

Expectation of Individual Directors Policy

1. Application

This Policy applies to all Directors.

2. Purpose

This Policy sets out the general expectations that the Vector Institute (the “Corporation”) has for its Directors. The Corporation is committed to maintaining the highest ethical standards in all aspects of its operations. Its reputation for integrity and excellence requires observance of the spirit and letter of applicable laws and regulations, as well as regard for the highest standards of conduct and personal integrity on the part of its Directors.

3. General Expectations

A Director is expected to:

- have a general understanding of the governance structure of the Corporation and be familiar with the Corporation’s by-law, business plan, and policies;
- attend and devote the time and effort required to participate meaningfully in Board and Board committee meetings. In so doing, a Director expects to receive relevant information in advance of the meetings, reviews pre-circulated material, comes prepared to Board and Board committee meetings, asks informed questions and makes a constructive contribution to discussions;
- participate in corporate-sponsored events and activities when appropriate and possible; and
- participate in training and education as part of a commitment to continuous self-improvement.

4. Director Duties

4.1. Fiduciary Duties

A Director’s fiduciary duties are owed to the Corporation. As a fiduciary, a Director must act honestly and in good faith, with a view to the best interests of the Corporation. A Director does not represent the specific interests of any constituency or group.

A Director exercises the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. A Director with special skill and knowledge is expected to apply that skill and knowledge to matters that come before the Board.

4.2. Authority

A Director carries out the powers of office only when acting as a voting member during a duly constituted Board meeting or Board committee meeting. As an exception, a Director may be specifically authorized by Board resolution to undertake an activity(s) for and on behalf of the organization. In this instance, the Board retains ultimate responsibility for such activity(s). A Director must respect the responsibilities delegated by the Board to the Chief Executive Officer,

avoiding interference with the Chief Executive Officer's duties, but insisting upon accountability to the Board and reporting mechanisms for assessing organizational performance.

4.3. Accountability

A Director must comply with all applicable laws, regulations, corporate by-laws, and all policies of the Corporation that apply to him or her and/or the circumstance, including the policies described below.

5. General Provisions/Policies/Guidelines

5.1. Conflict of Interest

A Director must exercise care to avoid potential, apparent, and actual conflicts of interest and must abide by the Board Conflict of Interest Policy.

5.2. Confidentiality of Information

A Director must respect the confidentiality of Board discussions and information. A Director must not disclose confidential Board information unless otherwise authorized by the Board. A Director must adhere to the Board Confidentiality Policy.

5.3. Communications

Only the Board Chair or designate may speak on behalf of the Board unless authorized by the Board or Board Chair. A Director should refer questions from the media or others to the Board Chair or a designated spokesperson.

5.4. Personal Benefit and Assisting Third Parties

A Director should not make personal use of, or benefit from the Corporation's assets. A Director should not assist third parties in their dealing with the Corporation where this would result in preferential treatment to, or create an advantage for any person or organization.

5.5. Respectful Conduct

All discussions and debates should take place in an environment of mutual respect and courtesy. A Director must respect the authority of the Board Chair. The Corporation is committed to providing a workplace in which all individuals are treated with dignity and respect. A Director must ensure that his or her behaviour and conduct is free from harassment and discrimination towards other persons.

5.6. Teamwork

A Director shall develop and maintain sound relationships and work cooperatively and respectfully with the Board Chair, other Directors and senior management, while exercising independence in decision-making.

5.7. Board Solidarity

A Director acknowledges that properly authorized Board decisions must be supported by all Directors. The Board speaks with one voice. A Director who has abstained or voted against a motion must adhere to and support the decision of the majority. If a Director cannot do this, that Director has a duty to resign.

6. Formal Dissent

A Director reviews the minutes of the previous meeting on receipt and may request that the minutes record that Director's conflict of interest disclosure, abstention, or dissent.

A Director who is absent from a Board meeting is deemed to have supported the decisions of the Board made in his or her absence unless he or she formally records a dissenting view with the Board secretary. While an absent Director may formally record a dissenting view before the approval of the minutes at the next meeting, this does not change the decision reached by the Board.

7. Compliance

A Director has a personal responsibility to ensure that his or her behaviour and conduct complies with this Policy. A Director must continue to adhere to this Policy upon ceasing his or her relationship with the Corporation insofar as the principles and rules of conduct remain applicable.

8. Amendment

This Policy may be amended by the Board on the recommendation of the Audit and Finance Committee.