

## P09 Conflict of Interest Policy

*London Associati Ltd* (Certifications) is legally obligated to manage conflicts of interest for all personal and commercial decision making under current Legislation.

*London Associati Ltd* Certifications shall adhere to the current Legislation in all matters relating to the declaration and management of conflicts of interest wherever personal, family, or private interests, loyalties, or commitments conflict with those of the company.

The purpose of this policy is to protect *London Associati Ltd* Certifications, its directors, managers, employees and contractors from any appearance of impropriety. This policy will apply to all directors, managers employees, contractors and other staff.

A conflict of interest is a conflict between a director, managers, employees or contractor's public duty to act in the best interests of *London Associati Ltd* Certifications and his or her private interests.

A conflict of duty (also known as a conflict of role) is a conflict of interest that can occur even if a person does not have any private interest at stake. It is a conflict between a director, managers, employees or contractor's:

- Duty to act in the best interests of *London Associati Ltd* Certifications; and
- Their duty to another public or private sector organisation. It exists due to the person's role with the other organisation (e.g. as a committee member, employee, contractor volunteer or Organization member).

These conflicts may arise because of their membership of multiple boards and are particularly acute for directors appointed as 'representatives' of particular interest groups, membership of a profession or employment in the public service.

A conflict of interest exists whether it is:

- Real—it currently exists;
- Potential—it may arise, given the circumstances; or
- Perceived—members of the public could reasonably form the view that a conflict exists or could arise that may improperly influence the director's performance of his or her duty to *London Associati Ltd* Certifications now or in the future.

Conflicts of interest create problems, in that they may:

- Inhibit free discussion in board or other authorised meetings;
- Lead to bias or lack of impartiality in decision making;
- Result in decisions or actions that are not in the interests of the *London Associati Ltd* Certifications; or
- Harm public perception of the *London Associati Ltd* Certifications and the broader community by giving the impression that *London Associati Ltd* Certifications has or may have acted improperly.

# POL09 Conflict of Interest Policy

The key principles underlying this policy are as follows:

- Obligations and good practice:
  - *London Associati Ltd* board, managers, employees and contractors act in accordance with their obligations and with good governance and ethical practice.
- Public interest:
  - Conflicts of interest are avoided where possible. Where a conflict exists, it is declared and managed in the public interest.
- Real, potential or perceived:
  - A conflict of interest exists whether it is real, potential, or perceived.
- Transparent and accountable:
  - The process for declaring and managing conflicts of interest is transparent, accountable, and consistent with the *London Associati Ltd* Certifications.
- Culture of integrity:
  - *London Associati Ltd* Certifications fosters a culture of integrity. Directors, managers, employees and contractors are supported to raise their own conflicts of interest and to speak up if they believe that another person may have an undeclared conflict.

A private interest can be direct or indirect for example:

- A direct interest is held by any director, manager, employee or contractor; and
- An indirect interest is held by a relative or close associate of a director, manager, employee or contractor, for example:
  - An immediate family member (e.g. spouse, partner, child, parent, sibling);
  - A regular household member (i.e. someone who normally resides with the person); or
  - Another close associate (e.g. friend, relative, business associate, rival, enemy).

A consensual personal relationship between a director and a close associate constitutes a potential conflict of interest and must be declared.

A private interest can be pecuniary (financial) or non-pecuniary (non-financial), or a mixture of both. It can arise from a wide range of personal, professional, or business-related sources.

Pecuniary interests:

- Include actual, potential, or perceived financial gain or loss;
- Include circumstances where money does not change hands;
- Exists if the director, manager, employee or contractor (or a relative or close associate):
  - Owns property;
  - Holds shares, investments or other business interests;
  - Has a position in a company bidding for government work;
  - Receives benefits such as concessions, discounts, gifts or hospitality from a source;

# POL09 Conflict of Interest Policy

- Holds office in a corporation (public, private or trustee), incorporated association or other entity;
- Has any other relevant financial interest, for example:
- Is entitled to receive income derived from a contract;
- Is a beneficiary or trustee of a trust; or
- Is entitled to receive income from an office held for payment or reward, or a trade, vocation or profession.

## Non-pecuniary interests:

- May arise from personal or family relationships, or from involvement in sporting, social, or cultural activities, etc;
- May result in prejudice because of friendship, animosity, or other personal involvement with another person or group;
- Can lead to a conflict of interest; if personal values are likely to affect the proper performance of a director's public duty; and
- Can give rise to a conflict of interest if there is enmity as well as friendship.

## *London Associati Ltd* Certifications manages conflicts of interest by:

- Having each director, manager, employee or contractor signing a Conflict of Interest form upon appointment;
- Updating this form annually or if their circumstances change;
- Maintaining a register of conflicts of interest; and
- Updating the register after each Board meeting or each time a conflict of interest is declared.

A person who may have breached this policy must notify the Executive Manager (EM) immediately. If the EM is of the view that a breach has not occurred, the Impartiality Committee will determine at the next scheduled meeting, and record in the minutes, whether a breach has or has not occurred.

If the EM is of the view that a breach has occurred, they will arrange for the board to determine on an urgent basis, and record in the minutes, whether a breach has occurred. If a breach has occurred, the EM will notify the Board Chair in writing as soon as practicable, including whether the breach relates to a material conflict of interest.

Any person who believes that another person directly appointed by *London Associati Ltd* Certifications may have breached this policy but not yet notified the EM will bring this to their immediate attention or will approach the Board Chair, who will then notify the EM.