## Conflict of Interest Policy – template

**Instructions**

On company letterhead.

A Conflict of Interest Policy assists a company to protect its reputation, clarify expectations and standards required from employees, and mitigate possible legal liability associated with conflicts of interest.

Customise this template to your company’s specific requirements.

This policy should be read in conjunction, and applied with, a contract of employment and any other relevant company policies and processes.

If conflict issues arise in your workplace, contact TRMC for assistance.

[*Company name*] – Conflict of Interest Policy

**Purpose**

The purpose of this policy is to help ensure all employees of the company effectively identify, avoid, disclose and manage actual, potential or perceived conflicts of interest.

The company is committed to ensuring that conflicts of interest are identified and managed so that they do not detrimentally affect the services, products, activities or decisions of the company.

**Policy**

All employees of the company owe a legal duty to the company to act in the best interests of the company in the performance of their duties.

It is the responsibility of all employees of the company to act in a manner which will avoid actual, potential or perceived conflicts of interest, and to manage and report conflicts of interest as outlined in this policy.

**Application of this policy**

This policy applies to all employees and contractors of the company including executives and managers.

**Conflict of Interest - definition**

Conflicts of interest take various forms. Conflicts of interest arise where competing interests are involved in the same situation. Conflicts of interest may be actual, potential or perceived, and they may be financial or non-financial.

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

* Personal relationships between two co-workers.
* Personal relationships between an employee of the company and an employee of a supplier or client of the company.
* Purchasing goods or services supplied by the family business of a worker, or family company, relative or close friend.
* Participating in a tender process for goods or services where a relative or friend will be submitting a bid.
* Involvement in selection of a relative or friend as an employee of the company.
* Accepting gifts and benefits from suppliers.
* Secondary employment which could or might reasonably be considered by others to impair the employee’s ability to act in the best interests of the company.

**Procedures**

If a conflict of interest emerges during the course of an employee’s employment, the employee must notify [*insert as appropriate…Human Resources/the company/Management/the Company Secretary*] immediately. Failure to do so may prejudice continued employment with the company.

Upon notification the company will undertake appropriate inquiries, and if a conflict exists, prepare a conflict of interest management plan.

Company management may issue instructions and directions to the employee in relation to a related matter.

If no conflict exists, the inquiry may be documented but no further action will be taken.

The employee or contractor has a responsibility to discuss any proposed conflict of interest management plan with company management.

Any such notifications and disclosures shall be treated confidentially.

**Consequences of breaching this policy**

Having a conflict of interest does not necessarily amount to a breach of this policy. However, failure to disclose a conflict of interest may constitute a breach.

Sometimes a conflict of interest cannot be avoided or is not in fact misconduct. Therefore, it is important that any conflict of interest, whether actual or perceived, be reported to determine the best approach to managing the issue.

However, a deliberate breach or a failure to identify (or, where required, manage/monitor) and or notify any actual/perceived/potential conflict of interest, may result in disciplinary action or, depending on the seriousness of the circumstances, termination of employment.

Any person to whom this policy applies who breaches this policy or who coerces or assists another person to breach this policy may be subject to disciplinary action.

**Implementation**

The company will ensure that this policy is widely disseminated to all relevant persons.

[*It will be included in the staff handbook.*]

**Further assistance**

Any employee who requires assistance in understanding this policy should first consult their [*supervisor, manager, human resources team*].

**Policy Review**

This policy must be reviewed and where appropriate amended by *[insert name/title/committee name]* every 2 years or sooner.

This policy commences on [*insert date*].

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*Position: [Signed by appropriate officer]*

*Date:*

[Next review date: *insert next review date*]