



ILSI

Research  
Foundation

# MANDATORY POLICIES OF THE INTERNATIONAL LIFE SCIENCES INSTITUTE RESEARCH FOUNDATION

## 1 Introduction and Scope

1.1 **Binding Effect of these Policies.** The Board of Trustees of the International Life Sciences Institute Research Foundation (“Research Foundation”) has adopted the following policies as mandatory for the organization.

1.2 **Nature of ILSI.** The Research Foundation is organized and operated as a nonprofit, charitable and scientific organization. It is required by law always to act in the service of the public good rather than in the service of corporate or other private interests. The Research Foundation’s activities include the participation of and contributions from scientists working in industry, academia, government, civil society, and other sectors. The Research Foundation receives financial support from international organizations, government agencies, private foundations, and companies. The contributions of time, money, and expertise that the Research Foundation receives from multiple sources are provided upon the shared understanding that the Foundation’s work is scientifically rigorous, scrupulously neutral, and free from improper influence by the sources of its funding. For all of these reasons, the Research Foundation must first and foremost conduct itself and its activities with a view to serving the public interest.

## 2 Board Governance of the ILSI Research Foundation

2.1 **Role of the ILSI Research Foundation Board of Trustees.** The fundamental requirements of the board are to ensure that:

- (a) The Research Foundation be created, composed, and operated in a manner consistent with the applicable laws, rules, and regulations of the country where it is incorporated.
- (b) The Research Foundation acts in accordance with the ethical and organizational standards set forth in the organization’s charter agreement with ILSI, its governing instruments, and these policies.
- (c) The board exercises effective oversight over the management and finances of the Research Foundation, and provides strategic direction to its management. Such oversight requires board approval of budgets and supervision of programs and activities to ensure their sustainability, scientific merit, and adherence to these policies.

2.2 **Tripartite Participation on ILSI Boards.** At least half of the trustees of the Research Foundation board must be considered “public sector” trustees as defined in these policies. To be considered a public sector trustee, the individual must be able to demonstrate that he or she is substantially and actively engaged in teaching, research, and/or administrative programs of a

public institution (university, nonprofit research institute, foundation, governmental, intergovernmental or quasi-government bodies). To the extent permitted by applicable laws, regulations, and public policies, the Research Foundation should strive to include on its board individuals employed by government entities.

**2.3 Duty of Loyalty to the Research Foundation.** The Research Foundation should communicate to all of its trustees that, whether they are employed in the public or private sector, each of them serves in an individual capacity, and not as agents of their employers. All actions taken in one's capacity as a trustee must be in the best interest of the Research Foundation rather than the interest of the trustee's employer.

**2.4 No Compensation for Board Service.** Trustees shall not be compensated by the Research Foundation for serving on the board or any committee. However, to the extent permitted by applicable law, the Research Foundation may reimburse the reasonable and necessary costs of attending official functions of Research Foundation. The Research Foundation shall not make loans of its funds to trustees, staff, or any other person.

**2.5 Internal Controls and Financial Records and Policies.** The Research Foundation board must ensure that the Research Foundation has in place effective internal controls, systems of checks and balances, and formalized record keeping, which with the aims of safeguarding the Foundation's assets; assuring its compliance with applicable laws, rules, regulations, and these policies; and adhering to its public interest mission. At a minimum, such internal controls shall include the following:

- (a) keeping detailed books, records, and accounts which accurately and fairly reflect the transactions and dispositions of assets;
- (b) regular financial reporting to the board by the Research Foundation's management;
- (c) a system of internal controls which provides reasonable assurances that grants, transactions and other expenditures are properly authorized and appropriately recorded;
- (d) policies for incurring and reimbursement of reasonable travel and other expenses;
- (e) educating staff regarding who can authorize particular transactions;
- (f) ensuring that multiple staff members and/or trustees in the organization understand the flow of monies through the entity; and
- (g) providing sufficient information to the board to give assurance that the entity's investment portfolio is being responsibly managed, consistent with applicable investment guidelines.

**2.6 Governance Records and Policies.** The Research Foundation board must ensure that the Research Foundation maintains the following written records and policies:

- (a) copies of current organizational documents such as articles of incorporation (or articles of association) and bylaws;
- (b) official minutes of meetings and actions of the board of trustees, recorded reasonably promptly after the meeting or action in question;
- (c) a policy requiring trustees to declare actual and potential conflicts of interests no less frequently than annually;
- (d) a whistleblower policy that protects employees and other Research Foundation personnel against retaliation for reporting suspected financial irregularities; and
- (e) a document retention policy that provides for the safekeeping of key Research Foundation documents and the prevention of their destruction upon receiving notice of a legal inquiry into the Research Foundation's operations.

### **3 Management and Operation of the ILSI Entity**

**3.1 Executive Director Position.** The day-to-day operations of the Research Foundation should be managed and directed by the Executive Director who shall be responsible to the entity board. The Research Foundation should establish a clear job description or terms of reference for the Executive Director position, which should be periodically reviewed by the board. The Executive Director should not be a voting member of the Research Foundation board.

**3.2 Executive Director Evaluation and Compensation** - The board of each the Research Foundation should evaluate the Executive Director's performance no less than annually. Compensation of the Executive Director shall be established in accordance with a process approved by the board, and the full board shall have access to full information about the Executive Director's compensation. Compensation levels should be fair, reasonable, and not excessive, and should take into account the nature and amount of work required by the Executive Director, as well as benchmarks from comparable institutions. Additional details regarding these procedures are contained in the provisions of the Research Foundation bylaws regarding the Compensation Committee.

**3.3 No Credit or Loans of Entity Funds to Staff.** The Research Foundation shall not extend credit, including personal loans, to its Executive Director or other staff member, or any family member of any such persons.

**3.4 Communications Management.** In its external communications, the Research Foundation must strive to ensure that it exemplifies ILSI's values of scientific excellence, rigor, and integrity; financial and legal probity; and paramount dedication to the public interest. The Research Foundation shall avoid making public statements that are inconsistent with these policies, such as statements that amount to lobbying, advocacy of policy positions, or endorsement of commercial interests. The Research Foundation should be aware that any public statement that it makes can reflect on the entire ILSI network of organizations. ILSI should be consulted on statements on potentially controversial issues.

### **3.5 Financial Sponsorship of ILSI Research Foundation Activities.**

- (a) All significant scientific and programmatic activities of the Research Foundation shall be adopted in accordance with a process approved by the entity's board.
- (b) In deciding whether to undertake any activity, and in executing such activities after such a decision has been taken, the Research Foundation should ensure that the activities:
  - (i) fit with the broad mission of ILSI and the specific objectives of the Research Foundation;
  - (ii) are carried out in a scientifically legitimate and accurate manner;
  - (iii) include the substantial participation of public sector scientists;
  - (iv) conform to ILSI's policies;
  - (v) do not involve the endorsement or advertising of any particular brand or company product, or display of sponsor or other company logos;
  - (vi) include disclosure of relevant facts and important information where their omission would present an unbalanced view of an issue in which the sponsor(s) have a perceived or actual conflict of interest.
- (c) Except in special circumstances described herein, an entity shall not undertake any scientific or programmatic activity that is funded solely by for-profit companies unless the activity has at least three financially distinct funding sponsors. The purpose of this rule is to avoid undue domination of the activity by the sponsoring company(ies), and to ensure that the activity is directed to issues of broad, public interest, rather than merely the commercial interests of the sponsor(s). An exception to this rule exists when **ALL** of the following circumstances are present:
  - (i) The activity has been approved pursuant to a transparent process carried out by a committee of board members or an external scientific advisory group whose members are independent of the sponsor(s).
  - (ii) The performance of the activity will be overseen by a body of scientific advisors who are independent of the sponsor(s).
  - (iii) The funding agreement with the sponsor(s) clearly establish that the sponsor(s) have no authority to alter or predetermine the outcome of any scientific activity, and that the Research Foundation and its collaborators are required to exercise their independent judgment regarding the conduct of the activities and the outcomes of those activities.

**3.6 Avoidance of Conflicts of Interest.** In its relations with corporate organizations, the Research Foundation must avoid any conflict of interest and act at all times in ways that will only enhance the credibility and professional recognition of the entity and of the global ILSI network. The Research Foundation shall not authorize any use of the ILSI name and logo: (a) in connection with activities in which the entity has no substantive involvement; or (b) that could impact negatively upon ILSI's or the entity's credibility or reputation, such as by allowing corporate donors to display the ILSI name or logo (or the name or logo of the ILSI Research Foundation or any of its centers) in connection with commercial advertisements or promotional literature relating to products or services other than the Take 10 physical activity program.

**3.7 Commissioned Research and Research Grants Awarded by the ILSI Research Foundation.** When the Research Foundation commissions one or more scientists to conduct research, and when it awards a research grant to a third party, the Research Foundation shall ensure that the following principles are respected:

- (a) The research shall be conducted in an objective manner so that its results are presented factually and without bias or predetermined outcomes and be such that it is verifiable and reproducible.
- (b) The research shall be designed so that it is an adequate and unbiased test of the hypothesis or question being evaluated. Investigators should maintain their intellectual honesty in proposing and performing all aspects of research so that it is uninfluenced by competing interests, including financial interests.
- (c) The scientific independence, autonomy, and integrity of the investigators involved must be respected. Without limitation, this means that once a design, protocol, or implementation plan has been established for a project investigators shall not be required to accept suggestions or changes to the design, protocol, or implementation, or to resulting manuscripts, which are proposed by the Research Foundation or by other organizations involved in funding the work in question.
- (d) Remuneration for work and tokens of appreciation for investigators shall not depend on the outcome or interpretation of the research. This principle does not preclude stopping studies using pre-specified adaptive designs to permit a change in course when the original purpose of the study appears to be futile or dangerous. It also does not preclude deciding which, if any, new work is to be undertaken on the basis of results of a prior study.
- (e) The Research Foundation shall provide a copy of these principles regarding commissioned research and research grants to all investigators engaged in such research.

**3.8 Publications.** Publications of the Research Foundation shall reflect the high standards of the ILSI organization. To that end:

- (a) Authors should make a full disclosure of financial interests that would reasonably appear to affect the contents of the article or work's communication. This includes disclosure of industry relationships, advisory relationships, financial and other conflicts of interest.
- (b) Relevant interests (financial and otherwise) and/or advisory relationships of the authors shall be cited in publications. It is recognized that guarding against conflicts of interest is important in all research, not simply industry-sponsored publications, but it is especially important in these.
- (c) Authors shall adhere to accepted guidelines for authorship and publications.
- (d) External funders of the research and/or other sponsors shall be mentioned by name in publications and other forms of disclosure, if applicable.
- (e) Ghost authorship (when an individual makes a substantial contribution to the research or the writing of the manuscript, but is not listed as an author) is not allowed in Research Foundation-sponsored studies or publications.

#### **4 Representation of ILSI Entities in Meetings of Government Agencies, International Organizations, and Other Authoritative Bodies.**

**4.1 Commentary on Pending Regulations / Legislation.** The Research Foundation should not comment upon or propose public policy solutions in relation to proposed, pending, or existing legislation (i.e., statutory law established by a parliament or other legislative arm of government). With regard to proposed, pending, or existing regulations (i.e., rules established by administrative bodies to implement legislation), the Research Foundation may provide regulators information relating to its scientific expertise, but it may not propose public policy solutions or advocate the commercial interests of any parties. All commentary on pending regulation and legislation by the Research Foundation must be reviewed and approved by ILSI's legal counsel in advance of its submission to any public authority.

**4.2 Official ILSI Participation in Meetings of Public Bodies.** When the Research Foundation participates in a meeting of a public body (e.g., Codex Alimentarius, OECD, FAO, WHO, etc.), only Research Foundation staff members are authorized to speak as representatives of the Foundation in such meetings.

#### **5 Additional Policies**

**5.1 Anti-Corruption Policy.** ILSI entities, including the Research Foundation, are bound by the [ILSI Anti-Corruption Policy](#), which should be distributed to trustees and staff of the Research Foundation as well as any person, company, or organization that acts or purports to act on behalf of the Foundation.

**5.2 Antitrust Policy.** ILSI entities, including the Research Foundation, are bound by the [ILSI Antitrust Statement](#), which should be distributed to participants in meetings of the Research Foundation.

5.3 **Code of Ethics and Standards of Conduct.** Each ILSI entity, including the Research Foundation,—together with its employees, trustees, agents, and other representatives—is bound by the [ILSI Code of Ethics and Standards of Conduct](#). In addition, the Research Foundation shall maintain policies that promote honest and ethical conduct, including the handling of conflict-of-interest issues at both the board and staff levels; accurate and clear disclosure of financial matters; legal compliance; confidential use of proprietary information; and prompt internal reporting of violations of the code or of applicable law, with appropriate protection against retaliation because of any good-faith report. The policies should be readily available to the public, for example, by posting on the entity's website, or by reference in its annual report.

5.4 **Diversity Policy.** ILSI entities, including the Research Foundation, are bound by the [ILSI Diversity Policy](#), which should be distributed to trustees and staff of the ILSI entity.

## 6 Implementation, Compliance Monitoring, and Enforcement

6.1 **Implementation.** These policies are effective for the Research Foundation as of the date of their adoption by the ILSI Research Foundation board. Accordingly, upon the adoption of these policies, the Research Foundation shall:

- (a) Bring its governance, operations, and activities into compliance with these policies; and
- (b) Communicate these policies to each member of its board, each of its employees, and each of its volunteer collaborators, and ensure that these policies are at all times readily accessible to such persons.

6.2 **Compliance Monitoring.** The Research Foundation shall supply all information reasonably requested by ILSI to verify its compliance with ILSI policies, and will cooperate with ILSI to address any areas of concern.

6.3 **Review and Revision of Policies.** The Research Foundation shall review and revise these policies on a periodic basis. In doing so, the Research Foundation shall take into account, among other things, relevant scientific best practices, legal developments, and the advice of the ILSI legal counsel.

These policies were adopted by the ILSI Research Foundation Board of Trustees in its regularly scheduled meeting on October 28, 2015.