



ALLIA LIMITED – CONFLICT OF INTEREST POLICY AND PROCEDURE

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Version control

No	Date	Details	Author	Approved by
0.1	29 March 2022	First draft	Amanda Lewis	Board on 28 April 2022
0.2	11 July 2022	Amended to reflect decisions by the board i.e – 3 years, policy will be on the website.	Amanda Lewis	



1 Scope

This document describes the duties and responsibilities of the trustees of Allia Limited (“Allia”) in dealing with conflicts of interest, in accordance with the Rules of Allia, (as amended on 28 March 2022) (**Rules of Allia**).

Each trustee is expected to use good judgment, to adhere to high ethical standards, and to conduct their affairs in such a manner as to avoid any actual or potential conflict between that person’s personal interests or the interests of another entity, on the one hand, and the interests of Allia and its subsidiaries on the other hand.

2 Identifying conflicts of interest

Trustees of Allia have an individual personal responsibility to identify at an early stage any conflicts of interest which affect them to avoid putting themselves in a position where their duty to act only in the best interests of Allia could conflict with any personal interest they may have.

2.1 What is a conflict of interest?

A conflict of interest is any situation in which a trustee’s personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of Allia. A conflict of interest exists even where there is the possibility that a trustee’s personal or wider interests could influence the trustee’s decision making.

Conflicts of interest relate to a trustee’s personal interests and the interests of those connected to them. This means that there is a conflict of interest where there is a proposed transaction between Allia and a Connected Person. Similarly, there is a conflict of interest where there is a benefit or a potential benefit to a Connected Person. “Connected Person” means family, relatives, or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee’s spouse or unmarried or civil partner, children, siblings, grandchildren, and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights.

2.2 Where and how do conflicts of interest arise?

Conflicts of interest may arise where either:

- there is a potential financial or measurable benefit directly to a trustee, or indirectly through a connected person; or
- a trustee’s duty to the charity may compete with a duty or loyalty they owe to another organisation or person.

The following two paragraphs cover these in more detail.

2.3 Benefits to trustees

Trustees can only benefit from their charity where there is an explicit authority in place before any decision conferring trustee benefit is made. Examples of benefits to trustees are where the trustees decide to:

- sell, loan or lease charity assets to a charity trustee;
- acquire, borrow, or lease assets from a trustee for the charity;
- pay a trustee for carrying out their trustee role;
- pay a trustee for carrying out a separate paid post within the charity, even if that trustee has recently resigned as a trustee;
- pay a trustee for carrying out a separate paid post as a trustee or employee of the charity’s subsidiary trading company;
- pay a trustee, or a person or company closely connected to a trustee, for providing a service to the charity;
- employ a trustee’s spouse or other close relative at the charity (or at the charity’s subsidiary trading company);
- make a grant to a service user trustee, or a service user who is a close relative of a trustee;
- allow a service user trustee to influence service provision to their exclusive advantage.

The Rules of Allia set out exactly what benefits can and cannot be received by trustees.

2.4 Conflicts of loyalty

Conflicts of interest arise because, although the affected trustee does not stand to gain any benefit, the trustee’s other interest could, or could be seen to, interfere with the trustee’s ability to decide the issue only in the best interests of Allia. Some conflicts of loyalty arise because a trustee has a competing legal obligation or duty to another organisation or person. Others result from conflicting loyalties which trustees owe or may feel towards family, friends or other people or organisations who are part of the trustee’s network. A conflict of loyalty could also arise where the religious, political, or personal views of a trustee could interfere with the ability of the trustee to decide the issue only in the best interests of Allia.



2.5 Appointing trustees

Before any trustees are appointed to the board of Allia, they will be asked about potential conflicts of interest, and these should be declared to those who will decide on the appointment. Where prospective trustees are likely to be subject to serious or frequent conflicts of interest, the trustees should seriously consider whether that trustee should be appointed.

Each trustee will be advised of this Conflict of Interest Policy and Procedure prior to commencement of their term of office.

3 Declaring conflicts of interest

Allia will have a standard agenda item at the beginning of each board or committee meeting to declare any actual or potential conflicts of interest.

A trustee will always declare at the start of a board or committee meeting any actual or potential conflict of interest arising from the agenda of the meeting. If a trustee is uncertain whether or not he or she is conflicted, he or she should err on the side of openness, declaring the issue and discussing it with the other trustees.

If a trustee is aware of an undeclared conflict of interest affecting another trustee, they should notify the other trustees or the Chair.

4 Preventing conflicts of interest from affecting decision making

Having identified a conflict of interest, trustees must act only in the best interests of Allia. This means that they must consider the issue of the conflict of interest so that any potential effect on decision making is eliminated. How they prevent the conflict from affecting decision making will depend on the circumstances. The board should consider whether serious conflicts of interest should be removed or require authority.

4.1 Withdrawing from decision making

As set out in Rule 8 of the Allia Rules, subject to paragraph 4.24.3 and 4.3, any trustee who has a conflict of interest in relation to any matter must:

- declare the nature and extent of their interest before discussion begins on the matter;
- withdraw from the meeting for that item after providing any information requested by the trustees;
- not be counted in the quorum for that part of the meeting; and
- be absent during the vote and have no vote on the matter.

4.2 Authorisation of participation

When any trustee has a conflict of interest (**Conflicted Trustee**), the trustees who do not have a conflict of interest, if they form a quorum and are satisfied that it is in the best interests of Allia to do so, may, by resolution passed in the absence of the Conflicted Trustee, authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee, to:

- continue to participate in discussions leading to the making of a decision and/or to vote; or
- disclose to a third party information confidential to Allia; or
- take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from Allia; or
- refrain from taking any step required to remove the conflict of interest.

4.3 Interest on shares

A trustee who is a member of Allia or will become a member on subscribing for shares is permitted to be part of the quorum, speak and vote at a trustees' meeting on any matter to do with interest on shares provided they declare their interest on that agenda item.

4.4 Conflicts Committee

If a trustee discloses a potential conflict of interest, then the Chair (or, if the Chair discloses the conflict of interest, the Chair of the Nominations Committee) shall determine whether the disclosed information should be reviewed by the Board or a Conflicts Committee.

The Board may create a Conflicts Committee authorised to review transactions and to determine conflicts of interest. The members of such Conflicts Committee must consist exclusively of trustees who are not related to or subject to the control of the person disclosing the financial interest or potential conflict. Nevertheless, final responsibility for identifying, resolving conflicts of interest, and ratifying the recommendation of the Conflicts Committee rests with the Board.



5 Keeping a written record of the decision

Where there is a conflict of interest, the trustees should ensure that the written minutes of the meeting show:

- the nature of the conflict;
- which trustee or trustees were affected;
- whether any conflicts of interest were declared in advance;
- an outline of the discussion;
- whether anyone withdrew from the discussion;
- how the trustees took the decision in the best interests of Allia.

The minutes must be approved or ratified by the board or committee within a reasonable time.

6 Annual disclosure statements and register of interests

Each trustee will annually sign a disclosure statement which affirms:

- they have received a copy of the Conflicts of Interest Policy and Procedure;
- they agree to comply with the Conflicts of Interest Policy and Procedure;
- they have disclosed all transactions or proposed transactions of Allia in which they might have a personal or financial benefit;
- they have disclosed all transactions or proposed transactions of any Allia subsidiary in which they might have a personal or financial benefit;
- they have disclosed all personal or financial interests they may have in any client or supplier of Allia;
- they have disclosed all personal or financial interests they may have in any client or supplier of any Allia subsidiary; and
- they will notify the Chair if they become aware of any error or material change in the information provided in their annual statement.

To demonstrate its transparency, Allia will this Conflict of Interest Policy and Procedure available on its website.

7 Reviewing and updating this policy and procedure

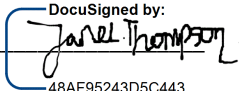
The Board of Allia will, at least every three years, review this Conflict of Interest Policy and Procedure.

Certificate of Secretary

I, the undersigned, certify that I am the currently elected and acting Company Secretary of Allia, and the above Conflict of Interest Policy and Procedure is the Conflict of Interest Policy and Procedure of Allia Limited, as adopted at a meeting of the Board held on 28 April 2022.

Dated 30 August 2022

Company Secretary of Allia

DocuSigned by:

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