

# **CODE OF ETHICS AND CONDUCT FOR MEMBERS OF THE BOARD OF GOVERNORS OF MCGILL UNIVERSITY AND TRUSTEES OF THE ROYAL INSTITUTION FOR THE ADVANCEMENT OF LEARNING**

## ***Preamble***

The Code of Ethics and Conduct for Members of the Board of Governors of McGill University and Trustees of the Royal Institution for the Advancement of Learning (the "Code") applies to all members of the Board of Governors of McGill University, the Trustees of the Royal Institution for the Advancement of Learning, and to all members of committees established by the Governors and Trustees, whether or not the members of such committees are Governors or Trustees ("Member" or "Members").

The Code is a mechanism for managing conflicts of interest, whether real or perceived, and for providing guidance to Members in the performance of their functions in an independent and objective manner, serving the University's best interests and the accomplishment of its mission. The Code also promotes public confidence in the University's commitment to integrity, impartiality and transparency in governance.

## **1. General Duties and Obligations of the Members During Their Term in Office**

During their term of office, the Members:

- 1.1 shall carry out their functions with integrity, independence, and good faith, and shall act in the best interests of the University;
- 1.2 shall act responsibly and fairly with the care, diligence, loyalty, and prudence of a reasonable individual;
- 1.3 shall carry out their functions in such a way as to maintain confidence in the University;
- 1.4 shall make every reasonable effort to avoid real or perceived conflicts of interest;
- 1.5 shall make a full disclosure of a real or perceived conflict of interest in writing as soon as they are aware of it and shall resolve it in the best interests of the University;
- 1.6 shall respect the confidentiality of information received in the performance of their duties as well as the confidentiality of the deliberations in which they participate.

## **2. Specific Duties of Members During Their Term of Office**

Without limiting the generality of any of the foregoing, but subject to provision 2.5, the Members, during their term of office:

- 2.1 shall not assist any person or any organization in its dealings with the University when such intervention may result in real or perceived preferential treatment to that person or organization by the University;
- 2.2 shall not use, for their personal benefit or advantage, or for the benefit or advantage of any family member, or any other person or organization, any information acquired in the exercise of their office that is not otherwise generally available to the public;

- 2.3 shall not use, directly or indirectly, any facilities or services of the University, nor allow them to be used, for purposes other than expressly approved by the University; and
- 2.4 shall not use any information that is made known to them and that is not known to the general public to transact shares or other securities in corporations or other entities involved in transactions that are under consideration, have been approved, or have been rejected;
- 2.5 will not be precluded, as employees or students of the University and elected to the Board by due process in accordance with the *Statutes* of the University, from activities appropriately associated with their roles.

### **3. Duties and Obligations of Members After Leaving Office**

After leaving office, the Members:

- 3.1 shall respect the confidentiality of information received in the performance of their duties, as well as the confidentiality of the deliberations in which they participated;
- 3.2 for a period of two years, shall not make use of any information obtained in their capacity as a Member that is not generally available to the public, in order to derive therefrom a benefit or advantage for themselves or that of any family member, or any other person or organization;
- 3.3 for a period of two years, shall not give advice nor act in the name of or on behalf of someone else in negotiations with or in regard to contracts with the University, except as outlined in provision 2.5.

### **4. Rules Governing Conflicts of Interest**

The following shall apply when considering situations of real or perceived conflict of interest:

- 4.1 A Member shall be considered to have a real conflict of interest when he/she holds a personal interest, whether direct or indirect, that he/she is or should be aware of and that would, in the opinion of a reasonably informed and well-advised person, be sufficient to put into question the independence, impartiality, and objectiveness that the said Member is obliged to exercise in the performance of his/her duties.
- 4.2 A Member shall be considered to have a perceived conflict of interest when he/she would appear to have, in the opinion of a reasonably informed and well-advised person, a personal interest, whether direct or indirect, that would be sufficient to put into question the independence, impartiality, and objectiveness that the said Member is obliged to exercise in the performance of his/her duties.

## **5. Management of Conflicts of Interest**

- 5.1 Members are expected to have primary responsibility in the identification and management of their own conflicts of interest.
- 5.2 In order to manage one's conflict, a Member must endeavor to identify what is, or could be, a real or perceived conflict of interest. The Secretary-General shall serve as a resource person to all Members in helping to identify conflicts of interest.

## **6. Examples of Conflict of Interest**

The following, without limitation, are examples of conflict of interest:

- 6.1 when a Member, whether directly or indirectly, has a personal interest in the outcome of deliberations of the Board; in a contract or a proposed contract to be entered into by the University or a University-related body; or is likely to obtain a personal advantage as a result of a discretionary decision made by the University or a University-related body;
- 6.2 when a Member is a member of the senior management personnel of a corporation, institution, or body, whether public or private in nature, whose interests may be in competition with those of the University;
- 6.3 when a Member accepts gifts, gratuities, or favours from a firm or corporation engaged in or wishing to engage in transactions with the University, except in the case of customary gifts of a purely nominal value.

## **7. Annual Declaration and Disclosure of Conflict of Interest**

- 7.1 The Secretary-General shall distribute and request the annual completion by Members of the Declaration and Disclosure of Conflict of Interest Form, Appendix "A" to the Code ("Declaration").
- 7.2 The Secretary-General shall advise any Members, upon his/her request, on any question pertaining to the application of the rules of the said Code.

## **8. Compliance**

Where a situation of real or perceived conflict of interest arises, the Member shall follow the steps outlined below.

### **8.1 Disclosure of Conflict of Interest**

8.1.1 Where a situation of real or perceived conflict of interest not declared in the Declaration arises, Members shall make a full written disclosure of the conflict to the Secretary-General as soon he/she is aware of it, or verbally to the Chair of the meeting where the conflict arises. The disclosure of a conflict of interest will be retained by the Secretary-General and communicated to the Board Chair and the Nominating and

Governance Committee. The disclosure and resolution of any conflict of interest will be recorded in the minutes of the body in question.

#### 8.2 Withdrawal from Deliberations and Abstention from Voting

A Member shall resolve the conflict in the best interests of the University by abstaining from voting and, at the Member's discretion or at the request of the Chair, withdrawing from the Board's or Committee's deliberations for which the Member has a conflict of interest. In the event that a Member is uncertain whether a situation constitutes a real or perceived conflict of interest, the Member is expected to voluntarily recuse herself/himself until such determination is made.

#### 8.3 Resignation as Member

Any Member may, of her/his own accord or at the suggestion of the Chair of the Board or the Chair of the Committee to which the Member belongs, resign her/his position as a Member if her/his role as a member of a body, firm, or organization doing business with the University serves as a real or perceived source of continuing conflict of interest in a substantial and ongoing way such as to impede her/his role as a Member.

### **9. Ethics Committee**

Where an allegation of conduct in breach of this Code is reported (by a Member about her/himself or another Member) every effort will be made to resolve the matter informally in collaboration with the Secretary-General. If however there are reasonable grounds to believe that a Member has breached the standard of conduct as set out in this Code and no such informal resolution is possible, the matter shall be referred to an Ethics Committee of the Nominating, Governance, and Ethics (NGE) Committee.

#### 9.1 Composition and Mandate of the Ethics Committee

9.1.1 The Ethics Committee shall be composed of three (3) members, chosen by the NGE Committee, normally in consultation with the Chair of the Board, the Chancellor and the Principal. The NGE Committee shall appoint one of the three members to serve as Chair of the Ad-hoc Ethics Committee. The Secretary-General shall serve as Secretary to the Ethics Committee.

9.1.2 The Ethics Committee shall meet on an ad-hoc basis to examine in strict confidentiality any case referred to it, and formulate for the use of the NGE Committee any recommendation that it may deem appropriate.

#### 9.2 Procedure

9.2.1 The Secretary-General shall receive the allegation in writing signed by the person who has brought the situation to the attention of the NGE Committee of the Board, provide a copy to the person complained against and shall forward it to the Chair of the NGE Committee for purposes of forming the Ethics Committee. In the event that the allegation concerns the Chair of the NGE Committee, the matter shall be referred to the Chair of the Board of Governors.

9.2.2 The Ethics Committee shall allow the parties concerned to be heard and to state their case, in accordance with the rules of natural justice. The Ethics Committee may undertake any consultation that it may deem useful for the purpose of examining the issues referred to it, and may request the assistance, on an ad hoc basis, of any Resource Person or consultant whose expertise may, in the Committee's judgment, be required to carry out its mandate.

9.2.3 After hearing the parties, the Ethics Committee shall prepare a reasoned written report to the Chair of the NGE Committee which shall inform the parties concerned of the content of the report and shall act on the Committee's findings.

## **10. Sanctions**

Should a Member be found to have failed to comply with the duties and obligations stipulated in the present Code, the Chair of the Board of Governors shall have the power to issue a warning, to suspend the said Member for a period of time, or, in serious cases, to ask the Member to resign.

## **11. Dissemination of this Code and Reporting**

11.1 The Secretary-General shall provide a copy of this Code to each Member in conjunction with the distribution of the annual Declaration; and shall promote, disseminate, and implement this Code.

11.2 The Secretary-General shall report annually to the Nominating and Governance Committee on the promotion, dissemination and implementation of the Code and on any cases necessitating the striking of an Ethics Committee.

## **12. Review**

12.1 The NGE Committee shall review the Code at least once every five years and formulate any recommendations to the Board of Governors

[Sources: Executive Committee, Minute 3, January 18, 1999; Board of Governors, Minute 5, March 22, 1999; Amendments: Executive Committee, Minute 15, December 11, 2000; Board of Governors, Minute 4.4, April 7, 2008; Executive Committee, Minute 9.3, March 22, 2010; Nominating, Governance and Ethics Committee, Minute 10, May 12, 2016; Board of Governors, Minute 14.2.5, April 27, 2017]

**Appendix "A"**  
**McGill University Board of Governors Declaration and Disclosure of Conflict of Interest Form**  
(date: \_\_\_\_ to \_\_\_\_)

This declaration and disclosure is pursuant to the *Code of Ethics and Conduct for Members of the Board of Governors of McGill University*, applies to all members of the Board and Board Committees and should be completed with reference to the *Code*.

I acknowledge that, as a member of the Board of Governors and/or Board committee(s) of McGill University, I must adhere to the highest standard of conduct in carrying out my duties and responsibilities as a Governor and/or committee member.

I accept the obligation to act honestly, in good faith and in the best interests of the University.

I will avoid conflicts of interest and facilitate their management in accordance with the *Code of Ethics and Conduct for Members of the Board of Governors of McGill University and Trustees of the Royal Institution for the Advancement of Learning (the "Code")*.

I undertake to disclose any real or perceived conflicts of interest as such conflicts arise and in accordance with the Code. I undertake to keep in strictest confidence all confidential or proprietary information communicated or disclosed to me as a member of the Board of Governors and/or a Board committee member.

**1. Type of involvement on the McGill Board of Governors**

Name \_\_\_\_\_  
PLEASE PRINT

Member of the Board of Governors (please specify: YES or NO): \_\_\_\_\_

Member of Board Committee(s): \_\_\_\_\_  
(Name of Board Committee(s))

**2. Principal occupation:**

Employer (Company Name): \_\_\_\_\_

Position Title: \_\_\_\_\_

Occupation: \_\_\_\_\_

**3. Type of involvement in other organizations (e.g. board member, president, member):**

Name of Organization: \_\_\_\_\_

Type of Involvement: \_\_\_\_\_

Name of Organization: \_\_\_\_\_

Type of Involvement: \_\_\_\_\_

Name of Organization: \_\_\_\_\_

Type of Involvement: \_\_\_\_\_

#### 4. Disclosure

Disclosure or identification of conflict is an important part of managing conflicts of interest. The management of conflicts of interest may take various forms and does not necessarily prevent individuals from serving as members of the Board of Governors or Board Committees.

Conflicts of interest may take various forms and may arise in various contexts. A potential conflict of interest will exist whenever a member is in a position to influence the conduct of governance or other matters in ways that could lead to personal gain for the member or a related party, or give improper advantage to others, to the detriment of the University or members of the University community (Regulation on Conflict of Interest).

A Member shall be considered to have a real or perceived conflict of interest when he/she holds, or would appear to have a personal interest, whether direct or indirect, that he/she is or should be aware of and that would, in the opinion of a reasonably informed and well-advised person, be sufficient to put into question the independence, impartiality, and objectiveness that the said Member is obliged to exercise in the performance of his/her duties (Code of Ethics).

**Please check-off the box that corresponds to your situation:**

I have no conflict of interest (real or perceived) to report. (Please skip to section 5 at the bottom of the page and return your completed form to the Secretary-General).

I have the following real or potential conflict of interest to report. Please describe below any relationships, contracts, transactions, gifts or circumstances that you believe could contribute to a conflict of interest (real or perceived), and then complete section 5.

Description of activity or transaction involving McGill in which I have a real or perceived conflict of interest:

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#### 5. Signature

I understand and agree that any conflict of interest will be managed in accordance with the terms of the Code.

Should I become aware of any additional conflict of interest (real or perceived) at any time, I will complete the “*Supplemental Declaration and Disclosure of Conflict of Interest Form*” and submit it to the Secretary-General.

With my signature I confirm that all of the information I have provided above is true and accurate and I declare myself in conformity with the *Code of Ethics* of the McGill Board of Governors.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Signature \_\_\_\_\_ (App A: Primary Disclosure Form 06/2016)