



Conflict of Interest Policy Board of Directors

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CORPORATE OVERVIEW

CENGN is the Centre of Excellence in Next Generation Networks. Our mission is to accelerate the growth of the Canadian Information and Communications Technology (ICT) sector, enabling economic strength and prosperity, as well as innovation and competitiveness in this high-growth global multi-trillion dollar industry. Through our leading-edge technology infrastructure and expertise, and the creation of a globally recognized ecosystem of partners, CENGN helps Canadian small and medium enterprises (SMEs) overcome commercialization barriers and grow. CENGN collaborates with top ICT multinationals, the public sector, financial institutions, and academic partners, to solidify Canada's leadership in next generation networks for the benefit of all Canadians.

POLICY OBJECTIVE

The objective of this Conflict of Interest policy (the "**Policy**") is to establish guidelines, based on principles of integrity, transparency and fairness, to manage Conflicts of Interest, should they arise. The requirements of this Policy are for the protection of both a Director in Conflict and CENGN.

GUIDING PRINCIPLES

The Company shall ensure that it fulfills its mission with integrity and to a high ethical standard. This requires that all people to whom this Policy applies will at all times be conscious of the reputation and interests of the Company and will promptly address situations in which their interests are, or are perceived to be, in conflict with the interests of the Company. Each person will operate with a high degree of ethics, trust, integrity, fairness and mutual respect.

Directors should be aware that conflicts of interest will arise from time to time in the ordinary course and that the existence of a conflict is not an indication of wrong-doing on the part of the Director in conflict. The key concern in regards to Conflicts of Interest is how such conflicts are addressed and whether or not they are disclosed. Where a Conflict of Interest exists and is not disclosed this is a violation of the fiduciary obligations of a Director to CENGN.

RESPONSIBILITY

Directors have a fiduciary duty to act in the best interests of the Company and this duty gives rise to an obligation on the part of a Director to disclose any *actual, perceived or potential Conflict of Interest* and to decline to engage on an issue where the Director has such an interest, as further outlined in this Policy.

APPLICABILITY

This Conflict of Interest Policy applies to all Directors. All Directors are required to review this Conflict of Interest Policy every year and sign an acknowledgement of such review.

CONFLICT OF INTEREST

A “**Conflict of Interest**” is a situation where there could exist the risk or the *perception* of the risk that the judgment of an individual, or the fiduciary duty of such individual to CENGN, could be influenced or appear to be influenced by:

- a) their personal or financial interests or the personal or financial interests of their friends, family or business associates;
- b) the interests of another organization or corporation in which they are involved, interested or to which they owe an obligation;
- c) any interest or relationship that is outside of CENGN.

For further certainty, a Conflict of Interest includes, but is not limited to:

- a) any issue that could result in, or may be reasonably perceived to result in, an interference with the independence, objectivity or fiduciary duty within which the Director is expected to exercise their responsibilities and duties to, and on behalf of, the Company;
- b) any issue that could result in, or may be reasonably perceived to result in, an advantage or material gain to the Director, or to other persons with whom they do not deal at arm’s length, including any issue in which a Director or a member of their Immediate Family has a direct or indirect financial interest, or may be reasonably perceived to have such an interest;
- c) any issue affecting, or that may be reasonably perceived to affect, a private corporation of which a Director or their Immediate Family is a shareholder;
- d) any issue affecting, or that may be reasonably perceived to affect, another entity or organization in which a Director is involved, is a member or is a director;
- e) any other issue in which the Director’s fiduciary duty to act in the best interest of CENGN may be or may be reasonably perceived to be compromised by an outside interest.

DEFINITIONS

The following terms used in this Policy have the following meanings:

1. “**Director**” means any individual who is an elected or appointed director on the Company’s board of directors. Collectively, the Directors form the Company’s board of directors (the “**Board**”).
2. “**Immediate Family**” means a Director’s parents, siblings, children, grandchildren and partner and includes the parents, siblings, children, and grandchildren of such Director’s partner.

DISCLOSURE PROCESS

Any Director having an actual, potential or perceived Conflict of Interest (a “**Conflict**”) shall declare the Conflict and any details of that Conflict as soon as the Director becomes aware of the Conflict. If the Director becomes aware of the Conflict between meetings of the Board, the Director shall notify the Chair of the Board in writing as soon as they become aware of the Conflict. At the beginning of each meeting of the Board, the Directors shall be given an opportunity to declare any Conflicts as to any matter to be discussed at the meeting or any matters that have come to the attention of the Directors since the last Board meeting. In the event a Conflict becomes apparent only at the time of a discussion during a meeting, the Director in question will declare the conflict at the time they become aware of the Conflict. Conflicts disclosed during a meeting of the Board will be recorded in the minutes of such meeting. If a Director becomes aware of a Conflict during a meeting of a committee of the Board, the Director shall disclose the Conflict during such committee meeting and such disclosure will be recorded in the minutes of such meeting. A Director that becomes aware of Conflict during a meeting of a committee of the Board shall notify the Chair of the Board in writing immediately following the meeting.

DETERMINATION OF CONFLICT

Where a Director discloses a Conflict to the Chair or the Board, such disclosure will be fully documented in writing and reviewed by the Chair of the Board, who shall determine whether a Conflict of Interest exists. If the Chair of the Board is the Director disclosing the Conflict, the Vice-Chair shall review the Conflict and shall determine whether a Conflict of Interest exists. If an issue is deemed by the Chair (or Vice-Chair, if applicable) NOT to be a Conflict of Interest with the Company, it will be documented and approved as “**Not In Conflict**”. If the Chair (or Vice-Chair, if applicable) determines that an issue is a Conflict of Interest with the Company, the Conflict of Interest will be fully documented and recorded as “**In Conflict**”. For further certainty, a Director may determine that they are In Conflict in respect of an issue or, in the event a Director does not identify or disclose a Conflict, or disagrees with the determination of the Chair (or, if applicable, the Vice-Chair) that a Conflict exists, the Board may, in its sole and absolute discretion deem a Director to be in a Conflict. Where a Director is in Conflict or deemed to be In Conflict, they are required to govern themselves in accordance with the below procedures.

PROCEDURES WHEN IN CONFLICT

Attendance at Board meetings when In Conflict. Directors shall recuse themselves from discussions at the Board where they are In Conflict and shall leave Board or committee meetings when the issue of the Conflict is discussed. In the event a Director is deemed by the Board to be In Conflict the Board may, in its sole and absolute discretion require such Director to leave a Board meeting while the issue on which such Director has the Conflict discussed.

Motions and Voting when In Conflict. In the event that a Director is In Conflict, such Director will not move or second a motion or vote on matters involving the subject of the Conflict.

Discussions re Conflict. A Director In Conflict shall not discuss the issue of the Conflict with other Directors, employees/staff/contractors of the Company so as to avoid the perception of attempting to influence the outcome of the issue. For further certainty, this prohibition does not apply to any disclosures required to conform to the requirements of this Policy.

The Other Party in the Conflict. By its nature, a Conflict means that another party or organization with which the Director is engaged is also likely to be engaged in the same issue. For clarity, a Director In Conflict should also take the above steps in respect of the *other party* to the Conflict, not only in respect of the Director’s activities at CENGN. The same rules as to Conflict of Interest apply where the Conflict is between the two corporations a Director serves, even if the corporations are friendly, related or linked; therefore, where interests of two corporations of which a person is a director conflict on a particular matter, such a director must recuse themselves for participating on both boards on the issue concerned.

CONFLICT OF INTEREST DISCLOSURE AND ACKNOWLEDGMENT RE POLICY

A: Conflict of Interest Disclosure

Please check one of the following boxes and, if making disclosure hereunder, provide details of the perceived or actual conflict, including the organization(s) and issue(s)/transaction(s) involved:

I do not have any conflicts of interest or potential conflicts of interest to report. _____(initial)

OR

I have the following affiliations, interests or relationships to report (please insert description below): _____ (initial)

B. Acknowledgement re Policy

This is to acknowledge that I have reviewed the CENGN Conflict of Interest Policy and understand that it contains important information on Conflicts of Interest, as well as the procedures for identifying and resolving them. I acknowledge that I have read, understand, and will adhere to this Policy.

Signature

Date

Printed Name
