

Conflict of Interest Policy	Policy Number: PA-105
Last Reviewed: 2019/11/01	Next Review: 2020/11/01

Purpose: The purpose of this policy is to define Pinnguaq Association policies with regard to conflicts of interest, in a manner consistent with encouraging the highest ethical standards. This policy aims to ensure that the integrity of the decision-making processes of Pinnguaq directors, employees, volunteers, and third-party contracts are maintained by ensuring that they are free from conflict or potential conflict in their decision-making.

Policy Statement: Directors, employees, volunteers, and third-party contracts of Pinnguaq shall avoid situations in which they may be in a position of conflict of interest or perceived conflict of interest. Parties have a duty to report any conflicts of interest, or perceived conflicts of interest to their Supervisor, or Human Resources. Parties must adhere to the process set out in this policy when a conflict or potential conflict arises.

Scope: This policy applies to all directors, employees, volunteers, and third-party contractors of Pinnguaq Association.

Definitions:

Conflict of Interest: A conflict of interest is a situation where a reasonable person would consider a party to have an interest that may conflict with the party's ability to act in good faith and in the best interest of the organization. This conflict of interest may result in the individual being in a position to benefit from the situation or in Pinnguaq Association not being able to achieve the expected result. For the purposes of this policy, real and perceived conflicts of interest are of equal concern.

Oversight Committee of the Board: A committee who reviews conflict of interests, and potential conflicts of interests of parties that have been disclosed, or identified. The committee is composed of a subset of individuals from Pinnguaq's Board of Directors and/or other individuals appointed by the Board of Directors.

Procedure and Application

A. Disclosure of Conflict of Interests

Individuals have a requirement to fully disclose the nature and extent of any situation where they have a conflict of interest in a timely manner to their supervisor. Individuals are required to consult with their supervisor whenever they have a concern as to whether a particular circumstance may place them or may give the appearance of placing them in a conflict of interest with their official duties to Pinnguaq.

Parties have a duty to report suspected violations of the Policy to Human Resources, who will then inform the Oversight Committee of the Board. Any reported conflicts of interest must be submitted to the Oversight Committee of the Board in writing either in a handwritten letter, or email, and filed in the individual's personal folder.

Any Director who is in a position of conflict or potential conflict shall immediately disclose such conflict to the oversight committee of the board. A director who has declared a conflict shall not be present during the discussion, or involved in the matter of its resolution.

B. Financial and Business Transactions Conflicts of Interest

During the term of the Employee's active employment with the Employer, it is understood and agreed that any business opportunity relating to or similar to the Employer's actual or reasonably anticipated business opportunities (with the exception of personal investments in less than 5% of the equity of a business, investments in established family businesses, real estate, or investments in stocks and bonds traded on public stock exchanges) coming to the attention of the Employee, is an opportunity belonging to the Employer. Therefore, the Employee will advise the Employer of the opportunity and cannot pursue the opportunity, directly or indirectly, without the written consent of the Employer.

During the term of the Employee's active employment with the Employer, the Employee will not, directly or indirectly, engage or participate in any other business activities that the Employer, in its reasonable discretion, determines to be in conflict with the best interests of the Employer without the written consent of the Employer.

C. Performance of Duties Conflict of Interest

During the course of their employment or engagement with the employer, individuals will not participate in the following acts that may constitute a real or perceived conflict of interest:

1. Place themselves in a position of obligation to persons who might benefit or appear to benefit from special consideration with respect to Pinnguaq business, or assist private entities or persons in their dealings with Pinnguaq where this could result in preferential treatment
2. Disclose, discuss, use, take advantage of, benefit or appear to benefit from the use of information not generally available to the public and which has been acquired during their official Pinnguaq duties; or directly or indirectly use, or allow the use of, Pinnguaq property or information for anything other than officially approved activities;
3. Have inappropriate involvement or influence in the appointment, hiring, promotion or evaluation by Pinnguaq of an immediate family member or individual with whom they are involved in a romantic relationship.
4. Participate in any discussion about a resolution to approve a contract in which they have a direct or indirect monetary interest, nor approve and/or sign off in such circumstances.

D. Gifts

[See Gift Policy PA-023]

E. Client/Beneficiary Relationships:

Directors, employees and volunteers are to understand the client/beneficiary vulnerability and dependence on the director/employee/volunteer to provide assistance, and to act accordingly. This includes recognition that personal relationships outside the scope of their professional roles as directors, employees and/or volunteers are not in the best interest of either party or Pinnguaq Association.

F. Breach of Policy:

Individuals who fail to comply with this policy during the course of their employment, engagement, or contract with Pinnguaq Association will be subject to disciplinary action, up to and including termination of employment, engagement, or contract with Pinnguaq Association, and/or legal action, as applicable.

G. Resolution of Conflicts and Addressing Breaches of Duty:

The matter shall be referred to the following process:

1. Directors, employees, volunteers, students, and third-party contractors are responsible for conducting themselves in a manner which ensures the best interest of Pinnguaq Association and its clients, avoiding situations in which there may be a direct or indirect competing interest with the Pinnguaq Association's activities.
2. Individuals have a Duty to Disclose any conflict of interests, or perceived conflict of interests immediately to their Supervisor, or Human Resources.
3. Supervisors are responsible for promoting adherence to this policy and must notify Human Resources of any conflict of interest issues involving individuals under their supervision.
4. Human Resources will refer the matter to the Oversight Committee of the Board, with notice to Executive Director.
5. The Oversight Committee of the Board shall (i) attempt to resolve the matter informally, or (ii) refer the matter to an ad hoc sub-committee established by the Board, which sub-committee shall report to the Board.
6. If the Oversight Committee of the Board elects to attempt to resolve the matter informally and the matter cannot be informally resolved to the satisfaction of the Committee, then the Committee shall refer the matter to an ad hoc sub-committee established by the Board.
7. In the event a conflict of interest or an appearance of a conflict involving an individual arises, then unless and until such individual receives contrary instructions from the Oversight Committee or from the Executive Director as appropriate the following procedures shall apply:
 - a. The individual shall not participate in any formal or informal discussion of, any decision or vote on, or attempt to exert influence over the contract, relationship, person or organization with respect to which the conflict or appearance of a conflict may relate. Such individual who is a director may be counted to establish a quorum for meetings.
 - b. Unless invited to answer questions or participate in discussions, the individual shall temporarily recuse themselves from meetings in order to allow the remaining persons or members of the Board or Committee to engage in a full discussion regarding the contract, relationship, individual or organization in question. If the individual is a director and a vote is taken, then such director

shall abstain from voting and the minutes of the Committee or the Board meeting shall record this fact.

H. Failure to Disclose Conflict

If the Oversight Committee has reasonable cause to believe that an individual has failed to disclose an actual or possible conflict of interest, it shall inform the Executive Director and such individual of the basis for such belief.

The Oversight Committee shall provide the individual an opportunity to explain the alleged failure to disclose. Upon this discussion, the Oversight Committee determines whether the individual has in fact failed to disclose an actual or possible conflict of interest, and shall take appropriate action which may include recommendation to the Board for suspension, or termination of employment, as appropriate, as well as reconsideration of whether the transaction or arrangement was in the best interests of and fair and reasonable to the organization at the time it was undertaken.

If it is determined that the transaction was not fair and reasonable to Pinnguaq, Pinnguaq, in its discretion, may void the contract and/or require such individual to restore Pinnguaq to the financial position it would have been in if such covered person had been acting in compliance with this Policy. Where the latter remedy is employed, the individual shall be required to make payments of cash or property to Pinnguaq in amounts equal to the value of the excess benefit they received plus interest. Any individual who violates this Policy also may be liable for any penalties or taxes imposed under federal, provincial or other regulations.

Appendix

Examples situations regarding Conflict of Interest:

- 1. Personal Relationships Between Employees**
 - a. influencing the recruitment, selection, appointment or promotion of employees
 - b. affect employment related decisions where one employee is in a supervisory relationship to another
- 2. Personal benefits, and financial or commercial conflicts of interest**
 - a. someone with whom an employee has a close relationship stands to gain or lose financially by the actions of Pinnguaq, where the employee can or might appear to be able to influence that action
 - b. apart from their salary, an employee stands to gain financially from their employment at the Pinnguaq
 - c. an employee accepts gifts of value, grants and/or favours from persons or associates who could be seen to benefit from the making of these gifts
- 3. Conflicts with outside duties, including committee conflicts and public comment**
 - a. a committee member is a government official in an agency which has responsibility for some aspects of policy affecting Pinnguaq
 - b. an employee working for another organisation offering a competitive program to Pinnguaq or is in direct competition for funding with Pinnguaq