

1. Preliminary

- 1.1 This policy is to be approved by the Board of directors of the Company (the Board).
- 1.2 This policy applies to all persons at any time to time serving as a director of the Company who have been correctly appointed in accordance with the Companies Act 2006 (the Directors).
- 1.3 The purpose of the policy is to ensure the integrity of the Company's decision-making process, to ensure that all Directors have confidence in the Company's integrity and reputation of the Directors and the Company and to avoid any impropriety.

2. Legal Obligations

- 2.1 Each Director has a duty to act in the best interests of the Company, in accordance with the Companies Act 2006 (its constitution) and in accordance with the Companies Act 2006.
- 2.2 All Directors must avoid situations where there may be a conflict of interest between the interests of the Company and their own personal, professional, and business interests. This includes avoiding the appearance of a conflict of interest.
- 2.3 Such conflicts or potential conflicts, if they arise, can:
 - inhibit free and open discussion of issues;
 - result in decisions that are not in the interests of the Company;
 - risk the integrity of the Company and its ability to fulfill its obligations to its shareholders, as required by section 172 of the Companies Act 2006.

3. Conflicts of Interest

- 3.1 A conflict of interest arises when a Director's business or personal interests (or those of a person connected to a Director), or loyalty to a business or person, may (or may appear to) influence the Director's decision making.
- 3.2 A person "connected to a Director" includes:
 - a family member of a Director, including a spouse or partner, child, grandchild, grandparent, brother, sister, or any person living with the Director as a family member;
 - a business partner of a Director;
 - trustees of a trust of which a Director or a family member, is a beneficiary.

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- 4.8 This declaration must be made if the transaction or arrangement is entered into. It should be made in writing in accordance with section 184 of the Companies Act 2006¹.
- 4.9 In addition, if a Director is or has been, whether directly or indirectly, interested in an existing transaction or arrangement, he/she must declare the nature and extent of their interest to the other Directors, in accordance with section 182 of the Companies Act 2006².
- 4.10 This declaration must be made by notice in writing in accordance with section 184 of the Companies Act 2006².
- 4.11 If a Director has an interest which may materially affect the outcome of a decision on that question to [the Chairman of the Board]

5. Dealing with Conflicts of Interest

- 5.1 The Company's Articles of Association must state that the Director will not be counted as part of the quorum for any meeting which deals with the conflicted matter.
- 5.2 The Director [must not take part in any discussions or decisions or votes relating to the matter] OR [must declare the conflict at the earliest opportunity] OR [must not take part in the discussion but not the decision making process in relation to the matter].
- 5.3 The Company's Articles of Association must allow the Company by shareholders' resolution to authorise any directors which would otherwise prevent a director from being counted as part of the quorum in the decision making process³ in relation to a conflict of interest. This should be decided on a case by case basis by the Board before the meeting and subject to the approval of shareholders for validation.
- 5.4 When the Board is considering a conflict of interest, each Director must declare the conflict and must act in a way in which he/she considers, in good faith, to be compatible with their duty to promote the success of the Company as required by section 172 of the Companies Act 2006.
- 5.5 Notwithstanding the above, an exemption applies to contracts of less than £[●]. Ratification of the conflicts of interests register will be made on the award of the contract. If the cumulative value of a series of small contracts exceeds the exemption, the Company will operate this conflicts of interest policy for the remainder of the financial year.
- 5.6 Independent external advice may be used where conflicts cannot be resolved through the internal process [or by referring to an independent arbitration service].

6. Benefits and Managing Conflicts of Interest

It is essential that a Director does not benefit from any transaction to which the Company is a party unless he/she has obtained beforehand explicit legal authority to do so. If a Director has a potential conflict of interest, the

¹ There are other ways to make this declaration. The company should choose the most appropriate.

² There are other ways to make this declaration. The company should choose the most appropriate.

³ This is if a company has the model articles.

Director must not be involved in arrangements for such contracts of bills and invoices, if the relationship is unsatisfactory.

monitoring that contract. Monitoring arrangements for an independent challenge of the contract if the relationship is

7. Data Protection

The information provided with the Data Protection General Data Protection Protection Act 2018 as the United Kingdom from time Directors act in the best interest be used for any other purpose

data will be processed in accordance with "Data Protection Legislation" means the (Regulation 2016/679) and the Data Protection Act 2018, unless superseded by other legislation of the United Kingdom. The information provided will not

8. General

- 8.1 This policy is meant to be read in its spirit as well as its letter.
- 8.2 [The Directors will ensure that this policy is brought to the attention of all proposed and new directors.]
- 8.3 The Board will, as and when necessary, enforce this policy, and revise it from time to time.

judgment. Directors should respect the confidentiality of this policy to the attention of all directors. The Board will, as and when necessary, enforce this policy, and revise it

[Adopted][Revised] on [<date>]

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Register

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Name of director	Description of conflict, i.e, business/personal relationships; other posts held; financial or property interests	Has been notified	of	Steps taken by board for dealing with the conflict	Actions taken by the board member to address the conflict
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Register of Directors' In**pitality) as at << Date >>**

Name of Director	Date Gift/Hospitality Received	Description of Gift/Hospitality	R p

Value in £● ⁴ (Estimate if unknown)	Reason given for providing gift/hospitality

⁴ Insert anything above £● [this will depend on the company in question as appropriate].