connection or family interest.
- (d) A potential conflict of interest may arise when a director or officer has a private or personal interest such as an identified future commitment.
- (e) A perceived or apparent conflict of interest may exist when a reasonable, well-informed person has a reasonable belief that a director or officer has a conflict of interest, even if there is no real conflict.
- (f) The same duty to disclose, set out in section 5 below, applies to a real, potential or perceived conflicts of interest.
- (g) Full disclosure, in itself, does not remove a conflict of interest.

4. Examples of Conflict of Interest on the Part of a Director or Officer.

The following examples, though not exhaustive, constitute conflicts of interest under this policy:

- (a) Any circumstance that may result in a personal or financial benefit to a director or officer or his or her family, business associate or friend. This includes, but is not limited to, accepting any payment for services rendered to the Corporation, including contract work or honoraria, or accessing financial or other resources for personal use (i.e. transportation, training costs, supplies, equipment, etc.).
- (b) Personal interests which conflict with the interests of the Corporation or are otherwise adverse to the interests of the Corporation.
- (c) Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking business with the Corporation.
- (d) Being a member of the board or staff of another organization which might have material interests that conflict with the interests of the Corporation or its members; and, dealing with matters on one board which might materially affect the other board.
- (e) Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate, or close friend of the director or officer.
- (f) Where individuals serve as directors or officers on the same board with members of their family or others with whom they have a direct business or personal relationship, they will be subject to an immediate perception of apparent conflict of interest.

5. Principles for Dealing with Conflict of Interest.

- (a) Both prior to serving on the Board and during their term of office, directors and officers must openly disclose real, potential or perceived conflict of interest as soon as the issue arises and before the Board or its committees dealing with the matter at issue.
  - (b) The disclosure shall be sufficient to disclose the nature and extent of the director's or officer's interest. Disclosure shall be made at the earliest possible time and, where possible, prior to any discussion and vote on the matter.
  - (c) If the director or officer is not certain whether he or she is in a conflict of interest position, the matter may be brought before the Chair of the Board, the Executive Committee or the Board for advice and guidance.
  - (d) If there is any question or doubt about the existence of a real or perceived conflict, the Board will determine by majority vote if a conflict exists. The director or officer potentially in a conflict of interest shall be absent from the discussion and shall not vote on the issue.
  - (e) It is the responsibility of other directors and officers who are aware of a real, potential or perceived conflict of interest on the part of a fellow director or officer to raise the issue for clarification, first with the director or officer in question and, if still unresolved, with the Chair of the Board.
  - (f) The director or officer must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the Board, must leave the meeting room for the duration of any such discussion or vote.
  - (g) The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the director or officer left and returned to the meeting shall also be recorded.
  - (h) If a conflict of interest cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a director or officer may be asked to resign or may be subject to removal pursuant to the By-laws and Policies of the Corporation.
6. Gifts and Hospitality. Directors and officers shall not directly or indirectly offer or accept cash payments, gifts, gratuities, privileges or other personal rewards, which are intended to influence the activities or affairs of the Corporation. Directors and officers may, however, give or receive modest gifts or hospitality as a matter of general and accepted business practice, provided the foregoing does not include cash or other negotiable instruments and provided further proper accounting of any such expenses is made.

APPROVED BY THE BOARD OF DIRECTORS THE 30 day of November, 2022.

PER:

Dr. Robert W. Francis, President and Director \_\_\_\_\_  
DocuSigned by:  
Dr. Robert W. Francis  
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4/21/2023

Linda Goldsack, Director \_\_\_\_\_  
DocuSigned by:  
Linda Goldsack  
D13FD4152736488...  
4/24/2023

Arlene Willis, Director \_\_\_\_\_  
DocuSigned by:  
Arlene Willis  
CF285DD00569438...  
4/24/2023

*Directors and officers are asked to sign an annual statement regarding conflicts of interest. Please complete the form on the following page and return to the office of the Corporation.*

**CONFLICT OF INTEREST POLICY**

**ANNUAL COMPLIANCE STATEMENT**

**THE SHARON FRANCIS INSTITUTE FOR REGENERATIVE MEDICINE**

I acknowledge receipt of a copy of the Conflict of Interest Policy of The Sharon Francis Institute for Regenerative Medicine.

I have read the Conflict of Interest Policy and agree to abide by the guidelines contained therein. By my signature affixed below, I acknowledge my agreement with the spirit and intent of the Policy and I agree to report to the Chair of the Board of Directors any real, potential or perceived conflicts (other than those stated below) that may develop before the completion of the next annual statement.

( ) I am not aware of any conflict of interest.

( ) I have a conflict of interest, potential conflict of interest or perceived conflict of interest in the following area(s):

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_