

CONFLICTS OF INTEREST POLICY INCLUDING REGISTER
- ADOPTED 2010, UPDATED 2014

Purpose

The purpose of this policy is to protect the IFRS Foundation, the IASB and its Trustees, and staff members from the appearance of any impropriety. This policy requires that Trustees, IASB members and staff members put the interests of the IFRS Foundation ahead of the interests of themselves or their family or their friends.

Trustees have a legal obligation to act in the best interests of the IFRS Foundation and in accordance with the IFRS Foundation's Articles of Incorporation and Bylaws. It is also appropriate that the policy applies to IASB members and staff, including Directors. Accordingly, Trustees, IASB members and Directors are required to complete annually a declaration of interest form. Staff are not required to make an annual declaration but are nonetheless covered by this policy.

This policy is intended to avoid situations where conflicts may arise which can:

- inhibit free discussion
- result in decisions or actions that are not in the best interests of the IFRS Foundation, the IASB, and the public at large
- risk the impression that the IFRS Foundation or IASB have acted improperly

Conflict of Interest

A conflict of interest may arise where:

- the objectives of the IFRS Foundation and the interests or loyalties of the Trustees, IASB members or staff members may not coincide or could clash.
- a Trustee, IASB member or staff member's personal or family interests and/or loyalties conflict with those of the IFRS Foundation.
- there is a potential direct financial gain or benefit to the Trustee, IASB member or staff member.
- there is a potential indirect financial gain by way of a connected person. A connected person is defined as a Trustee, IASB member or staff member's spouse, child, parent, grandparent, grandchild, sibling or any person in a relationship with a Trustee, or any company or business controlled or managed by a Trustee, IASB member or staff member.
- there is potential for a non-financial gain, such as preferential treatment or service which may give rise to a conflict or an apparent conflict of interest.

Duty to disclose

Trustees, IASB members and staff members must disclose the existence of any interest, which may be relevant to the individual's role in the IFRS Foundation¹, at the earliest opportunity. This obligation arises regardless of whether the IFRS Foundation requests a declaration of interest or not. Likewise, in the event of a conflict arising during the course of a meeting, Trustees, IASB member and staff members must notify the Chair of the meeting that a potential conflict of interest exists.

A declaration of interests form should be completed as follows:

- Trustees - on appointment and updated each year, or when any changes occur, using the attached Form A;
- IASB members and Directors - on appointment and updated each year, or when any changes occur, using Form B (attached to Code of Conduct);
- Staff – on appointment and only if a potential conflict of interest arises, using the attached Form A.

Annually, staff will distribute to each Trustee, IASB member and Director, their most recent declaration and register of interests held on file for review and will seek confirmation of any changes that may have occurred in the past 12 months. Notwithstanding, it is the individual's responsibility to notify any changes during the year, within at least fourteen (14) days of becoming aware of the interest.

If a Trustee, IASB member or staff Director is not sure what to declare, or whether the declaration should be updated, they should err on the side of caution. IASB members and Directors should note that more detailed guidance is available in the 'Code of Conduct' document². For confidential guidance, Trustees, IASB members, Directors and staff members should contact the Executive Director or the Director of Operations³.

Record of Interests

Interests shall be recorded on the register of interests which will be maintained by the Executive Director or Director of Operations. The register shall be accessible by the Chairman of the Trustees, all members of the Trustees and the Executive Director or Director of Operations of the IFRS Foundation.

¹ Those covered by this policy also need to be aware of the obligations that arise from the IFRS Foundation's Anti-Bribery Policy, which is outlined in the Staff Handbook and is available on the website. This policy is based on the Anti-Bribery Act 2010, which makes it a criminal offence to offer a bribe, as well as to accept one, and to make a facilitation payment, or to accept one. Staff concerned that an individual might not have raised a potential conflict of interest should similarly seek guidance and refer to the IFRS Foundation's Whistleblowing policy which can be found in the Staff Handbook and on the website.

² Formerly entitled: 'Policies in respect of investments and other personal activities of full-time Members and Directors of the International Accounting Standards Board'.

³ Staff concerned that an individual might not have raised a potential conflict of interest should similarly seek guidance and refer to the IFRS Foundation's Whistleblowing policy which can be found in the Staff Handbook and on the website.

Procedure for addressing a conflict of interest

For Trustees, decisions on a conflict of interest arising in a meeting shall be made by vote, with a simple majority required. The meeting still needs to be quorate with the interested individual not being counted. The interested Trustee may not vote, and the Chair shall have discretion to determine whether the individual may take part in the discussion on that item.

All decisions under conflict of interest shall be recorded and reported in the minutes of the meeting. The report shall record:

- the nature and extent of the conflict
- an outline of the discussion
- actions taken to manage the conflict
- whether the excluded person will benefit from the agreed decision

A similar process shall apply in the event of an IASB member having a potential conflict of interest arising in an IASB meeting.

Where a Trustee, IASB member or Director does benefit from the decision made, it must be reported in the annual report and accounts.

Violations of the Conflicts of Interest Policy

If there is reasonable cause to believe that a Trustee, IASB member, Director or staff member has failed to disclose an actual or possible conflict of interest, the individual shall be informed of the basis for such belief and shall be given the opportunity to explain the alleged failure to disclose.

Having heard the individual's response, and following any further investigation if deemed necessary, it shall be determined whether the individual has failed to disclose an actual or possible conflict of interest and the appropriate disciplinary and corrective action shall be taken.

Data Protection

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 1998, as amended. Data will be processed only to ensure that Trustees, IASB members, Directors and staff members act in the best interests of the IFRS Foundation. The information provided will not be used for any other purpose.

Declaration of Interests Form A

Name of Trustee/Staff Member: _____

I confirm that:

- I have received and read a copy of the conflicts of interest policy;
- I understand and agree to comply with its requirements;
- I understand that the IFRS Foundation is a not-for-profit corporation acting in the public interest, and in order to maintain its US federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Trustee/Staff Member's employment outside of the IFRS Foundation (if applicable)
Partner's employment
Nature of Trustee/Staff Member's employment interest
Other interest or involvement of the Trustee/Staff Member or connected persons, including business interests, directorships, shareholdings, elected office, trusteeship, other public appointments, which may be relevant to the IASB and IFRS Foundation service of the Trustee/Staff Member or members of his/her household
I have no personal or financial interests to declare () (tick if applicable)

Signed:

Date:

