



## **CONFLICT OF INTEREST POLICY**

### **THE GIBRALTAR ASSOCIATION OF COMPLIANCE OFFICERS**

| <b>Version</b> | <b>Date</b>     | <b>Author</b>            | <b>Reason</b>                                    | <b>Sections</b> |
|----------------|-----------------|--------------------------|--|-----------------|
| 1.0            | 01 January 2019 | GACO Executive Committee | Establishment of the Conflict of Interest Policy | <All>           |
| 2.0            | 20 March 2024   | CF                       | Update Policy to ensure practical implementation | all             |
|                |                 |                          |  |                 |



**THE GIBRALTAR ASSOCIATION OF COMPLIANCE OFFICERS  
CONFLICT OF INTEREST POLICY (V2)**

### **1. Purpose of Policy**

This conflict of interest policy (the Policy) is designed to help Executive Members of The Gibraltar Association of Compliance Officers (“GACO”) identify situations that present actual and potential conflicts of interest and to provide GACO with a procedure that will allow a transaction to be treated as valid and binding even though an Executive Member has or may have a conflict of interest with respect to a transaction or activity.

In the event there is an inconsistency between the requirements and procedures prescribed herein and those in Gibraltar law, Gibraltar law shall prevail. This policy is meant to supplement good judgment, and GACO Executive Committee Members should respect its spirit as well as its wording.

All Executive Members of GACO will strive to avoid any conflict of interest between the interests of GACO on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest (potential conflicts of interest).

The additional purpose of this Policy is to protect the integrity of GACO’s decision making process, to enable stakeholders to have confidence in the integrity of GACO, and to protect the integrity and reputation of Executive Committee Members.

### **2. Conflicts of Interest defined**

A conflict of interest is, in general terms, any situation in which an Executive Member’s personal interests, or interests which they owe to another body and those of GACO arise simultaneously or appear to clash. The issue is not the integrity of the person concerned, but the management of any potential to profit from a person’s position within GACO, or for a person to be influenced by conflicting loyalties. Even the appearance of a conflict of interest can damage GACO’s reputation, so conflicts need to be managed carefully.

It is not possible to define all the circumstances which may lead to a potential or actual conflict of interest and it is the responsibility of each Executive Member to declare any matters which he or she feels may present an actual or potential conflict. If in doubt, it is better to make a declaration. Any conflict will then be dealt with in accordance with the terms of this Policy.

Some examples of potential conflicts are given in Appendix 3.

### **3. Disclosure**

Upon appointment each Member of the GACO Executive Committee will be asked to disclose any actual or potential conflicts of interests and to assist this process a form as in Appendix 1 should be used. Any conflict that may subsequently arise should be disclosed at the time it arises.



#### **4. Procedure**

GACO will apply the following procedure when handling conflicts of interest:

- a. Before the Executive Committee or a Sub-Committee take action and authorise an Agreement or Transaction any Executive Committee Member having an actual or potential Conflict of Interest shall disclose all facts material to the Conflict of Interest.
- b. A person who has a Conflict of Interest shall not attempt to exert his or her personal influence with respect to the matter under discussion, either at or outside the meeting.
- c. A person who has a Conflict of Interest with respect to an Agreement or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. Such person's ineligibility to vote shall be reflected in minutes of the meeting.
- d. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Chair of GACO who shall, in consultation with the Vice Chair and Accountant determine whether there exists a Conflict of Interest that is subject to this Policy.
- e. Any conflict, actual or potential shall be recorded in the Register of Conflicts of Interest (Appendix 2) retained by the Administrator which shall also include any mitigation that is put in place. Maintenance of the Register shall rest jointly with the Chair and Vice Chair of GACO.

#### **5. Confidentiality**

Each Member of the Executive shall exercise care not to disclose confidential information acquired in connection with such status or information, the disclosure of which might be adverse to the interests of GACO. Furthermore, a Member of the Executive shall not disclose or use information relating to the business of GACO for the personal profit or advantage of the Member of the Executive or a Family Member or the Member of the Executive's Member company.

#### **6. Review of Policy**

- a. Each new Member of the Executive shall be required to read this Policy and to acknowledge in writing that he or she has done so.(see Appendix 1).
- b. This policy shall be reviewed annually by the Chair and Vice Chair and circulated to all members of the Executive Committee for any comment and as a reminder of their duty of disclosure.

Dated this: 22<sup>nd</sup> March 2024



**GACO**

**Appendix 1: Declaration of relevant interests Form**

I, as GACO Executive Committee Member, have set out below any of my relevant interests that could be considered an actual or potential conflict of interest in accordance with GACO's Conflicts of Interest Policy.

| <b>Category (designed to help you consider any possible conflicts)</b>                                     | <b>Please give details only where you feel a Conflict of Interest with GACO could arise and whether it applies to yourself or, where appropriate, a member of your immediate family or other close personal connection.</b> |
|--|---|
| Current employment and any previous employment in which you continue to have a financial interest.         |   |
| Appointments (voluntary or otherwise) e.g. Government committees.  |   |
| Membership of any professional bodies, special interest groups or mutual support organisations e.g. ATCOM. |   |
| Any contractual relationship with GACO.  |   |
| Any other conflicts not covered by the above.  |   |

To the best of my knowledge, the above information is complete and correct. I confirm I have read GACO's Conflicts of Interest Policy and I undertake to advise GACO should an actual or potential conflict arise in the future and whilst I am serving as a member of the Executive Committee.

Signed:

Name:

Date:





### **Appendix 3 Examples of Conflicts of Interest**

- Financial benefits or interests (direct & indirect)
- Non-financial benefits or interests
- Conflicts of loyalties

#### **1. Financial benefits or interests**

##### **1.1 Direct**

Financial benefits or Interests include, for example, employment of the Executive Member as employee, consultant or advisor, or the situation where a company of which the Executive Member is a director or a shareholder, may be considered for a contract by the Association.

##### **1.2 Indirect**

Financial interests may arise where such potential financial benefits accrue to a close member of the Executive Member's family, or even a friend, business partner or colleague.

#### **2. Non-financial Benefits or Interests**

These would include a situation where an Executive Member directly or indirectly benefits from GACO's services. An example relevant to GACO might be where it is proposed for an Executive Member's business to sponsor a GACO event. The Executive Member's business would potentially derive a non-financial benefit from the sponsorship (in the nature of public relations exposure) and a conflict of interest would therefore arise between the Executive Member's business interests and his/her role as an Executive Member.

#### **3. Conflicts of Loyalties**

This is when another appointment or employment or association (of the Executive Member or of a relative or friend) might potentially influence the decisions of the Executive Member in directions which may not be in the best interest of GACO. It is expected that roles in other associations, particularly as Executive Member, should be declared. Any association or relationship with a body, organisation or association which is or might become an applicant for services or funds from GACO must be declared.