



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TITLE: Conflict of Interests Policy		
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MANAGER REVIEW	Ross Litchfield	QUALITY REVIEW 

Tidyco Limited: Conflict of Interest Policy

1. Introduction

- 1.1. This Conflict of Interests Policy supports Tidyco Ltd.'s Ethics, in particular, the businesses commitment to integrity, by encouraging the declaration of conflicts of relevant interests so that they may be appropriately managed.

2. Purpose and Scope

- 2.1. The purpose of this Policy is to encourage the disclosure and management of actual, potential or perceived conflicts of interest in order to protect the integrity and reputation of the Business and its Stakeholders.
- 2.2. The business acknowledges that its members will have various external interests. The intention of the policy is not to limit these roles but to ensure that interests are recognised, declared and where any conflicts of interest arise these are appropriately recognised and managed.
- 2.3. This Policy applies to all Tidyco Ltd employees and Directors.
- 2.4. It is the responsibility of each individual to recognise situations in which questions of conflict of interest on their part might reasonably be raised, and to disclose such situations to the business by taking the appropriate steps identified in this Policy.
- 2.5. The Directors of Tidyco Ltd are responsible for the implementation of this policy and for ensuring that there are appropriate systems in place to promote and monitor compliance with it.

3. Regulation

- 3.1. This policy forms part of Tidyco Ltd.'s governance framework and supports the businesses commitment to uphold public interest principles and in fulfilment of regulatory requirements, including but not limited to:
Section 175 of the Companies Act 2006, which states, 'a director of a company must avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company.'

4. Definitions

- 4.1. An interest can be a financial or non-financial interest. Financial interests include remuneration (such as pay, commission, consultancy) and assets (investments, stocks, bonds, property). Non-financial interests include enhancement of career, education or reputation, access to privileged information or facilities.
- 4.2. Many of these interests will not compete with your duties and responsibilities to business. However, where your obligations to the business are, or may appear, to be compromised, a conflict of interests occurs.
- 4.3. For the purpose of this policy conflict of interests include the following types of conflict:
 - a) Conflict of Interests: A conflict of interest arises where there is an actual or potential risk or a perceived conflict in duties between acting in the best interests of the business and formal and/or informal commitments, obligations or undertakings to another body/association/affiliation in relation to the same or related matters;

- b) Conflict of loyalty: where overlapping personal interests or loyalties could, or be perceived to, prevent an individual from making a decision only in the best interests of the business;
- c) Conflict of commitment: where an individual's engagement in outside professional activity, paid or unpaid, involves a commitment of time that may conflict with their role and obligations to the business.

4.4. A conflict of interest may relate your own interests or a connected person which means family, relatives or business partner or business in which you hold an interest.

5. Avoiding conflicts of interests

5.1. No one should be involved in making decisions in relation to their commitments to the business from which they, or anyone with whom they have a close financial or personal relationship, stands to personally benefit. In thinking about whether there is any conflict between decisions which they are making, and their own personal interests the common law test for bias is whether a fair-minded and informed observer would have any reason to suspect that an individual's impartiality might be compromised.

5.2. Such considerations apply to a wide range of activities in which conflicts may arise, including, but not restricted to, disciplinary proceedings, appeals, staff recruitment, staff promotion and remuneration, procurement, and assessing proposed relationships between the business and outside parties.

5.3. Examples of situations in which conflicts of interest might arise, include:

- a) where there is actual, potential or perceived personal gain or gain to an immediate family/close contact/associate;
- b) where there is actual, potential or perceived financial gain which may be seen to influence action or decision making;
- c) where an individual is in a position whether actual, potential or perceived to directly or indirectly enhance their career or the career of others with whom they are personally associated;
- d) where there is actual, potential or perceived reputational impact for either the business or the individual personally.

5.4. Further examples are listed in Annex A.

5.5. Staff recruitment is an activity which requires additional transparency and careful management of interests.

5.6. In relation to external commitments that may create conflict, individuals covered by this policy should ensure that they do not enter into commitments or engage in activities which are inconsistent with their terms and conditions of employment, with regard to outside activities and the permission required to engage with them. In the event of queries, individuals should seek advice from their line manager or the person to whom they report.

6. When to declare a conflict

6.1. Every member of the business should act in accordance with the values of the businesses Ethics and should therefore declare any interests that might lead to an actual, potential or perceived conflict of interest as soon as they are aware of them.

6.2. Failure to disclose an interest, providing an incomplete or inaccurate disclosure, failing to seek approval or failing to appropriately manage a Conflict of Interest may constitute misconduct or a breach of terms and conditions of employment and may result in disciplinary action being taken.

7. Declaring Interests and Conflicts of Interest

7.1. All employees should complete a declaration of interests. Staff can complete this declaration through the HR Department

7.2. Directors and Employees should not be involved in any decision-making process without having completed the declaration of interests.

7.3. To declare a conflict of interest:

- a. A declaration can be made in writing to HR
- b. Conflicts of Interest relating to recruitment must be declared.

7.4. In order to report on the operation of this policy all declarations of conflicts of interest should be reported to HR. These should include details of the facts, who undertook the assessment and what action was taken as a result.

8. Assessing and Managing Conflicts of Interest

- 8.1. All declared actual, potential or perceived conflicts of interests should be reviewed considered by the Directors of the business.
- 8.2. The reviewer should determine what, if any, further action is required. Individuals should not determine how to appropriately manage their own declarations.
- 8.3. It is important to note that considering conflicts of interest involves a spectrum of directness and significance. Several factors may need to be considered when assessing the seriousness of the conflict of interest and potential for bias. These include but are not limited to:
- a) The seriousness of the actual, potential or perceived conflict;
 - b) how closely the two interests are related to each other;
 - c) the magnitude of the actual, potential or perceived effect of one on the other;
 - d) the nature or significance of the particular decision or activity being carried out;
 - e) the extent to which the individual's other interest could actually affect or be perceived to affect the business's decision or activity;
 - f) the nature or extent of the individual's current or intended involvement in the business's decision or activity.

9. Potential Outcomes

9.1. NO CONFLICT EXISTS

- Where the Directors determines that there is no conflict of interest, this should be formally recorded and reported to HR. An explanation and any supporting documentation should be included as to why it was concluded that no conflict arose.
- In the instance that the overlap of two or more interests is so slight that it does not constitute a real conflict of interest, for example, where the connection between the interests is remote or insignificant, then it may be determined that such interests do not represent a conflict.

9.2. CONFLICT DOES EXIST

- Once a conflict of interest is deemed to exist the Directors will determine the appropriate resolution. These may include:
 - o Continue: be permitted to continue, where the conflict is considered to be insignificant;
 - o Continue with exemption: seek a formal exemption to allow participation (if such a legal power applies);
 - o Continue with restrictions or additional oversight: additional oversight or review over their activity in relation to the particular project;
 - o Withdraw: for the individual to withdraw from any discussions in relation to the particular project or from making any decisions in relation to the particular project;
 - o Reassign: refer the decision, tasks or duties to others; or
 - o Relinquish: for the individual to stand aside from any involvement in the particular project.

Annex A: Examples of Interests and potential conflicts of interests

The following examples highlight where roles, activities or relationships should be declared and potential conflicts that may arise.

INTERESTS

• Paid employment

This includes self-employment, offices held (such as public appointments) or employment where regular income is received and should be declared Staff should refer to their terms and conditions and ensure the necessary permissions are gained.

• Directorships

All paid directorships and unpaid directorships interests should be declared.

• Relationships

Personal relationships may give rise to a conflict of interest as they may be seen to bias decisions. All such personal relationships must be declared.

• Land

Other than a home used solely for personal accommodation, Directors and employees are asked to declare personal or commercial property which may lead to an association with the business.

- **Shareholdings**

Directors and employees are asked to declare the name of all public and private companies or other bodies in which they or those close to them have a beneficial interest. Shareholdings amounting to less than 5% of the issued share capital, or where the nominal value of the holding is less than £25,000, do not need to be registered.

- **Other**

Interests that do not fall into the above categories but may give rise to a conflict. For example, unremunerated interests, positions of authority held or other significant involvement in other organisations, e.g. charitable or political or other educational bodies. It is particularly important for members of the senior management involved in procurement to disclose interests they have in, or with, any organisation from whom the business procures goods or services. Where the interest is of relevance to the business, the declaration shall be made as soon as practicable.