



LUDWIG INSTITUTE FOR CANCER RESEARCH LTD

CONFLICT OF INTEREST POLICY FOR STAFF MEMBERS

Statement of Policy and Procedure (SPP) 205

Effective as of: September 24, 2019

Original Effective Date: August 24, 2012

STATEMENT OF POLICY

The Ludwig Institute for Cancer Research Ltd (Institute) maintains the highest standards of honesty, integrity and impartiality.

This Policy applies to all Institute staff including employees, persons on external funding, volunteers and trainees.

In the course of pursuing the mission of the Institute staff may potentially be involved, e.g. have financial interests or hold appointments, in outside organizations which are associated in some way with the Institute. Staff may also be reimbursed for travel or have travel sponsored by other organizations and participate in other extramural activities.

Disclosure of these types of transactions and activities by the Institute staff is required for the Institute to meet the expectation of these high standards and proactively manage potential conflicts of interest.

Conflicts of interest arise when a staff member can personally benefit financially from a decision he or she could make on behalf of the Institute, including benefits to family members or businesses with which the person is closely associated. Such conflicts are to be avoided. This policy provides for proactive management of such conflicts.

DISCLOSURE REQUIREMENTS

The following disclosure obligation applies to all members of Institute staff with authority to make on behalf of the Institute decisions involving the use of Institute resources, for example, initiating or approving purchase orders.

Undergraduate students and technicians who are not authorized to initiate purchases or otherwise make decisions involving Institute finances are not required to provide disclosure annually, but only in the event they become aware of a potential conflict of interest.

At Branches where the Institute staff is employed by the collaboration partners this Policy applies only to the Group Heads and scientists on Member track.

To the extent that a staff member may constitute a "key person" as defined in the Conflict of Interest Policy for Board Members, Officers and Key Persons, such individual also shall be subject to such Policy.

Prior to the commencement of employment, annually thereafter as of April 1, and immediately when known during each year, every Institute staff member within this Policy scope must disclose on an on-line Confidential Disclosure Form (CDF) extramural activities and reimbursed or sponsored travel for outside entities, and outside appointments and significant financial interests (SFI) of their own and of members of their immediate family (spouse and dependent children) in compliance with United States Public Health Service policy as follows:

- (a) For any entity that as far as the staff member is aware, supplies to or receives from the Institute, funds, goods, or services or proposes to do so, or collaborates with the Institute:
 - i. Equity interest plus all remuneration, honoraria, consulting fees, paid authorships, etc., received in the preceding twelve months if the combined value is more than \$5,000, when aggregated for the staff member, their spouse or domestic partner and dependent children.
 - ii. Equity interest of any amount held by the staff member, their spouse or domestic partner, and dependent children in a non-publicly traded entity.
 - iii. Income of any amount, other than received directly from the Institute, derived from intellectual property rights.
- (b) Travel expenses reimbursed directly for travel requested or required by any entity outside the Institute for the purpose of utilizing the staff member's professional expertise for which their Institute appointment is held. Note: travel expenses reimbursed for activities such as, for example, teaching, lecturing, serving on membership, editorial or other committees or boards of academic, government, or not-for-profit organizations and other similar activity need not be reported.
- (c) Travel costs paid directly by an entity outside of the Institute. For example, an entity purchases an airline ticket for a staff member for the purpose of utilizing the staff member's professional expertise for which their Institute appointment is held. Note: travel expenses paid directly for travel associated with activities such as, for example, teaching, lecturing, serving on membership, editorial or other committees or boards of academic, government or not-for-profit organizations and other similar activity need not be reported.
- (d) Outside appointments, utilizing the staff member's professional expertise for which their Institute appointment is held, such as owner, member of the board or a committee, officer, director, trustee, partner, investigator, employee, or consultant that were not already disclosed in "a." above and extramural activities such as appointments and professional activities for professional, academic or not-for-profit organizations, and governmental agencies, e.g., editorial boards or program committees.

Outside appointments and extramural activities may be compensated or non-compensated and are not to exceed on average annually more than 20% of a staff member's time.

DISCLOSURE PROCESS

- (a) Confidential Disclosure Form (CDF) is stored on Ludwig SharePoint and must be completed on-line by each member of Institute staff to whom this policy applies.
- (b) The CDF questions must be answered by providing all relevant information on April 1 of each year, covering the last 12 months. Full names of entities shall be entered, and no abbreviations used. The completed form must be saved on Ludwig SharePoint by May 1 of the respective year.
- (c) It shall be the continuing duty of each staff member to complete the CDF and notify the Secretary to the Board of the disclosure promptly upon the occurrence of any new reportable matter.
- (d) Failure to timely disclose reportable matters constitutes grounds for disciplinary action.
- (e) Completed CDFs shall be reviewed by Institute management and the CDFs indicating a conflict of interest or a potential conflict of interest shall be provided to the Chairman of the Audit Committee by the Secretary to the Board as appropriate.
- (f) Except as required by law or United States Public Health Service policy, disclosures are confidential.

CONFLICTS OF INTEREST MANAGEMENT

- (a) Conflicts of interest may include, but are not limited to:
 - i. The conduct of research or sponsored research by an Institute staff member for an entity with whom the staff member or their spouse or dependent children holds an outside appointment or SFI.
 - ii. Transactions involving Institute resources or personnel with an entity with whom the staff member or a member of their extended family holds an outside appointment or a SFI.
- (b) Conflicts of Interest Management Process:
 - i. Prior to involvement in activities that could be potential or perceived conflicts of interest, a written description of these activities and related details shall be provided by staff members of the Institute to a Committee of Officers (the Committee) comprised of the Scientific Director, the President, and the Executive Vice-President for review.
 - ii. Members of the Committee must excuse themselves from the discussion and review of their own submissions to the Committee or from any transactions in which they may have direct or indirect interest.

- iii. Review outcomes:
- Activities determined not to be a conflict of interest may be undertaken by the staff member.
 - Activities determined to be a conflict of interest that is not manageable may not be undertaken by the staff member.
 - Activities determined to be a conflict of interest that is manageable will be submitted to the Audit Committee of the Institute for approval. The submission will include a description of the activities and of the steps involved in the management of the conflict. Once approved by the Audit Committee, the staff member may commence the activities.
- iv. The staff member shall be advised in writing of the outcome of the review.
- v. All determinations on conflicts of interest shall remain confidential. However, in compliance with United States Public Health Service policy, the Institute will disclose as required, financial conflicts of interest (FCOI). FCOI are defined as SFI that could directly and significantly affect the design, conduct or reporting of NIH funded research.

TRAINING

- (a) Each staff member shall complete training on compliance with the policy requirements prior to engaging in research and at least every four years in accordance with local requirements.
- (b) It is the responsibility of each staff member to re-read the Conflict of Interest Policy when changes in the Policy occur.
- (c) A staff member must complete additional training if it is determined they are not in compliance with the Institute's Conflict of Interest Policy.
- (d) Training of staff shall be managed, organized and performed by the Branch Administrator or their designated delegate using resources provided by Institute management.