



# CINI Australia

## BOARD CONFLICT OF INTEREST POLICY

Document Number: POL2200

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## 2. Introduction

The Board of CINI Australia is committed to the highest standards of ethical conduct and accordingly places great importance on addressing any potential or actual conflicts of interest. The board members acknowledge their responsibility to always act in the best interests of CINI Australia.

## 3. Purpose

The purpose of this policy is to help board members of CINI Australia to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of CINI Australia and to manage risk.

## 4. Scope

This policy applies to the board members of CINI Australia.

## 5. Definition of Conflicts of interest

A conflict of interest occurs when a person's personal interests' conflict with their responsibility to act in the best interests of CINI Australia

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.

It also includes a conflict between a board member's duty to CINI Australia and another duty of the board member. 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 organization.

Therefore, these situations must be managed accordingly.

## 6. Policy

It is the policy of CINI Australia, and the responsibility of the board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts, where they do arise, do not conflict with obligations to CINI Australia.

A conflict of interest may occur where an interest or activity influences or appears to influence the ability of a Board Member to exercise objectivity. Conflicts of interest are common, and they do not need to present a problem as long as they are openly and effectively managed.

Conflicts of interest will be managed by requiring board members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest

- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

### 5.1. Responsibilities of the board

The board is responsible for:

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

CINI Australia will ensure that all board members are aware of the ACNC Governance Standards, particularly governance standard 5 "Duties of Responsible Persons", and that they disclose any actual or perceived material conflicts of interests as required by the standard.

### 5.2. Identification and disclosure of conflicts of interest

The Board places great importance on making clear any existing or potential conflicts of interest. Once identified, all actual or potential conflicts of interest shall be declared by the member concerned, documented in the Board's Conflicts of Interest Register and raised with the Board.

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

The register of interests will be maintained by the company secretary. The register will 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

The Board members only will have access to the information disclosed.

## 7. Action required to manage conflicts of interest

### 6.1. Conflicts of interest of board members

Once the conflict of interest has been appropriately disclosed, the board, excluding the board member who has made the disclosure, as well as any other conflicted board member, must decide whether or not those conflicted board members should:

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

In exceptional circumstances, for example where a conflict is very significant or likely to prevent a board member from regularly participating in discussions, the board may consider if it is appropriate for the conflicted person to resign from the board.

### 6.2. Considerations 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 charity's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

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 the register of interests.

## 8. 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 take action against them. This may include seeking to terminate their relationship with CINI Australia.

If a person suspects that a board member has failed to disclose a conflict of interest, they must specify in writing the basis of this potential conflict and notify the board.

## 9. Related Documents

- CINI Australia Board Conflict of Interest Procedure, Document No PRO2200.
- CINI Australia Board Register of Conflicts of Interest
- The Constitution of CINI Australia
- CINI Australia Governance Policy
- CINI Australia Due Diligence Policy and Procedure
- Australian Charities and Not-for-profits Commission (ACNC) Governance Standard 5: Duties of Responsible Persons
- ACNC Managing Conflicts of Interest Guide

## 10. Contact

For questions about this policy, contact the board or the CINI Australia secretary by emailing [admin@ciniaustralia.org](mailto:admin@ciniaustralia.org)