ILCA Conflict of Interest Policy

Approved October 2021

1. Scope

1.1 This Policy sets out the procedures for identifying and managing conflicts and potential conflicts of interests or duty (called "Conflicts" in this Policy) affecting all persons involved in the administration and running of the International Laser Class Association ("ILCA") and its business (who are called "Parties" in this Policy).

2. Background

2.1 Parties have an obligation to act in the best interests of ILCA and in accordance with the ILCA Constitution, Bylaws and Class Rules. They are expected to act impartially and objectively and to actively take steps to avoid Conflicts.

2.2 Conflicts matter because they affect discussions and decision-making and may result in decisions being reached that are not in the best interests of ILCA. They can give the impression – both internally and to the wider public – that improper conduct has occurred.

2.3 Conflicts come in a number of different forms. It is the responsibility of each Party to identify if there is a Conflict or potential Conflict that may affect him/her or someone connected to him/her.

2.4 This Policy is not intended to adversely affect normal decision making within ILCA. It is intended to make it more transparent, and to allow the management of Conflicts that will inevitably arise. It is important that management of a Conflict is proportionate to the risk that it poses to the best interests of ILCA.

3. Identifying a Conflict

3.1 There are two types of Conflict:

(a) A **conflict of interests** – this is where a Party has a personal interest (which may be financial or non-financial) that conflicts, or may conflict, with the best interests of ILCA.

(b) A **conflict of duties** – this is where a Party owes a duty to another body (such as being an employee, elected official, shareholder, director, trustee etc.) that conflicts, or may conflict, with their duties to act in the best interests of ILCA.

This type of conflict does not have to be personal or financial to the Party. A conflict of duties can also be described as a **conflict of loyalties**.

4. Connected Persons

4.1 A Conflict can still rise if it involves a payment or benefit being given to a third party connected to the Party in question. A "Connected Person" is:

(a) a close relation (e.g. any parent, grandparent, child, stepchild, grandchild, brother, sister or spouse of a Party) or any person living with the Party as his or her partner;

(b) a firm, company or association in which the Party is a partner, officer, employee, consultant, director, member or shareholder.

(c) a firm or company in which an individual listed in (a) above is connected in the ways set out in (b).

5. Duty to avoid conflicts

5.1 All Parties are under a duty to avoid a Conflict where possible.

5.2 If a Conflict or potential Conflict exists, it must be declared by the Party and managed as set out in this Policy.

5.3 Any doubt as to whether certain facts or circumstances may give rise to a Conflict should be resolved in favor of declaring those facts or circumstances.

6. Declarations of interests

6.1 All Parties must declare their interests on the ILCA Declaration of Interests form. In particular, this declaration must include:

(a) directorships, partnerships and employments with sailing organizations, class associations, national or international sailing federations, ILCA or businesses that are engaged in the sailing industry or derive any substantial portion of their revenue from sailing;

(b) any office held with a Member National Authority, ILCA Class Association, Continental Association and any other international sailing or sporting bodies;

(c) trusteeships or board positions with Member National Authorities, Class Associations, Continental Associations, ILCA or institutions or charities that are engaged in the sport of sailing or derive any substantial portion of their revenue from sailing; and

(d) any material interests arising from close family or personal relationships with another Party in ILCA.

6.2 The Executive Secretary will use the information in the declarations to maintain a register of interests. The information provided in any declarations of interest will be used internally within ILCA will not be used for any other purpose by ILCA.

6.3 Parties must update their declarations as soon as possible following any change in circumstances and, in any event, must re-submit them not later than beginning of the World Council Annual Meeting each year.

6.4 At World Council or committee meetings, a Party must declare to the President and the Executive Secretary (or the relevant staff manager) the nature and extent of any potential or actual Conflicts he may have in the proposed business of the meeting. In particular, this includes declaring any interests he or any Connected Person may have in any existing or proposed transactions or arrangements with ILCA. This procedure applies also to any email votes or other electronic discussions.

6.5 Each meeting of the World Council (or a committee or commission) will contain declarations of Conflicts as a separate agenda item. Declarations of Conflicts concerning any item on the agenda must be made at this point and will be minuted. If a Party

realizes at a later point in the meeting that he or she may need to declare a Conflict, this must be done promptly and will be minuted.

6.6 If a Party has an interest listed in the Register of Interests that should be disclosed as a Conflict, the chairman of the meeting will disclose it to the meeting if the Party does not do so at the relevant point on the agenda.

6.7 Any Party who has a concern or is unsure of the proper procedure to follow should the meeting chairman.

7. Managing conflicts of interest

7.1 If a Party has a Conflict, then a decision must be made as to how to manage it. This decision will be made by:

(a) the President (for Conflicts relevant to members of the World Council);

(b) the chairman of the meeting at which the Conflict becomes relevant; or

(c) in all other cases, the President or his appointee,

and in each case after consultation with the Executive Secretary or relevant staff representative.

7.2 If the President has a relevant Conflict, then the Vice President will make the decision. If a committee or commission chairman has a relevant Conflict, the vice-chairman will make the decision.

7.3 A Party is required to give the decision-maker any additional information asked for in order to determine how the conflict is to be managed.

7.4 The decision-maker may decide that the Party:

(a) can continue to participate in the normal way with the interest being minuted;

(b) shall not participate in the proceedings and is to abstain in any vote (but the body may ask the Party to provide any relevant information concerning the matter); or

(c) is to leave the meeting for the whole of the affected proceedings.

8. Violations of the Conflicts of Interest Policy

8.1. If the World Council or committee has reasonable cause to believe a member has failed to disclose an actual or possible Conflict, it shall inform the Party of the basis for such belief and afford the Party an opportunity to explain the alleged failure to disclose.

8.2. If, after hearing the Party's response and after making further investigation as warranted by the circumstances, the World Council or committee determines the member has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action.

9. Specific Situations

9.1 The preceding Policy has set out general principles applicable to all situations.

9.2 This section may be expanded in the future to outline examples of specific conflicts that are likely to occur.