

## Conflict of interest policy

### 1. Purpose

The purpose of this policy is to facilitate ANZICS in the effective identification, disclosure and management of any actual, potential or perceived conflicts of interest in order to protect the integrity of ANZICS and manage risk.

### 2. Objective

ANZICS aims to ensure that all Board members, employees, contractors, and committee members are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of ANZICS

### 3. Scope

This policy applies to all board members, employees, contractors, and committee members of ANZICS.

### 4. Definitions

A conflict of interest occurs when a person's personal interests' conflict with their responsibility to act in the best interests of the Society, and its obligations as a charitable entity. Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (examples of interests may include being a shareholder, employee, member or contractor with another organisation). It also includes a conflict between a board member's duty to ANZICS and another duty that the board member has (for example, to another charity). A conflict of interest may be actual, potential or perceived and may be financial or non-financial. These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the Society. Therefore, these must be managed accordingly.

### 5. Policy

This policy has been developed to address conflicts of interest affecting ANZICS. Conflicts of interest are common, and they do not need to present a problem to the Society as long as they are openly and effectively managed. It is the policy of ANZICS as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest are avoided and that whenever such conflicts do arise, they are managed to prevent conflict with the obligations to and interests of ANZICS.

ANZICS will manage conflicts of interest by requiring Board members, employees, contractors and committee members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest,
- carefully manage any conflicts of interest, to the satisfaction of the Executive and Board,
- explicitly document how any conflicts are being managed,
- maintaining a register of interests,
- follow this policy and respond to any breaches.

## 5.1 Responsibility of the Board

The Board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the Society,
- monitoring compliance with this policy, and
- reviewing this policy on a bi-annual basis to ensure that the policy is operating effectively.

ANZICS must ensure that its Board members are aware of the ACNC governance standards, particularly governance standard 5 (Appendix 1), and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

## 5.2 Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into ANZICS register of interests, as well as being raised with the Board, Executive or Committee Chair as appropriate. Where there is uncertainty as to the appropriate person to raise concerns of a conflict, this should be discussed with the Honorary Secretary of the Society. If the concerns relate to the Honorary Secretary, the concerns should be raised with the President or Vice President of the Society, or any other Board member perceived not to have a conflict.

Where every other Board member shares a conflict, the Board should refer to ACNC Governance Standard 5 to ensure that proper disclosure occurs.

The register of interests must be maintained by the Honorary Secretary of the Society. The register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

## 5.3 Confidentiality of disclosures

ANZICS should comply with their obligations under the *Privacy Act 1988* in relation to the publishing of registers. All individuals declaring a conflict of interest are advised that their information will be published on the Conflict-of-Interest register.

Where conflicts pertain to information of a private or confidential nature protected by law (for example a health condition suffered by a Board member, Committee member, contractor or employee), the register should merely record that a conflict has been declared and that the information relating to the identity of the individual, the nature of the conflict and how it is being managed, is held confidentially, known only to the Honorary Secretary and Chairman of the Board or their delegate.

## **6. Action required to manage conflicts of interest**

### **6.1 Conflicts of interest of Board members, employees, contractors and committee members**

All relevant meetings that require an agenda are required to include disclosure of Conflict of Interest as the first item of business. Once the conflict of interest has been appropriately disclosed, those without a conflict (must decide whether those individuals with a recognised conflict of interest should:

- vote on the matter (this is a minimum),
- participate in any discussion and debate, or
- be present in the room during the discussion, debate and the voting.

In the case of the Board or Standing Committees of the Board where a conflict is very significant or likely to prevent a Board or Committee member from regularly participating in discussions, the Board should consider if it is appropriate for the person conflicted to resign from the Board or Standing Committee. Strategies for management of Conflicts of Interest are outline in Appendix 2.

### **6.2 What should be considered when deciding what action to take**

In deciding what approach to take, the Board will consider:

- whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict.
- the Society's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Society in the pursuit of its charitable objectives.

The approval of any action requires the majority agreement of the Board (excluding any conflicted Board member/s) who are present and voting at the meeting. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

## 7. Compliance with this policy

If the Board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances. If it is found that this person has failed to disclose a conflict of interest, the Board may act against them. This may include seeking to terminate their relationship with the Committee, Board or Society as a whole. charity.

If a person suspects that a Board member, Committee member, contractor or employee has failed to disclose a conflict of interest, they must raise their concern to the Board Chair, Committee Chair or a member of the ANZICS Executive for consideration and investigation. The concern may be raised verbally but at the request of the Board Chair or Executive may be required to be confirmed in email or by other written documentation.

Where a conflict is considered to exist and has not been recognised and declared, this must be rectified. Where a conflict is considered to exist and to have been concealed, the Board should be consulted and should determine the appropriate sanction to be taken. Whenever a previously undeclared conflict is discovered to exist, the conflict and any steps to manage it should subsequently be documented in the register of interests.

## 8. Contacts

For questions about this policy, contact the Board Secretary or Honorary Secretary of the Company.

## 9. Review

This policy will be reviewed every two years, or as needed.

**Ratified:** 21 August 2024

## APPENDIX 1

In your role, whether as a Board or Committee member or a contractor or employee, you have a special opportunity to contribute to the work and life of ANZICS. Being a Board or Committee member or employee or contractor can be challenging at times, but it can also be a rewarding way to help ANZICS achieve its charitable purpose.

As a Board or Committee member or contractor working for ANZICS, a charity registered with the Australian Charities and Not-for-profits Commission, you have duties and responsibilities that come with your role. You may also have other obligations and duties under to other government agencies or under other laws.

The ACNC Governance Standards set core, minimum governance standards that all charities must meet. Governance Standard 5 requires that charities take reasonable steps to make sure that the members of their governing body know and understand their legal duties and carry out their duties. These duties generally require you to be careful and conscientious in your role and to act with common sense and integrity. Whilst these standards are often related to Board and Committee Members they also, in certain aspects apply to contractors and employees of ANZICS too where conflicts of interest may arise.

Governance Standard 5 requires charities to take reasonable steps to make sure that the following duties apply to Responsible People and that they follow them. The duties are:

- **To act with reasonable care and diligence.** You must exercise your powers and duties with the care and diligence that a reasonable person would if they were in your place.
- **To act in good faith in the best interests of the charity and for a proper purpose.** When acting as a board member you must make decisions that are in the best interest of the charity and to further its charitable purpose.
- **Not to improperly use information or position.** Any special knowledge that you gain as a board, or committee member must only be used for the benefit of the charity and never to further personal or other interests. Similarly, you must not use your position to improperly gain an advantage for yourself or someone else, or cause detriment to the charity.
- **To disclose conflicts of interest.** If your duty to act in the best interests of the charity conflicts with (or may conflict with) your personal interests, you must disclose this responsibly.
- **To ensure that financial affairs are managed responsibly.** Ensure that there are systems and processes in place that ensure that the charity's resources are being effectively put towards the charity's charitable purpose and are protected from misuse.
- **Not to allow the charity to operate while insolvent.** You must ensure that the charity can pay its debts when they are due or will become due and that it does not continue to operate if it cannot pay its debts.

Knowing and carrying out your duties as a **board or committee** member ANZICS to carry out its charitable purpose and protects its resources against misuse. You can find more information about the duties of those who manage charities on the ACNC's website ([www.acnc.gov.au](http://www.acnc.gov.au)) or in the ACNC's guide *Governance for Good*.

Generally, the duties mean that Responsible People should act with standards of integrity and common sense.

More information can be found out about Governance Standard 5 following the link below.

[Governance Standard 5: Duties of Responsible People | ACNC](#)

## Appendix 2

### Managing Conflicts of Interest

<https://www.industry.gov.au/sites/default/files/2022-11/conflict-of-interest-policy.pdf>

#### Strategies to manage a conflict of interest - the five “R’s”

STRATEGY	WHAT THIS STRATEGY MEANS	WHEN IS IT MOST SUITABLE
<b>1. Register</b>	The employee formally registers details of the conflict of interest	<ul style="list-style-type: none"> <li>For very low – risk conflicts of interest</li> <li>Where recording the conflict of interest is sufficient to maintain transparency</li> </ul>
<b>2. Restrict</b>	Restrictions are placed on the employee’s involvement in the matter to oversee part or all the process that deals with the matter.	<ul style="list-style-type: none"> <li>The employee can be effectively separated from parts of the activity or process.</li> <li>The conflict of interest is not likely to arise frequently</li> </ul>
<b>3. Remove.</b>	You choose to remove the employee completely from the matter	<ul style="list-style-type: none"> <li>For ongoing serious conflicts of interest, where restriction or recruitment of others is not appropriate.</li> </ul>
<b>4. Relinquish</b>	You request the employee relinquishes the private interest that is creating the conflict.	<ul style="list-style-type: none"> <li>Where the employee’s commitment to public duty outweighs their attachment to their private interest.</li> </ul>
<b>5. Resign</b>	The employee should resign from their position within the agency.	<ul style="list-style-type: none"> <li>No other options are workable.</li> <li>Where the employee cannot or will not relinquish their conflicting private interests.</li> <li>Where the employee prefers this course as a matter of personal principle.</li> </ul>

## Example of Conflict-of-Interest Register

<b>Name</b>	<b>Date Interest Disclosed</b>	<b>Description of Interest</b>	<b>Type of Conflict (Actual, Potential or Perceived)</b>	<b>Date Reviewed</b>	<b><i>Describe what action have been taken or proposed to resolve/manage the Conflict</i></b>