



Conflict of Interest Policy

Responsible Officer	National Director		
Contact Officer	Head of Governance and Operations		
Superseded Documents	A4U Conflict of Interest Policy V1.0		
Review	Three years		
Associated Documents	A4U Business Operational Policy Handbook, A4U Complaints Policy, Procurement Policy, Board Charter		
Policy Status	This policy may be amended or revoked by A4U at any time and at its discretion		
Version	Authorisation	Approval Date	Effective Date
1.0	Board	27/02/2020	March 2020

Introduction

This policy aims to ensure the decisions made by the Australia for UNHCR (A4U) are ethically made with integrity, impartiality, in good faith and in the best interests of the organisation and the people it serves.

All A4U personnel are required to take reasonable steps to avoid a conflict of interest. A conflict of interest arises when an employee or Board Director participating in decision-making is able to gain or be perceived as gaining advantage for themselves or for another organisation or person in which they have an interest – due to access to privileged information or from the outcomes of the decision.

Purpose

The duty to avoid conflicts of interest is derived from both general law and statutory provisions found in the Corporations Act 2001 (Cth) (the Act), which requires board directors to avoid conflicts of interest. Under the Act, the Board Directors must:

- Exercise their powers and discharge their duties with a reasonable degree of care and diligence (section 180);
- Act in good faith in the best interests of the company or for a proper purpose (section 181).
- Not use their position to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 182);
- Not improperly use information gained through their position as a director to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 183).

NB: Board Directors must make disclosures to the other board directors

A4U Personnel must:

- Avoid positions of conflict or potential conflict by avoiding placing themselves in a situation that could be or may lead to or be perceived as a conflict of interest.
- Disclose any material personal interest by disclosing to a member of the Senior Management Group (SMG) or Board material personal interests that relate to the affairs of the organisation or external business interests if those interests lead to an actual or potential conflict of interest.
- Disclose to the SMG or the Board any affiliation they have with an actual or potential supplier of goods and services, recipient of grant funds or organisation with competing or conflicting objectives.
- Absent themselves from discussion, as appropriate, and abstain from voting or otherwise participating in the decision making on any issue in which they have a conflict of interest.
- Disclose to the SMG or Board any material gifts or offers of gifts for their personal use and not accept valuable or otherwise inappropriate gifts.

Scope

This Policy applies to all Board Directors, employees and volunteers of A4U.

Breach of this Policy or failure to disclose an interest, may result in disciplinary action or termination of employment, directorship or engagement as a consultant or volunteer. It may also lead to legal action

Definition

Conflicts of Interest – When a person participating in decision-making is able to gain or could be perceived as gaining an advantage for themselves or for another organisation or person in which they have an interest - due to access to privileged information or from the outcome of the decision. Conflicts of interest may involve financial or non-financial interests of the employee and the interests of a business partner or associate, family member, friend or person in a close personal relationship with the employee.

There are three types of conflicts, which should be self-assessed:

- **Actual conflict:** where a director, employee and volunteer is likely to gain a personal advantage for themselves or a relative or a friend, because of their position;
- **Perceived conflict:** where others may reasonably perceive a conflict and that perception may create a risk for the organisation with regard to reputation or financial assets.
- **Potential conflict:** where a process has been set in train that, in the future, may create a conflict of interest.

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 A4U and must be managed accordingly.

Conflict of Interest Procedures

It is recognised that from time to time conflicts of interest are unavoidable. In such cases, a full and frank disclosure of the conflict must be reported promptly after it has arisen or first been identified and appropriate measures adopted.

Declaring Conflicts of Interest

Directors: All board Directors are required to complete a Disclosure Form that sets out any other interests they hold and any of their other partnerships, trusteeships, memberships, investments or benefits that have a direct relationship to the operations of A4U.

This form is completed each time they are elected or appointed to the Board with the returns filed in the office. The company secretary is responsible for ensuring this process is followed.

It is the responsibility of board directors to declare/disclose any actual or potential conflict of interest that may exist or might reasonably be thought to exist between the interest of the Director, and their interests and position, and the interests of A4U that may arise at any point during their directorship in relation to any matter before the board and then to remove themselves from any discussion or decision-making on the matter. If board directors are uncertain about their responsibilities or situation, they should discuss the situation with the Chair who will provide guidance.

Each board or committee meeting will include a standard agenda item for these conflicts or potential conflicts to be tabled. The company secretary will keep a register of conflicts of interest disclosed pursuant to this clause.

Staff and volunteers: All staff are also obliged to declare any conflict of interest and to remove themselves from discussion or decision-making on matters where a conflict may exist. If managers are uncertain about their responsibilities or situation, they should discuss

the situation with their manager, the Head of Governance and Operations or the National Director who will provide guidance.

If a staff member is involved in a situation where there is, may be, or perceived to be a conflict of interest they must report the situation to their manager and the Head of Governance and Operations as soon as possible. The Head of Governance and Operations will investigate, in conjunction with other members of the SMG to determine whether the matter is deemed a conflict of interest, and if so the course of action required.

Confidentiality must be maintained at all times by the persons involved in the above procedures.

Dealing with Conflicts of Interest

In deciding what approach to take, the Board and/or SMG will consider whether the conflict needs to be avoided or simply documented. Points to consider will include:

- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- are alternative options available to avoid the conflict
- the charity's objects and resources
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

For Board Directors the approval of any action requires the agreement of at least a majority 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 a register of interests.

Examples of Conflict of Interest

Conflicts of Interest may include, but not limited to:

- Goods and services are supplied to the organisation by a person involved with A4U.
- The person may also benefit if the supplier is a family business or family company or trust. Alternatively, there may be direct benefit to another member of the person's family.
- An asset belonging to A4U is sold to a person working for A4U.
- A Director of A4U is in receipt of a salary, fee or some other benefit (other than reimbursement of reasonable out of pocket expenses).
- Director of A4U votes on a matter which directly affects that person, a member of his or her family or a company or trust owned by him or her or a member of his family.
- The auditor or other professional retained by A4U is a Director or related to a member of the Board.

Compliance

As part of our compliance with the ACFID Code of Conduct, commitment 7.4.3, we are required to have a Conflict of Interest Policy. This policy has been developed from referring to the ACNC "Managing conflict of interest guide" and reviewing the policies from other ACFID members.