

	BOARD POLICY
Subject:	Code of Conduct and Conflict of Interest Policy
Date Approved by Board:	May 13, 2016

1. Preamble

This Code of Conduct is intended to set basic rules of conduct for individuals who are members of the Doctors Nova Scotia Board of Directors and those who are members of committees established by Doctors Nova Scotia (collectively referred to as “Members”). The purpose is to maintain and build confidence in the integrity, objectivity and transparency of the Board of Directors (“the Board”) and Doctors Nova Scotia committees. This policy allows Members to exercise their mandate and carry out their duties with confidence, independence and objectivity for the better fulfillment of the mission of Doctors Nova Scotia.

2. Rules of Conduct

- a. Each Member owes a fiduciary duty (honesty & loyalty, good faith, and the duty to avoid conflicts of interest) to act in the best interests of Doctors Nova Scotia. Once the Board/committee has made a decision, the decision belongs to the whole Board/committee. The duty of loyalty requires a Member to stand behind the Board’s/committee’s decisions. A Member must not engage in acts that could in fact, or could be perceived to negatively impact their ability to act in the best interests of Doctors Nova Scotia or to properly carry out their duties and responsibilities as a Member.
- b. Each Member will understand his/her role and attend and actively participate in meetings. Members will prepare for meetings by reading materials given in advance and provide due notice if they are unable to attend. Members will strive to make positive and constructive contributions in meetings and to interact with others courteously, respectfully and free of animosity.
- c. Each Member will exercise the degree of care, diligence and skill that may be reasonably expected from a person of his or her knowledge or experience.
- d. Each Member will report any actual, apparent or potential conflict of interest situation as outlined in this Code of Conduct.
- e. Members will respect the confidentiality of the dynamics and details of Board/committee discussion and any particular item of Board/committee business. Members must not make use of or reveal such information or documentation unless directed by the Board/committee or the information is released by Doctors Nova Scotia as public information. If a Member has doubt about the appropriate course of conduct in disclosing

information, s/he should ask the Board/committee Chair. This duty of confidentiality survives the Member's term of office.

- e. Members recognize that the official spokesperson of Doctors Nova Scotia is the President, and consequently, all public announcements will be made by and through him/her or his/her designate.
- f. The CEO receives direction from and is accountable exclusively to the Board. Members understand this relationship and will not issue direction to the CEO or other staff.
- g. Members are required to abide by the Respectful Workplace Policy that is provided on the Doctors Nova Scotia website.

3. Accountability to the Association as a Whole

- a. The Members bring their particular background, experience and points of view to Board meetings in order to inform the Board and assist in a holistic, thoughtful and well-informed decision-making process.
- b. Although elected to represent specific regions or appointed by other bodies, the Members must make decisions in the best interests of the Association as a whole, meaning all members of the Association, rather than in their own interests or in the interests of any particular area of practice or specialty, section, district or other group or organization.

4. Conflict of Interest

a. Definition

Conflict of interest occurs when there is an actual, apparent or potential perception that the ability to exercise the duty of a Member is affected by the private interests of that Member.

- i. **Actual conflict of interest-** Occurs when an outside interest or connections (professional, business, volunteer, personal/familial or other) influence the Member's ability to act with integrity, objectivity and independence towards the furtherance of the Board's/committee's terms of reference.
- ii. **Apparent conflict of interest-** Occurs when an outside interest or connections (professional, business, volunteer, personal/familial or other) appear to influence the Member's ability to act with integrity, objectivity and independence towards the furtherance of the Board's/committee's terms of reference.
- iii. **Potential conflict of interest** – Arises when the Member has become aware of outside interests or connections (professional, business, volunteer, personal/familial or other) that, if acted upon may influence the Member's ability to act with integrity, objectivity and independence towards the furtherance of the Board's/committee's terms of reference.

b. Examples of a Conflict of Interest

Some examples of conflicts of interest include:

- (i) Where the Member or his/her family member, personal friend, business partner or business associate, has a direct or indirect financial interest in another corporation with which Doctors Nova Scotia is doing business;
Example of a conflict: The Audit Committee, and subsequently the Board, has a discussion about selecting the association's official auditor for the upcoming year. A Member whose partner is a senior executive at the auditing firm being considered should declare a conflict.
- (ii) Where a Member serves as a director, officer or employee of an entity which results in there being conflicting duties owed to that entity and to Doctors Nova Scotia.
Example of a conflict: The Board is asked to consider a partnership with Cancer Care Nova Scotia (CCNS) whereby the association would ask physicians to include a donation to CCNS when paying their annual Doctors Nova Scotia membership dues. A Member who sits on the Board of CCNS, as well as the Doctors Nova Scotia Board of Directors, should declare a conflict.
- (iii) Where a Member has been an advocate for a particular issue and/or has a unique and vested interest in the Board's/committee's decision.
Example of a conflict: A Board member is the Chair of a Section that has been actively lobbying government for a financial investment in new equipment used by that specialty. If the Board plans to discuss whether the association should actively join those lobbying efforts, the Member should declare a conflict.
- (iv) Given the nature of Doctors Nova Scotia's role in negotiating physician compensation, Board/committee members may find themselves in situations where the Board/committee will be making decisions that affect their own income (for example, recommending a tentative Master Agreement to the membership, recommending a dues increase, etc.). A conflict should be declared if a Member feels they cannot be objective or impartial during that discussion and/or decision or if the Member has a unique and vested interest in the outcome.

c. Determining When Conflicts Arise

It is not always clear when a situation of conflict of interest has arisen or has the potential to arise. The specific facts of the situation must be examined in each instance. Good questions to ask yourself are:

'Would others on the Board/committee trust my judgment if they knew of this particular situation?' OR, 'Do I personally believe that I can be impartial regarding this matter'.

A Member should contact the Board/committee Chair if s/he is unsure about a conflict. If there is a disagreement as to whether a Member is in conflict, the call will be made by a majority vote of the Board/committee.

In exceptional circumstances, the Chair may seek the advice of an independent third party to provide an opinion as to whether a conflict of interest or an apparent conflict of interest exists. In such circumstances, consideration of the matter which gave rise to the

allegation of conflict will, in most cases, be deferred until such time as the Chair has received the opinion of the third party.

d. Action to be Taken

- i. In the event that a Member has an actual, apparent or perceived conflict of interest, that individual agrees to:
 - A. Declare the conflict;
 - B. Not take part in the related discussion, debate, decision or vote; and
 - C. Not attempt to influence the outcome of the related subject under consideration.
- ii. When a Member identifies an actual/apparent or potential conflict of interest, disclosure is required even if the Member has no intention of exploiting the conflict.
- iii. Each Member is required, as soon as practical after initial election to the Board/committee, to complete a *Disclosure of Conflict of Interest Form* (APPENDIX A). This form identifies any relationships, positions or circumstances in which the Member may be involved that s/he believes could contribute to a conflict of interest arising. All forms will be submitted to the Chair for review and thereafter to Doctors Nova Scotia Legal Counsel for safe-keeping.
- iv. For as long as the Member remains on the Board/committee, s/he will be required to complete *the Disclosure of Conflict of Interest Form* annually. This will confirm that s/he will continue to comply with the Code of Conduct, and identify any relationships, positions or circumstances in which the Member has subsequently become involved that may contribute to a conflict of interest. All annual disclosure forms will be submitted to the Board/committee Chair for review and thereafter to the Doctors Nova Scotia Legal Counsel for safe-keeping.
- v. Members should take every reasonable step to disclose any change in circumstances that may place them in an actual, apparent or potential conflict of interest that was not disclosed on their initial declaration. An addendum for this purpose will be added to the original declaration.
- vi. Members are encouraged to bring any issues of concern or doubt to the Board/committee Chair.
- vii. If an actual, apparent or potential conflict arises at a meeting, the conflict must be declared to the Board/Committee Chair or before the full Board/committee at the time an issue relating to the conflict is about to be discussed.
- viii. Upon declaring a conflict, the Member must exclude her/himself from the decision making process (discussion and vote), and only participate in discussion if specifically requested to do so by the Chair of the Board/committee. In some instances, and at the discretion of the Chair, it may be necessary for Members to physically remove themselves from the room, particularly if confidential information that has a direct bearing on the conflict is being disclosed.

5. Gifts and Entertainment

Members will not accept entertainment, gifts or benefits that grant or appear to grant preferential treatment to any individual or constituency. Similarly, no Member will offer entertainment, gifts, or benefits in order to secure preferential treatment. Token gifts, entertainment and benefits may only be accepted or offered in the normal exchanges common to business relationships.

6. Alleged Breaches of the Code of Conduct

The Chair of the Board/Committee has the responsibility to deal with situations where a Member's actions and/or behaviors are not in keeping with the Code of Conduct and/or proper meeting decorum.

Any member who believes that a provision of this Code has been breached should immediately report the matter in writing to the Chair of the Board/Committee. If the alleged breach relates to the behavior of the Chair, the matter should be reported in writing to the President, who would then refer it to the Board for consideration as outlined herein.

The Chair of the Board/Committee may choose to first address an allegation of breach directly with the Member implicated and the Member who reported the breach, if reported by a third party, to seek a resolution if possible. If a resolution is reached, the Chair of the Board/Committee will report the outcome to the Board/Committee. If the Chair and the Member(s) cannot mutually agree on a resolution, the matter should be referred to the Board for resolution.

The matter may be managed by the Board/Committee, or, at the Board's/Committee's discretion, an ad hoc committee formed for this specific purpose. In either instance, individuals reviewing the Member's conduct must strive to remain unbiased until all the evidence has been presented and any individual who has publicly expressed views on the matter under investigation should be excluded.

If an allegation of breach arises from a Member's behavior during a meeting, the Board/Committee, on a majority vote of the members present at the meeting, may require the Member to vacate the meeting room until the conclusion of the meeting, after which the matter should be reported in writing to the Board for consideration as outlined herein.

Upon receipt of notice of an alleged breach the Board/Committee should proceed as follows:

- (a) **Notice:** The Member who is alleged to have breached the Code will be given written notice of the complaint or allegation against him or her, including the name of the complainant and other reasonable factual details to allow the Member to understand the basis and substance of the complaint. He or she will also be advised that the complaint, if ultimately substantiated, may lead to a remedy up to and including removal of the Member from the Board/Committee.
- (b) **Response:** The Member will be given a reasonable opportunity, ordinarily to a maximum of five (5) business days, to provide a written response to the allegation. In exceptional

circumstances, the Chair of the Board/Committee retains the discretion to lengthen the time for a response.

- (c) **Board Evaluation:** The Board/Committee will consider the written submissions of the Member whose conduct is being reviewed and any other information relevant to the allegation and render its decision in writing as soon as practicable. The Member whose conduct is being reviewed will not participate in the meeting called to consider the complaint.
- (d) **Remedies:** The Board/Committee has the authority to impose a remedy up to and including removal of the Member from the Board/Committee. A motion to remove the Member from the Board/Committee requires a two-thirds (2/3) vote. Lesser penalties, such as but not limited to, requirement for an apology, removal from a meeting, etc. may be imposed by the Board/Committee on a majority vote.
- (e) If a Member has been removed or suspended from a Board/Committee/Forum as a result of a breach of the Code of Conduct, the Member can only stand for election or be appointed to the Board/Committee/Forum, with the approval of the Board.



Appendix A

Disclosure of Conflict of Interest

It is imperative that Doctors Nova Scotia, through the Chair of the Board/committee is made aware of any actual, apparent, or potential conflicts of interest that you have or may have which will affect your ability to work as a Member in an objective and impartial manner.

Please read the Code of Conduct and answer the following questions to the best of your ability. If you are unsure of a conflict, please contact the Board/committee Chair for clarification.

Please note that Doctors Nova Scotia requires any conflict, however remote, to be disclosed. All information provided will be kept confidential and will not be disclosed to any third party without your permission unless Doctors Nova Scotia is required to do so by law or in connection with legal proceedings.

If a Member is unsure of what constitutes a conflict of interest, s/he should seek advice from the Board/committee chair.

1. Are you a member of:

- checkbox The Board of Directors;
checkbox A Doctors Nova Scotia committee. If so, please indicate which committee(s):

Note: If you are a member of the Board and a committee, or more than one committee, you should only complete one disclosure form. If you are declaring a conflict, please indicate for which Board/committee you see the conflict affecting.

2. Do you have any relationships that may place you in a position of actual, apparent or potential conflict of interest with the work of the Board/committee or Doctors Nova Scotia?

Yes [checkbox] No [checkbox] Uncertain [checkbox]

If yes or uncertain please specify:

3. If you answered yes or uncertain to question 1, do you believe that your impartiality has been or will be impaired by any such relationships?

Yes [checkbox] No [checkbox] Uncertain [checkbox]

If yes or uncertain please explain what steps you have considered taking to address the situation.

If no, please explain what steps you have taken to protect your objectivity and to deter potential criticisms that might arise.

4. In some situations, a `cooling-off period may be necessary in order to ensure that Members are, and are seen to be able to contribute to the work of the Board/committee or Doctors Nova Scotia free from any conflicts of interest. For example if an individual has been or is currently involved in a matter the Board/committee is considering, s/he may need some time away from the subject matter in order to be able to revisit the issue in an objective manner.

Have you worked, either volunteer or paid, for any organization, association or business in the past 12 months, on a matter directly related to the work being done by the Board/committee?

Yes No Uncertain

If yes or uncertain please specify:

Declaration

I ACKNOWLEDGE that I have read and understand the Code of Conduct and I agree to conduct myself in accordance with its provisions.

Further, I agree to review the Code of Conduct from time to time during my term of appointment and, upon the receipt of any revisions, familiarize myself with those changes.

Signature

Date

Print Name