

IRL CONFLICT OF INTEREST POLICY

1. INTRODUCTION

It is recognised that within any organisation there is always a potential for conflict of interest. All staff, volunteers, and Directors of IRL Limited (“IRL” or “organisation”) will strive to avoid any conflict of interest, both individually and collectively, between the interests of the organisation on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest. This policy is intended to supplement but not replace any applicable legislation governing conflict of interest applicable to non-profit organisations.

The purpose of this policy is to protect the integrity of the IRL’s decision-making process, to enable stakeholders to have confidence in the organisation’s integrity, and to protect the integrity and reputation of volunteers, staff (“Officials”) and Directors. This policy is meant to supplement good judgment, and Officials and Directors should respect its spirit as well as its wording.

2. DEFINITIONS

2.1 Interested Person

Any Director, Official, or member of a committee with governing or competition delegated powers, who has a direct or indirect financial or professional or national interest, as defined below, is an interested person.

2.2 Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (a) An ownership or investment interest in any entity with which the organisation has a transaction or arrangement;

- (b) A compensation arrangement with the IRL or with any entity or individual with which the IRL has a:
- (c) transaction or arrangement, or
- (d) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the IRL is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. An interest is not necessarily a conflict of interest. Under section 4(iii), a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

3 EXAMPLES OF CONFLICTS OF INTEREST

Examples of conflicts of interest include but are not limited to:

- a) An interested person who is also a participant may be faced with a decision in a committee or Board meeting regarding whether fees for participants / Members should be increased.
- b) An interested person who is also a participant may be faced with a decision on strategy or tactics or otherwise involving the Board or any IRL decision-making organ.
- c) An interested person who is related** to a member of staff and there is decision to be taken on staff pay and/or conditions at a committee or Board meeting.
- d) An interested person who is also on the committee of another organisation that is competing for the same funding or other such contract.
- e) An interested person who has shares in a business that may be awarded a contract to do work or provide services for the organisation or is a director, partner or employee or related to someone who is**.
- f) A voting member of the governing board or committee who receives compensation, directly or indirectly, from the IRL for services.
- g) A person who is connected to the development, delivery or award of qualifications by the IRL has interests in any other activity which have the potential to lead that person to act contrary to his or her interests in that development, delivery or award of any qualifications.

4 DECLARATION OF INTEREST

- (i) Upon appointment each Director will make a written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest. This written disclosure, which shall include a declaration that the Director has received, read, understands and will comply with this policy, will be kept on file and will be updated annually or as appropriate.
- (ii) An up-to-date register of interests will be maintained by the IRL.
- (iii) In the course of meetings or activities, Directors or Officials will disclose any interests in a transaction or decision where there may be a conflict between the IRL's best interests and the Director's best interests or a conflict between the best interests of two organisations that the Director is involved with. If in doubt the potential conflict must be declared anyway and clarification sought.
- (iv) In the case of a conflict of interests arising for a Director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the constitution, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:
 - (a) the Director who has declared the conflict of interest withdraws from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
 - (b) the Director who has the conflict of interest does not vote on any such matter and is not to be counted when considering whether a quorum of Directors is present at the meeting;
 - (c) the other Directors who have no conflict of interest in this matter consider it is in the interests of the IRL to authorise the conflict of interest in the circumstances applying.
 - (d) Any such disclosure and the subsequent actions taken will be noted in the minutes.

5. PROCEDURES TO MANAGE

- (i) After disclosure of the potential interest (financial or otherwise) and all material facts, and after any discussion with the interested person, he/she may be asked to leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

- (ii) An interested person may be precluded from voting on matters pertaining to that matter.
- (iii) 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.
- (iv) After exercising due diligence, the Board or committee shall determine whether the IRL can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (v) For all other potential conflicts of interest the advice of the IRL will be sought and the advice recorded in the minutes. All steps taken to follow the advice will be recorded.

6. VIOLATIONS

- (i) If the Board or committee has reasonable cause to believe a Director or Official 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.
- (ii) If, after hearing the Director or Official's response and after making further investigation as warranted by the circumstances, the Board or committee determines the person in question has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

** A relative may be a child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Director or any person living with the Director as his or her partner'

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