



CONFLICT OF INTEREST BYLAW

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Introduction

1. Alberta Health Services ("**AHS**") is committed to promoting a standard of conduct that preserves and enhances public confidence in the integrity, objectivity, and impartiality of its clinical and business activities. AHS relies on AHS Representatives to uphold these standards by ensuring Outside Activities or financial interests do not interfere with or influence their decision-making processes. Recognizing that AHS Representatives have interests outside of AHS, they are expected to fulfill their responsibilities in a manner that avoids involvement in any potential, perceived, or real conflict of interest situations, and to promptly disclose and address any conflicts should they arise.

Definitions

2. In this Conflict of Interest Bylaw ("**COI Bylaw**"), the following terms when **capitalized** have the meaning ascribed to them below unless a different meaning is expressly stated:
 - a) **Agent** means a Person, other than a representative of the Government of Alberta, an AHS employee, Senior Executive, or a member of the AHS Board, who is authorized to bind or purports to bind AHS, or who, directly or indirectly, controls AHS funds;
 - b) **AHS Representative** means AHS employees, Senior Executive, Agents, and members of the AHS Board;
 - c) **Associate** when used to indicate a relationship with a Person, means:
 1. a corporation of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling the Person to more than 10% of the voting rights attached to outstanding securities of the corporation;
 - ii. any partner of the Person;
 - iii. any trust or estate in which the Person has a substantial beneficial interest of in respect of which a Person serves as trustee or in a similar capacity;
 - iv. a joint venture;
 - v. in the case of an individual:
 1. a relative of that individual, including:
 - (i) the spouse or adult interdependent partner of that individual; or

- (ii) a relative of the individual's spouse or adult interdependent partner; or
- 2. a close personal friend.
- d) **Manager** means the individual who is responsible for directing or overseeing an AHS Representative (other than a member of the AHS Board), or the individual to whom that AHS Representative reports.
- e) **Outside Activities** means activities outside of the AHS Representative's role with AHS, and includes outside employment, self employment, acting as a paid advisor or consultant to any Person, political activities such as seeking or achieving nomination as a candidate in an election, sitting on a private or public sector, corporate or not-for-profit board, or volunteering;
- f) **Person** includes an individual, a partnership, a corporation, a company, a joint venture, a trust, and the heirs, executors, trustees, administrators or other legal representatives of a Person;
- g) **Private Interest** means any matter, including without limitation a financial, personal and/or private affiliation, relationship or other involvement, where the matter at issue is related to the exercise of any power on behalf of AHS such that a reasonably well-informed Person would conclude that the matter might influence the exercise of that power;
- h) **Related Person** means any Person who is an Associate of an AHS Representative;
- i) **Senior Executive** includes the President and Chief Executive Officer, executive vice presidents, any other executive accountable directly to the President and Chief Executive Officer, and any other individual so designated by the President and Chief Executive Officer or the AHS Board;
- j) **Senior Leadership** means Senior Executive and their direct reports, senior vice presidents and their direct reports, and vice presidents of AHS; and
- k) **Vendor** means an individual or company that supplies, or seeks to provide, goods and/or services to AHS and includes contractors and suppliers and excludes AHS Representatives.

General Principles

- 3. AHS Representatives shall act honestly, in good faith, leaving aside personal interests to advance the public interest, in accordance with the mandate of AHS.
- 4. AHS Representatives are required to take steps to ensure that conflicts of interest are avoided and that any conflicts of interest to which they may be

unavoidably subjected to are disclosed and appropriately managed and do not affect, or reasonably appear to affect, a decision taken by AHS.

5. AHS Representatives have an obligation to disclose all interests which could conflict, appear to conflict, or do conflict with their duties and responsibilities to AHS. It is the responsibility of all AHS Representatives (except for members of the AHS Board and the President and Chief Executive Officer of AHS) to bring potential, perceived, or real conflicts of interest to the attention of their Manager as soon as they become aware of them. It is the responsibility of the members of the AHS Board and the President and Chief Executive Officer of AHS to bring potential, perceived, or real conflicts of interest forward as described in section 18.
6. AHS Representatives shall not exploit, or reasonably appear to exploit, to their personal advantage:
 - a) any confidential information obtained as a result of their relationship with AHS;
or
 - b) any relationship that AHS has with a Person or organization (or an elected official, officer, or employee of such an organization).

Application

7. This COI Bylaw binds all AHS Representatives to the same extent as if each had signed, sealed and delivered a promise to comply with and be bound by this COI Bylaw.

Conflict of Interest

8. A conflict of interest arises when an action taken for, or on behalf of, AHS by an AHS Representative is affected because of a Private Interest of that AHS Representative. A conflict of interest also arises when an action taken for, or on behalf of, AHS by an AHS Representative is affected because of his or her relationship with a Related Person.
9. A conflict of interest may be potential, perceived, or real. A potential conflict of interest occurs when an AHS Representative has knowledge that the performance of a duty or function or exercise of power may result in a personal gain, including a gain for his or her Private Interests and/or for Related Persons, but has not yet performed that duty or function. A perceived conflict of interest exists when there is a perception formed by a reasonably informed Person that a conflict of interest exists. A real conflict of interest occurs when an AHS Representative exercises a power or performs a function or duty with the knowledge that there may be a personal gain, including gain for his or her Private Interests and/or for the interests of Related Persons.

10. A conflict of interest must be addressed if an independent third party might reasonably take the view that there is a risk of AHS' actions being affected as a result of the Private Interests of an AHS Representative or his or her relationship with a Related Person, regardless of whether or not they are actually affected.
11. A potential, perceived, or real conflict of interest for an AHS Representative may arise in various ways, including, but not limited to:
 - a) the use or exercise of his or her position, duty, discretion, power, or authority with AHS to influence or seek to influence a decision made, or to be made, on behalf of AHS to benefit his or her Private Interests and/or Related Persons;
 - b) granting preferential treatment or assistance in the exercise of any position, duty, discretion, power, or authority with AHS to benefit his or her Private Interests and/or Related Persons;
 - c) the use or communication of knowledge or information not available to the general public and gained in the course of acting in the scope of his or her duties to AHS to benefit his or her Private Interests and/or Related Persons;
 - d) the use of work time, equipment, supplies, facilities, staff, and other AHS resources to benefit his or her Private Interests and/or Related Persons;
 - e) the pursuit of Outside Activities, if the Outside Activities:
 - i. interfere or conflict with the AHS Representative's duties and responsibilities to AHS;
 - ii. are contrary to the best interests of AHS; or
 - iii. are performed in such a way as to appear to be done on behalf of AHS;
 - f) participation in the following political activities while holding a position as a member of the AHS Board or in Senior Leadership:
 - i. directly soliciting monetary funds or other campaign contributions for any federal or provincial political party or for a candidate in a federal or provincial election, whether declared or not; or
 - ii. seeking nomination as a candidate in a federal or provincial election, or holding office as a candidate in a political party without having sought and been granted a leave of absence from his or her AHS duties, or resigning if the conflict cannot be managed otherwise;

- g) establishing or entering into a business arrangement or acquire a financial interest in an entity, including shareholdings or trading in securities, if the business arrangement or financial interest is something known to the AHS Representative as a result of his or her employment or other affiliation with AHS;
- h) acceptance of any gift in the form of securities or money (or a gift akin to money such as gift certificates) from any Persons or entities, other than AHS, given as a result of the AHS Representative's services, role, or position with AHS; or
- i) accepting any gift, benefit, or perquisite of more than a nominal value from any Persons or entities given as a result of the AHS Representative's services, role, or position with AHS, unless prior written approval is obtained from the Ethics and Compliance Officer. Gifts, benefits, or perquisites of a nominal value are those that:
 - i. are of a value and frequency that is not excessive given prevailing business and social standards;
 - ii. are of a nature that one could and would reciprocate;
 - iii. are not offered by a Vendor; and
 - iv. should the receipt of such a gift become public, would not reasonably jeopardize the reputation of the AHS Representative or AHS.

The preceding list is not exhaustive, nor will all of the examples necessarily give rise to conflicts of interest that cannot be managed. AHS Representatives must exercise good judgment in determining whether a conflict of interest exists and should consult the Ethics and Compliance Officer if in doubt about whether a conflict of interest has arisen, and if so, how the conflict can be managed.

Duty to Disclose

12. An AHS Representative has an ongoing duty to recognize and make full, written disclosure to his or her Manager of any potential, perceived or real conflicts of interest, including an Outside Activity, in accordance with this COI Bylaw in advance of taking the action that gives rise to the conflict of interest or, if it could not be foreseen, immediately upon becoming aware of the potential conflict of interest. Failure to comply with this duty may result in legal action and disciplinary action up to, and including, termination of employment, cancellation of contractual relations, and other legal remedies available to AHS.
13. An AHS Representative also has an ongoing duty to report to his or her Manager, in writing if possible, any circumstance affecting another AHS

Representative that appears to give rise to a conflict of interest including an Outside Activity. If the circumstance cannot be reported to his or her Manager, or if that Manager does not take appropriate action, an AHS Representative may report the circumstance to the Ethics and Compliance Officer. If an AHS Representative is unable to report the circumstance to either his or her Manager or the Ethics and Compliance Officer, or if the AHS Representative wishes to remain anonymous, an AHS Representative may report the circumstance to the external confidential reporting and disclosure service at AHS.

Conflict of Interest Declarations

14. An AHS Representative may be directed at any time to complete and submit a Conflict of Interest Declaration ("**Declaration**") by his or her Manager or the Ethics and Compliance Officer, and if so directed, must comply. Where a conflict of interest has been identified, Declarations are to be filed on an annual basis going forward.
15. An AHS Representative must immediately notify his or her Manager and the Ethics and Compliance Officer of any and all relevant and material changes in the information previously disclosed in their completed Declaration by completing and delivering an update to the Declaration.
16. Subject to section 18, all AHS Representatives' Managers shall provide any and all completed Declarations received to the Ethics and Compliance Officer. Declarations can be submitted in electronic form.
17. Each Senior Executive (excluding the President and Chief Executive Officer) and all Senior Leadership shall submit a completed Declaration to the Ethics and Compliance Officer annually or as otherwise directed, for his or her review and further handling. After the submission of an initial Declaration, annual renewal can be completed according to a process established by the Ethics and Compliance Officer.
18. A person who is appointed as a member of the AHS Board, or as the President and Chief Executive Officer of AHS, is required to provide a completed Declaration annually which can be renewed as described in section 17. The members of the AHS Board and the President and Chief Executive Officer of AHS shall submit their Declarations to the Chair of the AHS Board, with a copy to the general counsel of AHS, for the Chair's review and further handling. The Chair of the AHS Board shall submit his or her completed Declaration to the Minister of Health of Alberta for the Minister's review, with a copy to the general counsel of AHS. The Declarations of the President and Chief Executive Officer and the members of the AHS Board, including the Chair, will also be provided to the Chair of the Governance Committee of the AHS Board instead of to the Ethics and Compliance Officer.

19. Declarations and renewals shall be in a form and in accordance with a process approved by the Ethics and Compliance Officer, in consultation with the Chair of the Governance Committee.
20. Subject to section 18, the Ethics and Compliance Officer shall keep a record of all disclosures and Declarations received from AHS Representatives in accordance with AHS records management policies and any applicable legislation. The record shall be kept confidential and shall not be disclosed except where:
 - a) the disclosure is for the purposes of assessing and managing potential, perceived, or real conflicts of interest;
 - b) there is a legitimate reason for disclosure to an AHS Representative's new Manager, such as following his or her move to another position within AHS;
 - c) the disclosure is for the purposes of conducting investigative, disciplinary, administrative tribunal, quasi-judicial, or legal proceedings;
 - d) it will form part of a report as discussed in section 26;
 - e) there is legal or regulatory authority or obligation to disclose the information; or
 - f) the AHS Representative has given permission to disclose the information.

Ongoing Disclosure Duty

21. In addition to disclosures made as required above, and subject to section 18, AHS Representatives shall disclose to their Manager in writing, and others as appropriate (which may include the Ethics and Compliance Officer), any potential conflict of interest that arises in the course of their work, for example, at meetings or during discussions. A general disclosure of interests under the provisions of this COI Bylaw is not a substitute for this ongoing duty of disclosure.

Managing Conflicts of Interest

22. Upon receipt of a disclosure in accordance with sections 12, 14, 15 and/or section 21, the Manager shall review it. The Manager may consult with the Ethics and Compliance Officer regarding the disclosure. Upon concluding his or her review of the disclosure, the Manager may either assess the matter as not being a conflict of interest or advise the AHS Representative that the matter is being referred to the Ethics and Compliance Officer, in which case the Manager must then provide the disclosure in a Declaration to the Ethics and Compliance Officer for further handling. Subject to section 18, the Ethics and Compliance Officer is the final decision maker as to whether a conflict of interest exists and

whether a conflict of interest is being adequately managed. If, however, an AHS Representative does not accept the decision made by the Ethics & Compliance Officer regarding whether a conflict of interest exists and is being adequately managed, then the AHS Representative will have the right to appeal the decision to the Chair of the Governance Committee.

23. Upon receipt of a disclosure in accordance with section 13, the Manager shall review the disclosure. The Manager may consult with the Ethics and Compliance Officer regarding the disclosure. Upon concluding his or her review of the disclosure, the Manager may either assess the matter as not being a conflict of interest or refer the disclosure to the Ethics and Compliance Officer for further handling.
24. Where any matter or resolution comes before a meeting which includes one or more AHS Representatives, including a meeting of the AHS Board or one of its committees, or AHS Senior Executive, for discussion, action, or vote, any AHS Representative or AHS Senior Executive with a potential, perceived or real conflict of interest relative to the matter, who is participating in the meeting, shall declare the potential, perceived, or real conflict of interest to the meeting participants and shall not participate in any discussion, decision or vote on the matter. The chair of the meeting may require the AHS Representative to leave the meeting during the discussion of the matter. The chair may also direct that those materials or other documents being provided to the meeting participants relative to the matter not be provided to the AHS Representative affected by the conflict of interest. The minutes of any such meeting shall record the conflict of interest and the fact that the AHS Representative did not participate in discussion, action, or vote on the matter.
25. Disclosures of conflicts of interest that cannot be adequately managed that are made pursuant to this COI Bylaw may require a change to the AHS Representative's position with AHS, up to, and including, termination.
26. The Ethics and Compliance Officer shall provide to the Governance Committee such reports as are requested from him or her.

Post Termination Obligations

27. Upon termination of his or her relationship with AHS, including through termination of an employment, contractual, consulting, or other relationship with AHS, an AHS Representative will become a former AHS Representative. In addition to other legal obligations owed to AHS by the former AHS Representative under this COI Bylaw, at common law, or in contract, the following activities will continue to constitute a conflict of interest for the former AHS Representative for the period of one (1) year following such termination, and the former AHS Representative must continue to abstain from,:

- a) using or exercising his or her former position, duty, discretion, power or authority with AHS to influence or seek to influence a decision made, or to be made, on behalf of AHS that would have the potential of benefiting his or her Private Interests and/or Related Persons; and
- b) using or communicating knowledge or information not available to the general public and gained in the course of acting in the scope of his or her duties to AHS that would have the potential of benefiting his or her Private Interests and/or Related Persons.

In the event of a breach of this section by a former AHS Representative, AHS may initiate legal proceedings against the former AHS Representative seeking all remedies available to AHS including injunctive relief, and monetary compensatory and non-compensatory damages.

- 28. In addition to section 27, AHS will not enter into a contractual or business relationship with a former member of the AHS Board for a period of six (6) months from the time that they cease to be a member, except as specifically approved by the AHS Board.

Effective Date

- 29. This COI Bylaw amends the COI Bylaw approved March 4, 2009, and effective April 1, 2009. This COI Bylaw is effective from and after the date that it is approved by the Minister of Health of Alberta.

Approved and adopted by Alberta Health Services, this 31st day of January, 2013.

Stephen Lockwood, Chair
For and on behalf of
The Board of Alberta Health Services

Approved in accordance with the Enactments, this 14th day of May, 2013.

The Honourable Fred Horne
Minister of Health