OCH Ltd - CONFLICT OF INTEREST POLICY

1. ABOUT THIS POLICY

1. In order to assure impartial decision making, it is the policy of OCHL that any conflicts of interest, or apparent or potential conflicts of interest, be fully disclosed before a decision is made on the matter involved, and that no Management Team members, advisor, or staff member / volunteer participate (other than by providing information) in any decision in which they have a conflict of interest.

2. It is the continuing responsibility of all Management Team members, advisor, or staff member / volunteer to review their outside business interests and philanthropic interests, for actual, apparent, or potential conflicts of interest with respect to OCHL and to promptly disclose the nature of the interest or relationship.

3. Generally, a conflict of interest with respect to a proposed OCHL transaction exists if Management Team members, advisor, or staff member / volunteer: (a) is in a position to make or influence the organisation's decisions about whether and how to proceed with the proposed transaction, and (b) has an affiliation, as described below, with any other party to that business transaction. An apparent conflict of interest is one that a sceptical viewer might reasonably believe might cause a director's, advisor's or staff member's decision to be tainted by self-interest.

4. OCHL will comply with rules set out in its governing document and will comply with all relevant legislation.

2. AFFILIATION

2.1 For purposes of this policy, an affiliation is the close involvement with a vendor, service provider or interested party on the part of: (a) a member of the Management Team of OCHL, (b) an advisor to OCHL, (c) a staff member of OCHL, or (d) relatives of the Management Team members, advisor, or staff member / volunteer. OCHL has adopted the definition of related parties from the Charity SORP 2015 which is attached as Appendix 1.

Affiliation includes, but is not limited to, serving as a Board member, employee, volunteer, or consultant to a service provider or vendor, or doing business with a service provider or vendor. Management Team members, advisors, and staff / volunteers shall communicate fully with the organisation regarding such affiliations and any other relationship or commitment that could affect, or be seen to affect, the impartial fulfilment of their roles in the affairs of the organisation. Doubts about whether a relationship warrants disclosure under this policy should be resolved in favour of disclosure. Disclosure may happen by updating the register of interests and/or declaration at Board meeting or disclosure to the chair, senior staff member or line manager.

2.2 Disclosure of affiliations generally - a register of interests declaration must be completed by each Management Team member, advisor, or staff member / volunteer on appointment and annually thereafter. The register of interests covers ongoing affiliations that may present conflicts of interest, but directors, advisors and staff members should also be alert to other potential conflicts of interest that may arise during the course of the year. Disclosure of affiliations in the register of interests does not substitute for the disclosure requirements in connection with any specific transaction or decision. Affiliations or interests should be disclosed to other participants in the organisation's decision making process whenever there is any doubt about whether disclosure is required.

2.3 **Abstention from decision-making generally**

in all situations calling for disclosure of affiliations, the Management Team members, advisor, or staff member / volunteer should abstain from voting or otherwise participating in the decision other than by providing information requested by the disinterested decision makers. That abstention should be formally noted in the minutes in the case of Management Team members and members of staff / volunteers.

2.4 **Disclosure and abstention - transactions**

Disclosure should be made orally or in writing any time a transaction involving a conflict of interest or apparent conflict of interest is being considered. Generally, directors and advisors should make

disclosure to the Chair of the Board (or, if the conflict involves the Chair, to the Vice-Chair). The staff should make disclosure to the senior staff member. A written record of any disclosure should be made.

The Chair or Vice Chair will investigate the facts, seek external advice if necessary and report to the board at the time it considers the transaction. When the proposed transaction is considered, the interested director, advisor or staff member should leave the room and not participate in the discussion or the vote. Directors who leave the room under these circumstances are counted as present for purposes of a quorum.

2.6 **Transactions not normally considered by the board**

If there is a conflict of interest or apparent conflict of interest in connection with a transaction that would not normally require a board decision (such as a contract within the discretion of the staff), the senior staff member will ensure appropriate consideration is taken of conflicts of interest. If the senior staff member has a conflict of interest or apparent conflict of interest, the transaction will be overseen by the chair.

3 GIFTS

With the exception noted below, Management Team members, advisors, staff members, volunteers and members of their families, may not knowingly receive or accept any pecuniary gain or anything else of value (including gifts, honoraria, loans, and entertainment) from recent, current, or potential vendors, suppliers, consultants, or others who have an existing or proposed business relationship with the organisation.

It is permissible to accept gifts of nominal value, meals, and social invitations that are in keeping with good business ethics and do not obligate the recipient to take or refrain from taking any action or decision on behalf of the organisation. All gifts of nominal value must be reported to the senior staff member. Where it would be awkward to decline a proffered gift, it should be accepted on behalf of the company, and the chair should be consulted as to its disposal.

4 EMPLOYEES

Full-time employees have a full-time responsibility to the organisation and may not engage in activities that would interfere with the discharge of this responsibility. No employee may have business dealings with the organisation beyond receipt of salary and personal benefits and reimbursement of authorised expenses. Any service as a director of, or advisor or consultant to, any business or non-profit organisation must be stated on the employee's register of interests.

APPENDIX 1

Please note that the full Statement of Recommended Practice (SORP) requirements are very detailed and we would ask you to read Section 9 of the SORP (available on www.charitvsorp.orq) for full details.

Definition of Related parties from SORP 2015

Related parties is a term used by the SORP that combines the requirements of charity law, company law and the Financial Reporting Standard applicable in the UK and the Republic of Ireland/Financial Reporting Standard for Smaller Entities (the FRSSE). The term is used to identify those persons or entities that are closely connected to the reporting charity or its trustees.

The following 'natural persons' are classed as related patties:

A. any charity trustee and custodian trustee of the charity;
B. a person who is the donor of any land to the charity (whether the gift was made on or after the establishment of the charity); and
C. any person who is:
1. a child, parent, grandchild, grandparent, brother or sister of any such trustee (A) or donor (B) of land;
2. an officer, agent or a member of the key management personnel of the charity;
3. the spouse or civil partner of any of the above persons (A, B, Cl and C2);
4. a person carrying on business in partnership with any of the above persons (A, B, Cl, C2 and 03);
5. a person, or a close member person's family, who has control or joint control over the reporting charity; and

6. a person, or a close member of that person's family, who has significant influence over the reporting charity.

Close member of a person's family' refers to:

a. that person's children or spouse;
b. the children, stepchildren or illegitimate children of that person's spouse or domestic partner;
c. dependents of that person; and
d. that person's domestic partner who lives with them as husband or wife or in an equivalent same-sex relationship.

A charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be 'related' if the relationship means that one charity, in furthering its charitable aims, is under the direction or control of the trustees of another charity.

The following entities, which are not 'natural persons', are classed as related parties of a reporting entity (including a reporting charity) if any of the following conditions apply:

- the entity and the reporting charity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- one entity is an associate or joint venture of the other entity (or an associate or joint venture of a group of which the other entity is a member);
- both entities are joint ventures of the same third entity;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity
- the reporting charity provides/receives key management personnel services to/from the entity;
- an entity that is controlled or jointly controlled by a person, or two or more persons, identified in A, B or C;
- an entity in which a person, or two or more such persons, identified in A, B or C, taken together, have a substantial interest or significant influence over the entity;

Control is presumed to exist when one or more persons identified in A, B or C, taken alone or together, hold directly or indirectly, more than half the voting power of an entity. However, control can also exist when they, directly or indirectly, control half or less than half of the voting power of an entity, if they have:

- power over more than half of the voting rights by virtue of agreement with other investors;
- the power to govern the financial and operating policies of the entity under a statute or an agreement;
- the power to appoint or remove the majority of the members of the board of directors or equivalent governing body, and control of the entity is by that board or body; or
- the power to cast the majority of votes at the meetings of the board of directors or equivalent governing body, and control of the entity is by that board or body.

An individual has a substantial interest or significant influence in an entity where that person, or two or more persons identified in A, B or C, taken together, have an interest in the equity share capital of that entity of a nominal value of more than one-fifth of that share capital, or is entitled to exercise, or control the exercise of, more than one-fifth of the voting power at any general meeting of that entity.

OCHL - March 2024