



Conflict of Interest

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1. Policy Background

1.1. Introduction

The purpose of the Conflicts of Interest policy is to guide CertiSource in managing potential or actual conflicts of interest, and to protect the interests of CertiSource when considering entering into a transaction, contract, or arrangement that might benefit the private interest of an Interested Director, CertiSource Staff Member or Independent Contractor (as defined below).

An Interested Director, CertiSource Staff Member or Independent Contractor may not use his or her position with respect to CertiSource, in order to achieve a financial benefit for himself or herself or for a third person.

This policy is intended to supplement but not replace any applicable laws governing conflicts of interest under which CertiSource operates.

1.2. Scope

This policy applies to all CertiSource Staff Members, Independent Contractors and Interested Directors.

1.3. Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

<i>Compensation</i>	Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.
<i>Conflict of Interest</i>	<p>A conflict of interest is a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An actual conflict of interest is one that exists. A potential conflict of interest involves a situation that may develop into an actual conflict of interest.</p> <p>It is important to note that a conflict of interest exists whether or not decisions are affected by a personal interest; a conflict of interest implies only the potential for bias, not likelihood.</p>
<i>Disclosure</i>	Disclosure shall mean providing properly, to the appropriate person, a written description of the facts comprising the actual or potential conflict of interest.
<i>Family</i>	The family of any individual shall include only his or her spouse; his or her siblings and their spouses; his or her ancestors; and his or her descendants and their spouses.
<i>Financial Interest</i>	<p>A person has a "financial interest" if the person has, directly or indirectly, through business, investment or family:</p> <ul style="list-style-type: none"> (a) An existing or potential ownership or investment interest in any entity with which CertiSource has a transaction, contract, or other arrangement, or (b) A compensation arrangement with CertiSource or with

- any entity or individual with which CertiSource has a transaction, contract, or other arrangement, or
- (c) An existing or potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which CertiSource is negotiating a transaction, contract, or other arrangement, or
 - (d) An existing or potential ownership or investment interest in, or compensation arrangement with, any entity whose business or operation has been or will be directly affected by a decision or action of CertiSource.

Independent Contractor

Any person not under full time employment with CertiSource, but who is engaged on a short-term basis to carry out task (such as a contracted auditor).

Interested Director

Interested Director shall mean any Director of CertiSource who has a material financial interest, as defined above, or who serves as a Director/Employee of any entity with which CertiSource has a transaction, contract, or other arrangement.

Interested Person

Interested Person shall mean either:

1. Any person currently being compensated by CertiSource for services rendered to it within the previous 12 months, whether as a full- or part-time employee, independent contractor, or otherwise, or
2. Any person whose family member, as defined above, is currently being compensated by CertiSource for services rendered to it within the previous 12 months, whether as a full- or part-time employee, independent contractor, or otherwise.

2. Policy Standards

2.1 General

Fairness in decision-making is more likely to occur in an impartial environment. This impartial environment is protected by avoiding or effectively managing conflicts of interest, and is core to CertiSource's mission of promoting CertiSource's organisational accountability and transparency.

2.2 Disclosure

In connection with any actual or potential conflicts of interest, an Interested Director, CertiSource Staff Member or Independent Contractor must disclose the existence and nature of the conflict of interest.

CertiSource Staff Members and Independent Contractors:

CertiSource staff members and Independent Contractors shall disclose any actual or potential conflicts of interest to the Programme Director who shall determine whether or not a conflict of interest exists.

The Programme Director:

The Programme Director shall disclose any actual or potential conflicts of interest to the CertiSource Director who shall determine whether or not a conflict of interest exists.

Directors:

Directors shall disclose any actual or potential conflicts of interest to the Board of Directors who shall determine whether or not a conflict of interest exists.

2.3 Procedures for Addressing a Conflict of Interest

CertiSource Staff Members and Independent Contractors:

At the discretion of the Programme Development Manager, a person with an actual or potential conflict of interest may be excused from all or any portion of discussion or deliberations with respect to the subject of the conflict.

The Programme Director:

At the discretion of the Director, the Programme Director with an actual or potential conflict of interest may be excused from all or any portion of discussion or deliberations with respect to the subject of the conflict.

Directors:

As noted above Directors shall disclose any actual or potential conflicts of interest to the Board of Directors. If any such disclosed conflict is relevant to a matter requiring action by the Board of Directors, the interested director shall not participate any deliberations regarding such matter and shall not vote on the matter.

The interested Director shall provide the Board with all relevant information on the matter.

2.4 Record of Proceedings

CertiSource Staff Members and Independent Contractors:

The Programme Director shall record actions and decisions following the disclosure of an actual or potential conflict of interests regarding a CertiSource Staff Member and Independent Contractors.

This shall be recorded and filed along with written disclosures submitted by the person concerned.

The Programme Director:

The Director shall record actions and decisions following the disclosure of an actual or potential conflict of interests regarding the Programme Development Manager.

This shall be recorded and filed along with any written disclosure if submitted by the person concerned.

Directors:

The minutes of any board meeting where a conflict has been disclosed shall contain:

(a) The names of Directors found to have an actual or potential conflict of interest; the nature of the conflict; any action taken to determine whether a conflict of interest was present; and the decision of the Board of Directors as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the actual or potential conflict of interest; the content and result of the discussion; and a record of any votes taken in connection therewith.

2.5 Violation of the Conflict of Interest Policy

If reasonable cause emerges to believe that a Director, CertiSource Staff Member or Independent Contractor has failed to disclose an actual or potential conflict of interest, the Director or Staff Member shall be informed of the basis for such belief and be afforded an opportunity to explain the alleged failure to disclose.

The Programme Director shall inform the Staff Member and Independent Contractor, the Director inform the Programme Director and the Board of Directors inform the Director. Such a line management arrangement shall also exist for further follow up as described below.

If, after hearing the response of the Director, Staff Member or Independent Contractor, and making such further investigation as may be warranted in the circumstances, the line management determines that the member has in fact failed to disclose an actual or possible conflict of interest, appropriate disciplinary and/or corrective action shall be enacted.

The violation of this conflicts of interest policy is a serious matter and may constitute "cause" for removal or termination of a Director or Staff Member, or the termination of any contractual relationship CertiSource may have with an Independent Contractor or other party.

2.6 Policy Distribution

A copy of this conflict of interest statement, along with a conflict of interest disclosure statement, shall be furnished annually to each Director, Staff Member or Independent

Contractors who is presently serving CertiSource. Any new Directors, Independent Contractors, or Staff Members shall be advised of the policy upon undertaking their duties for CertiSource.

3. Related Information

3.1 Related Policies and Documents

This policy has connections to the following other CertiSource Policy Statements.

Policy 01: Policy Statement

Policy 02: Policy Development

This policy has connection to the following external documents:

Conflict of Interest Disclosure Statement.

3.2 Policy Review

To ensure that this policy statement remains relevant it will be reviewed regularly at a minimum frequency of every six months. Revisions will be made when necessary to provide solutions to any practical problems encountered.

4. Document History

Version	Date Approved	Description
3.00	1 October 2014	<ol style="list-style-type: none">1. Document history added (i.e. this section).2. Programme Manager changed to Programme Director.3. Reference (section 3.2) to SOPs deleted.4. In the “approvals” space the date of the next revision is deleted. This is to avoid confusion as to whether or not a policy is still valid (e.g. the date of the next revision in the past failed to be changed after a review if nothing was changed in a policy).
3.01	1 August 2015	<ol style="list-style-type: none">1. Contact details changed and general review.
3.02	30 June 2016	<ol style="list-style-type: none">1. Transfer to new template
4.00	1 August 2017	<ol style="list-style-type: none">1. Overall check on continuing validity and relevance.2. Up-dated to v4.00 (round number) to .streamline with other revisions during this annual review.3. Included effective date