

The Business Board Register of Interests & Conflicts of Interest Policy

Register of Interests

Members of The Business Board must declare any private interests, both pecuniary and non-pecuniary, including membership of any Trade Union, political party or local authority, Directorships, Industry Lobby Groups and any Significant Shareholdings that relates to your Business Board duties. Furthermore, you must take steps to resolve any conflicts arising in a way that protects the public interest.

Members are required to keep that overall purpose in mind when registering their interests. It is left to individual Members to give the required information; each Member is ultimately responsible for his or her own entry.

References to "interests" in this policy include actual and/or potential interests.

Members should also register the interests of spouses/partners living in the same household as the Member.

The Business Board Members' register of interest declarations will be made available on The Business Board Website. Board Members should review their individual register of interest before each board meeting and decision making committee meeting. They must declare any relevant interest(s) at the start of the meeting. If an interest has not been entered onto the Business Board's register, then the member must disclose the interest at any meeting of the Business Board at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'³.

Following any disclosure of an interest not on the Business Board register or the subject of pending notification, you must notify the Business Board Chief Executive and S151/S73 Officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest. Additionally, you must observe the restrictions your Business Board places on your involvement in matters where you have a pecuniary or non-pecuniary interest as defined by your Business Board.

Categories of Interests

Interests are registered under seven categories, which are represented by the following non-exhaustive headings.

- 1. Any employment, Office, trade, Profession or Vocation carried on for profit or gain.**
- 2. Sponsorship.**
- 3. Contracts.**
- 4. Land or Property.**
- 5. Securities.**
- 6. Gifts & Hospitality.**
- 7. Other Interests**

Identifying Conflicts of Interests

Conflicts can inhibit open discussions and may result in irrelevant considerations being taken into account or decisions being taken that are not in the best interests of the Business Board. Conflicts may

arise, for instance, where a Member's personal interests, as a shareholder in a company that is a potential beneficiary of grant funding, conflict with the interests of The Business Board

Procedure for managing conflicts

When an interest materially affects a member's ability to vote without prejudice, this will be deemed to be non-trivial and a conflict of interest. In such circumstances the Member will withdraw from the meeting while the discussion and vote takes place.

Upon the declaration of any conflicts of interest at a meeting of the Board, the non-conflicted Members will:

1. assess the nature of the conflict;
2. assess the risk or threat to Member decision-making;
3. decide whether the conflict is non-trivial (that is, it is material or has the potential to be detrimental to the conduct or decisions taken by the Members); and
4. decide what steps to take to avoid or manage the conflict.

The conflicted Member must not take part in the discussion or decision and will not be counted when determining whether the Board meeting is quorate.

The non-conflicted Members will consider whether it is necessary to seek the advice of The Business Boards legal adviser on whether the conflict is non-trivial and/or on how to manage the conflict declared.

If the non-conflicted Members consider that the declared conflict is trivial, they may agree that the conflicted Member may continue to participate in discussions and the decision-making process.

If the non-conflicted Members consider that the conflict is non-trivial, the non-conflicted Members will determine what action is appropriate in light of the nature and extent of the conflict. A number of steps can be taken to deal with the conflict, including:

1. excluding the conflicted Member from discussions in relation to the matter to avoid inadvertently influencing the non-conflicted Members;
2. excluding the conflicted Members from decision-making in relation to the matter while the conflict exists;
3. delegating the matter to a sub-committee of non-conflicted Members;
4. seeking independent advice to help with a decision;
5. appointing an alternative, non-conflicted Member;
6. resignation of the conflicted Member where the conflict is acute or pervasive; and / or
7. applying to the court for directions.

The chairman of the Board will inform the conflicted Member of the non-conflicted Members' decision. The secretary to the Board will note in the minutes of the meeting the conflict declared, an outline of the discussion and the actions taken to manage the conflict.