

Board Conflict of Interest Policy



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INTRODUCTION

The purpose of this Policy is to assist board members (Board) of Cancer Council NSW (Cancer Council) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Cancer Council and manage risk.

The Board aims to ensure that Directors are aware of their obligations 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 Cancer Council.

This Board Conflict of Interest Policy (Policy) applies in addition to any relevant provisions of the Constitution, the Board Charter and the Cancer Council Code of Conduct Policy, and takes precedence to the extent of any inconsistencies. However, this Policy cannot address all situations that Directors may encounter. Directors therefore need to be aware of, and comply with, relevant legislation and Cancer Council's other policies and guidelines.

All Directors receive this Policy as part of their induction. If they need more information or are unsure of Cancer Council's expectations or the appropriate procedure, they should contact the Company Secretary or the General Counsel.

CONFLICTS OF INTEREST

Conflicts of interest may occur where a Director (or a member of their family):

- has a financial interest in a matter involving Cancer Council
- is a shareholder, Board member, director or employee of other organisations (or has some other contractual arrangement with such an organisation from which they may benefit (financially or otherwise) with which Cancer Council has a financial interaction
- holds personal beliefs or attitudes that may influence their impartiality has personal relationships with people within Cancer Council or with whom Cancer Council is dealing that go beyond the level of a professional working relationship
- without restricting individual democratic rights, is involved in party political activities which could affect the ability to represent Cancer Council's interests in a non-partisan way to the community and their elected representatives
- has access to information that could be used for personal gain
- participates in outside activities, including volunteer work, that could adversely affect their ability to act as a Cancer Council Director, or
- has a duty or loyalty to another organisation that may compete with their duty to act in the best interests of Cancer Council.

These situations present the risk that a Director will make a decision based on, or affected by, these influences, rather than the best interests of Cancer Council, and must be managed accordingly.

POLICY

This Policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to Cancer Council if they are openly and effectively managed. It is Cancer Council's policy and the responsibility of the Board, that ethical, legal, financial and other conflicts of interest be disclosed and, to the extent practicable, avoided so that any such conflicts, where they do arise, do not conflict with Directors' obligations to Cancer Council. Where there is a conflict of interest that cannot be avoided, it must be identified, disclosed and managed in accordance with this Policy.

The Board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across Cancer Council

- monitoring compliance with this Policy, and
- reviewing this Policy regularly to ensure it is operating effectively.

All Directors must be aware of the Australian Charities and Not-for-profits Commission (ACNC) governance standards, particularly governance standard 5, requiring them to disclose conflicts of interest. They must disclose any actual or perceived material conflicts of interest as required by that Standard.

Prior to appointment to the Board, all Directors are required to disclose:

- the name of their employer and the names of other institutions for whom they perform paid services or with which they have an ongoing formal attachment
- directorships they hold in public and private companies or other incorporated bodies, and
- any other areas where they consider the potential exists for a direct or indirect conflict of interest between their role as a Cancer Council Director and another role, involvement or interest.

The Company Secretary will maintain a Register of all Directors' disclosures. Directors must advise the Company Secretary of any changes to their disclosures as soon as possible after any change. The most recent version of the Register will be tabled at each Board Meeting for noting by the Board.

DEALING WITH CONFLICTS OF INTEREST

The Cancer Council Board will manage conflicts of interest by requiring Directors to:

- disclose all employment, directorships and other roles prior to appointment and update these disclosures in the event of any change
- 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.

Directors may make a standing disclosure of the existence of a private interest, even though the circumstances may not give rise to a conflict of interest at the time. If a conflict of interest later arises, Directors are not required to make further disclosure, provided that the standing notice remains accurate at the time.

Once a conflict of interest has been appropriately disclosed, the conflicted Director must not:

- receive any Board or other papers in relation to any item of business affected by the conflict
- be present while the matter is discussed at any Board or other Meeting, or
- vote on the matter.

However, in exceptional circumstances, the Board (excluding any conflicted Director) may decide whether or not a conflicted Director may:

- receive any Board or other papers in relation to any item of business affected by the conflict; and/or provide information to the Board in relation to that item of business.

Exceptional circumstances may include situations where a conflicted Director:

- has made an application for a Cancer Council research grant
- has been seconded from another organisation, or
- Cancer Council is proposing to invest in an organisation where the Director has previously been employed.

Where a conflict is very significant or likely to prevent a Director from regularly participating in ongoing Board discussions, the Board should consider whether it is appropriate for the conflicted Director to resign from the Board.

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

- whether the conflict will realistically impair the disclosing Director's capacity to impartially participate in decision-making
- whether the conflict needs to be avoided (including with the Director not participating in Board discussions and not voting)
- alternative options to avoid the conflict
- Cancer Council's objects and Mission, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, Cancer Council.

The approval of any action requires the agreement of at least a majority of the Board, excluding any conflicted Director, who are present and voting at the meeting. The action and the decision will be recorded in the minutes of the meeting and in the Register of Directors' disclosures.

BREACHES OF THIS POLICY

Failure to disclose a conflict of interest is a breach of the Board Code of Conduct. Any breaches of this Policy should be reported to the Chair and the Chair of the Governance Committee.

The consequences of breaching this Policy may include:

- requiring the Director to undertake further training and education about conflicts of interest, or
- taking appropriate remedial action.

In the case of a significant breach of this Policy, the Board should consider terminating the Director's appointment.

APPLICATION AND REVIEW DATE

This Policy was introduced in [2017] and will be reviewed on or before [2020].

RELATED DOCUMENTS

- Code of Conduct Policy
- Board Code of Conduct
- Fraud Policy and Investigation Procedure
- Board and Committee Charters
- Cancer Council Constitution