



NGEN CONFLICT OF INTEREST POLICY FOR EMPLOYEES

1. Application

This Policy applies to all individuals (“Individuals”) employed by the Corporation, including permanent and temporary employees as well as individuals contracted to assess and monitor projects.

2. Purpose

All Individuals have a duty to ensure that the integrity of the decision-making processes of the Corporation is maintained by ensuring that they and other Individuals are free from actual, potential or perceived conflicts of interest in their decision making (collectively, “conflict of interest”).

It is important that all Individuals understand their obligations when a potential conflict of interest arises. This policy establishes a framework within which the organization requires Individuals to act. The purpose of this Policy is to provide general direction so that conflicts of interest are managed appropriately and in a timely manner.

3. Policy

The process set out in this Policy must be followed when a conflict of interest arises.

4. Description of Conflict of Interest

A conflict of interest arises in any situation where an Individual’s duty to act solely in the best interests of the organization is compromised or impeded by any other interest, relationship or duty of the Individual. The situations in which conflicts of interest may arise cannot be set out exhaustively. The distinction between a conflict of interest and a material conflict of interest cannot be set out exhaustively and must be considered on a case-by-case basis. (A “Material Conflict of Interest” exists when a reasonable person would conclude that a financial interest on the part of an Individual could influence, compromise, or impede decisions or actions taken by the organization). Conflicts of interest generally arise in the following situations:

4.1 Transacting with the organization

- When an Individual transacts with the organization directly or indirectly outside the scope of his or her employment agreement.
- When an Individual has a material direct or indirect interest in a transaction or contract with the organization, apart from his or her employment agreement.

4.2 Interest of a Relative

When the organization conducts business with suppliers of goods or services or any other party of which a relative or member of the household of an Individual is a principal, officer or representative.

4.3 Gifts

When an Individual or a member of the Individual's household or any other person or entity designated by the Individual accepts gifts, payments, services or anything else of more than a token or nominal value from a party with whom the organization may transact business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purposes of) influencing an act or decision of the Individual.

4.4 Acting for an Improper Purpose

When an Individual exercises his or her responsibilities motivated by self-interest or other improper purposes.

4.5 Appropriation of Corporate Opportunity

When an Individual diverts to his or her own use, an opportunity or advantage that belongs to the organization.

4.6 Duty to Disclose Information of Value to the Organization

When an Individual fails to disclose information that is relevant to a vital aspect of the organization's affairs.

4.7 Serving with Other Corporations

An Individual may be in a position where there is a conflict if the Individual serves as an employee for or contractor to more than one corporation. It may also arise where an Individual has an association or relationship with another entity. An Individual may be in possession of confidential information received from one corporation that is related to a matter of importance to a decision being made by the other corporation. The Individual cannot discharge the duty to maintain such information in confidence while at the same time discharging the duty to make disclosure. The Individual cannot act to advance any interests other than those of the Corporation.

5. Process for Managing Conflicts and Addressing Breaches of Duty

5.1 Disclosure of Conflicts

An Individual who has a conflict of interest shall immediately disclose it to their immediate manager. Where the CEO has a conflict, it shall be immediately disclosed to the Board Chair. The disclosure shall be sufficient to disclose the nature and extent of the conflict of interest. Disclosure shall be made at the earliest possible time.

If an Individual is uncertain whether a conflict of interest exists, the Individual must err on the side of disclosure.

If there is any question or doubt concerning if there is a conflict of interest, the CEO will determine whether a conflict of interest exists.

The disclosure and decision as to whether a conflict of interest exists shall be documented by the Corporation.

5.2 Managing Conflict of Interest

Where a determination has been made that there is a conflict of interest of an Individual. The Individual will recuse themselves from any decision or action on behalf of the organization. The Individual's manager or CEO may also take further action if they deem appropriate. If the manager or CEO determines that the conflict of interest is material, the Individual shall eliminate it. All decisions and actions taken to manage conflicts of interest will be

documented by the Corporation. Conflicts of interest on the part of the CEO will be documented and reported to the Governance and Compliance Committee of the Board.

5.3 Process for Resolving Conflicts and Addressing Breaches of Duty

An Individual may appeal a decision made by a manager to the CEO, and a decision made by the CEO to the Governance and Compliance Committee of the Board.

Where any Individual believes that another Individual has a conflict of interest that has not been disclosed, the matter shall be disclosed to the Individual's manager or to the CEO. The manager or CEO may either (i) attempt to resolve the matter as per Section 5.2 above, or (ii) refer the matter to the Governance and Compliance Committee of the Board.

5.4 Perceived Conflicts

It is acknowledged that not all conflicts of interest may be satisfactorily resolved by strict compliance with this Policy. There may be cases where even the perception of a conflict of interest may be harmful to the organization notwithstanding that there has been compliance with this Policy. In such cases, processes described in Section 5.2 and 5.3 shall be apply.

Amendment

This Policy may be amended with the approval of the CEO.