

Conflict of Interest & Outside Employment Policy

General Guidance Note:

This sample policy is not legal advice or a substitute for consultation with qualified legal counsel. Laws vary from country to country. Policies should have effective dates noted on the face of the policy and the company should retain an archive of earlier versions. This sample policy should not be implemented or executed except on the advice of counsel.

Sample Text

The Company expects all employees to conduct business according to the highest ethical standards of conduct. Business dealings or business relationships that create or appear to create a conflict between the legitimate business interests of the Company and an employee are unacceptable. A “business relationship” means a connection between two or more parties based on commercial activity of one of the parties. The Company recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to Company business as long as such activities do not interfere or otherwise conflict with the employee’s work obligations to the Company. However, the employee must disclose any possible legitimate business conflicts so that the Company may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (e.g., spouse or significant other, children, parents, siblings) as a result of the Company’s business dealings.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones that most frequently present problems. If you have a question about whether an action or proposed course of conduct would create a conflict of interest, you should contact the Human Resources Department. The purpose of this policy is to protect employees from any conflict of interest that might arise.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination.

1 Outside Activities

Employees are required to obtain written approval from their supervisor before participating in outside work activities. Outside activities are generally not allowed when they:

- Prevent the employee from fully performing work for which he or she is employed at the Company, including overtime assignments, or adversely affect the quality of work performed;
- Involve organizations that are doing or seek to do business with the Company, including actual or potential vendors or customers;
- Involve employment or work with companies that compete with the Company; or
- Violate provisions of law or the Company's policies or rules.

In cases of conflict with any outside activity, your obligations to the Company must be given priority. Participation in community service activities that conflict with your duties may be approved by your supervisor provided such activities do not significantly impair your ability to responsibly perform your duties. Employees are hired and continue in the Company's employ with the understanding that the Company is their primary employer and that other employment or commercial involvement that is in conflict with the business interests of the Company is prohibited.

2 Financial Interest in Other Business

An employee and his or her immediate family may not be a fiduciary to, own, or hold any significant interest in a supplier, customer or competitor of the Company, except where such ownership or interest consists of securities in a publicly owned company that are regularly traded on the open market. In addition, you may not have a direct or indirect financial or business interest in any transaction between the Company and a third party that could be construed as a conflict of interest.

3 Gifts and Gratuities

An employee and his or her immediate family may not be a fiduciary to, own, or hold any significant interest in a supplier, customer or competitor of the Company, except where such ownership or interest consists of securities in a publicly owned company that are regularly traded on the open market. In addition, you may not have a direct or indirect financial or business interest in any transaction between the Company and a third party that could be construed as a conflict of interest.

4 Political Involvement

An employee should not apply any pressure, directly or indirectly, on any of the Company's other employees that infringes upon such other employees' right to decide whether or whom to support and in what amount(s) to make a personal political contribution.

Employees may not make political contributions with the intent to induce or with the expectation of favorable governmental treatment in return.