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Insert

Organisation

Logo

[Insert Organisation Name]

Conflict of Interest Policy

# Introduction

A Conflict of Interest policy is adopted by organisations to ensure that employees and board members place the interest of the organisation above their own. The purpose of the policy is to protect the organisation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee or board member.

## Scope

The document applies to the following individuals/groups of individuals:

|  |  |
| --- | --- |
| Department | ` |
| [Department Name] | [Title of the responsible individual] |

## **Purpose**

* 1. The [ORGANISATION NAME] understands that its employees and board members (referred to in this document as “key individuals”) have diverse professional and financial interests that may or may not influence the decisions they make in the organisation. As such, [ORGANISATION NAME] requires all key individuals to disclose to the Board all relationships that may cause a potential conflict of interest. Compliance with the policy is key to ensuring the integrity and reputation of [ORGANISATION NAME].

1. Definitions
   1. **Key individual**: All employees and board members of [ORGANISATION NAME] who have direct or indirect financial interest, as defined below.
   2. **Financial interest**: An individual has financial interest if they have directly or indirectly through business, investment or family:

* An ownership or investment in any entity with which [ORGANISATION NAME] has a transaction or arrangement,
* A compensation arrangement with [ORGANISATION NAME] or with any entity or individual with which [ORGANISATION NAME] has a transaction or arrangement, or
* A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which [ORGANISATION NAME] is negotiating a transaction or arrangement.
  1. **Compensation**: Direct or indirect remuneration, as well as gifts or favours that are not insubstantial.

1. Procedures

#### Duty to Disclose

* In connection with any actual or possible conflict of interest, key individuals must disclose the existence of the financial interest to the Board or committee and any relevant facts or information to the individuals who will review the proposed conflict of interest.

#### Determining Whether a Conflict of Interest Exists

* The Board or committee will determine whether any of the information disclosed by key individuals constitutes a conflict of interest following a thorough review of all the information shared and discussions with the key individual involved.

#### Procedures for Addressing the Conflict of Interest

* Following the presentation of information regarding their financial interest, the Board or committee will decide whether a conflict of interest exists.
* The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
* After exercising due diligence, the Board or committee shall determine whether [ORGANISATION NAME] can obtain a more advantageous transaction or arrangement from another entity that would not give rise to a conflict of interest.
* If a more advantageous transaction or arrangement is not reasonably possible, the Board or committee shall determine by a majority vote (excluding the key individual) whether the transaction or arrangement is in the in the best interest of [ORGANISATION NAME].

#### Violations of the Conflict of Interest Policy

* If the Board or committee has reasonable cause to believe a key individual has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
* If, after hearing the key individual’s response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take corrective action.

1. Disclosure Form

#### All key individuals are required to submit, on an annual basis, a disclosure form [Annex A] stating any conflicts or potential conflicts of interest.

# Annex A

[ORGANISATION NAME] follows a Conflict of Interest policy designed to foster public confident in our integrity and to protect our interests when we are contemplating entering a transaction or arrangement that may benefit the private interests of a board member, top management, employees or any person with substantial influence over [ORGANISATION NAME].

Please provide all information requested, sign, date, and return to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, have read the Conflict of Interest policy and feel that:

(1) I do not have any relevant relationships to disclose; or (2) I have a relevant relationship as described below, such that my participation in the organisation could represent or be perceived to represent a conflict of interest.

I therefore:

\_\_\_\_ Have no relationships to disclose

\_\_\_\_ Have a relationship with an entity, which I have disclosed on the attached page

It is my understanding that this information will be retained in the files of [ORGANISATION NAME] and will be available for review by members, prospective members, and others who inquire. I further understand that this information may be shared with the [ORGANISATION NAME]’s legal counsel.

I acknowledge that it is my responsibility to ensure that my disclosure information is current and complete and to update my disclosure records throughout the year if my relevant relationships change.

Signature: : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_