

CONFLICT OF INTEREST POLICY

OVERVIEW

This policy contains details of the **Company Name** ("the Company")'s Conflict of Interest Policy. A Conflict of Interest arises whenever the personal, professional or other interests of an employee are at odds (or potentially at odds) with the best interests of the Company.

This policy:

- aims to ensure that all employees act with honesty and integrity, and do not allow external influences to compromise the Company's interests;
- sets out the procedures for the identification and management of actual or potential conflicts of interest.

The Company may take appropriate action where necessary to minimise risk in a conflict of interest situation. An employee who breaches this policy may be subject to disciplinary action up to and including termination of employment.

GENERAL EXPECTATIONS

- Employees are not to allow their external, personal or financial interests or their duties to any external entity to compromise their duties, obligations and responsibilities to the Company.

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- Gifts or other benefits must not be accepted by employees (from suppliers, clients and others) without their Manager's permission.
- All employees must notify their Manager of any conflict of interest or potential conflict of interest that arises (whether in respect of themselves or another employee).
- Managers, when notified of a conflict of interest, will deal promptly with the conflict as per this policy and put in place arrangements that protect the interests of the Company.

PERSONAL RELATIONSHIPS

The Company requires that employees disclose actual, potential or perceived conflicts of interest arising from the existence of a personal relationship (for example where a family member is a client or supplier, or where two employees are in personal relationship). This requirement is based on the potential for, or perception of, a decision being biased or prejudiced, either in favour of or against, a person with whom there is a personal relationship. The Company seeks to assure employees that no undue advantage or disadvantage will occur because of the existence of a personal relationship. An employee must immediately cease to be involved in any decision making in respect of the person with whom they have a personal relationship until their Manager determines how the conflict of interest should be managed.

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CONFLICTS OF COMMITMENT

Conflicts of commitment are situations where an individual engages in outside professional activities, either paid or unpaid, that may interfere with their primary obligation and commitments to the Company.

Examples include where an employee is involved in running a business or has secondary employment outside of their work for the Company. If the employee is involved in a business that competes with the Company, this is a clear conflict of interest. So too is a situation where an employee is involved in a business or pursuit which means they cannot commit enough time to adequately performing their role (even if the activity does not compete with the Company's business). Another example might include an employee who works a second job completely outside their hours of work for the Company (eg a taxi driver in the evenings). Although this work may not appear to compete or conflict with the Company's interests, the employee may be fatigued from working an additional job, which will adversely affect the work they perform for the Company.

Employees that propose taking up secondary employment or are pursuing other business interests, must discuss the proposal with their Manager, so that the Manager can establish the likely impact of these activities on the Company.

As a general rule, employees are not allowed to carry out any other employment or have any other business interests outside of their employment with the Company, without their Manager's prior approval.

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Employees may not under any circumstances, whether directly or indirectly, undertake any other duties of whatever kind during their hours of work with the Company or whilst on the Company's premises. Employees must not use the equipment or resources of the Company (eg computers, telephones, vehicles, etc) for any purpose other than to carry out their duties to the Company (save where their Manager has provided express permission to do so).

WHERE CONFLICT OF INTEREST COMMONLY OCCURS

There are a number of areas where a conflict of interest commonly occurs and are considered high risk. These include, but are not limited to:

- procurement processes, tenders and contracts
- gifts or other benefits
- employee recruitment or promotion decisions
- employee development, conditions of service, recognition and reward

WHAT ARE SOME EXAMPLES OF A CONFLICT OF INTEREST?

- An employee accepts a job with the Company without informing the Company they are subject to a post-employment restraint of trade which prevents them from accepting the position;
- A manager decides to hire an applicant who is a family member or close friend of the manager;

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- A worker enters into a purchasing, supply or other contract on behalf of the Company with another entity in which the worker holds a financial interest;
- Employees engaging in activities that will bring direct or indirect profit to a competitor;
- A person serving the interests of two or more clients whose interests are in conflict;
- A person is in possession of confidential information about one customer and taking on another project or role where there is a real risk of that confidential information being disclosed without the customer's permission;
- Employees using connections obtained through the company for their own private purposes;
- Employees using company equipment or means to support an external business;
- Employees acting in ways that may compromise the company's integrity (e.g. taking bribes or bribing others).

IDENTIFYING AND REPORTING CONFLICTS OF INTEREST

Employees are responsible for assessing their own private and personal interests and whether they conflict or have the potential to conflict with the Company's interests.

All conflicts of interest or potential conflicts of interest, regardless of their character or level, must be disclosed to their Manager as soon as practicable.

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If an employee is in doubt if a conflict exists, they must raise the matter with their Manager.

Employees must notify their Manager as soon as practicable if relevant circumstances relating to the declared conflicts of interest change.

Employees are also required to report to their Manager all conflicts of interest observed by the employee or are otherwise aware of involving other employees of the Company.

Managers are responsible for being aware of areas of conflict of interest within their area of responsibility, assessing risks and advising the relevant Senior Manager.

CONFLICTS OF INTEREST REGISTER

[Nominated Person(s) / Position(s)] is responsible for recording all declared conflicts of interests (including potential conflict of interests) into a Register of Conflicts of Interest.

The Register of Conflicts of Interest should include the following information in respect of each case of conflict of interest:

- The duties and personal interests that give rise to the conflict;
- The circumstances which give rise to the conflict;
- When the conflict of interest arose, or in the case of a potential conflict of interest, when the conflict of interest is expected to arise;

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- The names of all stakeholders who may be affected by the conflict of interest (such as clients, employees, managers);
- The proposed action taken to effectively manage the conflict (see below).

PROCEDURE FOR MANAGING CONFLICTS OF INTEREST

[Nominated Person(s) / Position(s)] is responsible for managing conflicts of interests.

The appropriate action to be taken in effectively managing conflicts of interest will depend on the particular circumstances of each case.

[Nominated Person(s) / Position(s)] is required to report to and consult with [the Company's Risk Committee/ Board/ Senior Leadership Team] to determine and implement the most appropriate action for effectively managing the conflict of interest in each case. Management action to be taken (including any subsequent changes in management action taken) must be documented in the Register of Conflicts of Interest.

Some factors to be considered in determining the appropriate management action to be taken include:

- The significance and consequence of the conflict of interest including likely impact on the company's business and reputation;
- The impact of the proposed management action on the conflicted worker and other key stakeholders;
- The extent of the conflicted worker's involvement in the relevant decision-making process;

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- Whether another person is capable of carrying out the duties of the worker.

Action that may be taken to effectively manage the conflict of interest include (but is not limited to) the following:

(a) No action required

This may be appropriate where, following a risk assessment, there is no real conflict of interest nor reasonable likelihood of a conflict of interest eventuating, or the conflict relates to an insignificant matter.

(b) Forfeit the conflicted interest

The conflict of interest may be resolved by forfeiting the conflicted private interest. For example, an employee may be required to relinquish an inducement.

(c) Relieve the worker of certain duties

The conflict of interest may be resolved by relieving an employee of the duty that gives rise to the conflict. For example, the decision-making responsibility may be temporarily transferred to another person until the conflict of interest no longer exists.

(d) Other action

There are a number of other specific measures that may be taken to effectively manage the conflict of interest without necessarily resolving the conflict of interest, including:

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- Appointing an independent person to supervise the decision-making process;
- Restricting the conflicted person's access to information; and
- Withdrawing a conflicted employee from participating in key or critical decisions.

[Nominated Person/ Position] should continue to monitor and regularly review the conflict of interest and record any change in the management action initially taken.

DISCIPLINARY CONSEQUENCES

Failure to declare a potential, actual or perceived conflict of interest or to take any remedial action directed by the Company, in the timeframe directed by the Company, may result in disciplinary action including up to and including termination of employment.

OTHER POLICIES

Employees and staff are encouraged to read this policy in conjunction with other relevant Company policies, including:

- Code of Conduct
- Disciplinary & Termination Policy

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