Policy for Background Checks on LONAP Limited Directors

1. Purpose This policy outlines the procedures and requirements for conducting background checks on prospective and current company directors. The aim is to ensure transparency, legal compliance, and the protection of the company's interests, in line with the Economic Crime and Corporate Transparency Act 2023. We are committed to non-discriminatory practices, ensuring all candidates are treated fairly and equitably.

2. Scope This policy applies to all individuals being considered for, or currently holding, a directorship position within the company.

3. Background Check Requirements

3.1 Identity Verification In compliance with the Economic Crime and Corporate Transparency Act 2023, all directors and individuals with significant control must undergo identity verification to enhance the accuracy of company data and prevent fraudulent activities.

The following documentation is required:

- A valid passport or other government-issued photo identification, such as a photo driving licence.
- In countries where photo ID cards are standard, these may be accepted as proof of identity.

3.2 Check for Disqualification as a Director To verify that the individual is not disqualified from holding a directorship position, checks will be conducted using the following sources:

- **UK:** Companies House, the Insolvency Service.
- **International:** Relevant equivalent registers or sources outside the UK.

3.3 Basic DBS Checks A Basic Disclosure and Barring Service (DBS) check will be conducted to identify any unspent convictions or conditional cautions. Only criminal convictions that are directly relevant to the role or could bring the organisation into disrepute will be considered. This includes:

- Financial, Computer or data fraud/hacking.
- Assault, Coercion, Exploitation, Non-consensual Acts, Invasion of Privacy, Harassment or Manipulation.
- Hate crimes.
- Terrorism-related convictions.

It is important to note that the DBS check is limited to unspent convictions. The company will assess any flagged results on a case-by-case basis, considering the nature of the offence, its relevance to the role, and the individual's explanation.

3.4 Declaration and Checks on Conflicts of Interest Prospective and current directors are required to declare any potential or existing conflicts of interest, including but not limited to:

- Financial interests in direct competitors.
- Relationships with key stakeholders or suppliers that may pose a conflict.

Declarations will be reviewed and verified where necessary to ensure that conflicts are identified and appropriately managed.

4. Consent and Confidentiality Background checks will only be conducted with the written consent of the individual. All information obtained through the checks will be treated as confidential and stored securely in compliance with the General Data Protection Regulation (GDPR).

5. Compliance and Review This policy will be reviewed annually to ensure compliance with relevant laws and regulations, and to reflect any changes in company requirements or industry standards.

6. Consequences of Non-Compliance Failure to provide accurate information or the withholding of relevant details during the background check process may result in disqualification from holding a directorship position or termination of an existing appointment.

Approval and Effective Date This policy was approved by the board on 2nd April 2025 and is effective as of this date.