

Insert company Logo



| Policy Name: | **Conflict of Interest Policy** | |
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| Policy Number: |  | |
| Version: | | Effective Date: |

|  | **Name** | **Designation** | **Signature** | **Date** |
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| Prepared By: |  |  |  |  |
| Reviewed By: |  |  |  |  |
| Approved By: |  |  |  |  |

| **Date** | **Version** | **Summary of Change** |
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# **DEFINITION**

1. **Conflict of Interest** A conflict of interest is a situation in which a person or organization is involved in multiple interests, financial or otherwise, and serving one interest could involve working against another.
2. **Relationship** means person related to the employee or Vendor such as (Spouse, Sister, Brothers, Parent/Parent-in-law, Son/ Son-in-law, Daughter/Daughter-in-law
3. **Company/ Organization** means all the businesses which are under the umbrella of ***“Company Name”*** group.
4. **Member/ Employee** means a person employed with ***“Company Name”*** at all levels for wages or salary.
5. **Management** means the group of individuals that operate at the higher level at ***“Company Name”*** and have day-to-day responsibility for managing all individuals and maintaining responsibility for all the key business functions.

# **PURPOSE**

* To avoid any form of biases or preferences in selecting the right employee or business associates.
* To ensure relationships do not lead to favoritism thereby compromising the organizational interest.
* To protect the interest of the shareholders, stakeholders and clients of ***“Company Name”***.

# **APPLICABILITY**

The policy is applicable to all members of the ***“Company Name”*** across all the locations and branches.

# **RESPOSIBILITY & ACCOUNTABILITY**

Reporting Manager, HOD, Human Resource Department, Legal Department, Management

# **POLICY**

The relationship of the company with its employees should be based on mutual trust. As the company is committed to preserve the interests of people under its employment, it expects them to act only towards its own fundamental interests.

Conflict of interest may occur whenever an employee’s interest in a particular subject may lead them to actions, activities or relationships that undermine the company and may place it to disadvantage.

A few scenarios (but not limited to) in which a member might experience a conflict of interest:

* + Employees’ ability to use their position with the company to their personal advantage.
  + Employees engaging in activities that will bring direct or indirect profit to a competitor.
  + Employees owning shares of a competitor’s stock.
  + Employees using connections obtained through the company for their own private purposes.
  + Employees using company equipment or means to support an external business.
  + Employees acting in ways that may compromise the company’s legality (e.g. taking bribes or bribing representatives of legal authorities.
  + A relative or close friend reports to a supervisor who affects their job responsibilities, pay and promotions.
  + A male manager dates a female member who reports to him or vice versa.
  + A purchasing agent hires his family/extended family to provide vending services to the company lunch areas.
  + A member starts a company that provides similar services to similar clients as those of his/her full time employer. This is especially a conflict of interest when an employer has had his/her sign a non-compete agreement.
  + A member who is a part of HR team fails to disclose that he/she is related to a job candidate whom the company team is considering for position.
  + A manager provides paid consulting services on the weekend.
  + Any undue practices / favors to/ from potential clients to secure the business which could impact on company brand image / reputation.
  + A member works part-time in the evening for a company that makes a product that compete with the products of his/her full time employer.
  + A member of the company board of directors accepts fees and provides advice to a company that is in direct competition with the company on whose board of directors he/she sits.
  + A purchasing agent accepts trips and gifts from a vendor and then selects the vendor’s products for purchase by the company.
  + A member accepts free gifts and free products from a vendor company and then recommends the purchase of these products without comparing them to comparable products from other vendors.
  + A head of department negotiates an agreement in his/her employer’s best interests for a stock option plan from which he/she will directly benefit.
  + A trainer is paid to provide training classes that teach customers how to use the company’s software products. He/she puts up a website that offers his/her same training on the products as a for-profit enterprise in his/her spares time.
  + In order to avoid favoritism and maintain fair practices within the Organization Relationship defined below should not be hired in ***“Company Name”***.

1. Spouse,
2. Sisters, Brothers,
3. Parents/ parents in law,
4. Son/ son in law, daughters/ daughters in law

The possibility that a conflict of interest may occur can be addressed and resolved before any actual damage is done. Therefore, when an employee understands or suspects that a conflict of interest exists, they should bring this matter to the attention of management so corrective actions may be taken. Supervisors must also keep an eye on potential conflict of interests of their subordinates.

The responsibility of resolving a conflict of interest starts from the immediate supervisor and may reach senior management. All conflicts of interest will be resolved as fairly as possible. Senior management has the responsibility of the final decision when a solution cannot be found.

In general, employees are advised to refrain from letting personal and/or financial interests and external activities come into opposition with the company’s fundamental interests.

**\*Note:**The same principles apply to the company in regards to its clients. When applicable, we are committed to not offer services or form partnerships with companies who are in direct competition with one of our existing clients.

**DISCIPLINARY ACTION**

In cases when a conflict of interest is deliberately concealed or when a solution cannot be found, disciplinary action may be invoked up to and including termination.

# **RESTRICTIVE CLAUSE**

* + Any exceptions to the above would be at the sole discretion of the Management.
  + Management reserves the right to change and or modify the policy without stating any reason.
* The organization reserves its right to withdraw this policy without assigning any reason by using its sole discretion which will be binding on all members. The Employees hereby unconditionally agree to all such changes/ amendments/ additions/ deletions/ modifications.
* The Company's reputation and credibility are based upon its total commitment to ethical business practices and also on ethical conduct of its Employees. To safeguard the Company's reputation, Employees must conduct themselves in accordance with the highest ethical standards and also be perceived to be acting ethically at all times. Compliance with all policies of the Company, relevant applicable laws and regulations is the minimum standard which should be adhered to by all the Employees all the times.



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