



CONFLICT OF INTEREST POLICY

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Small amendment to cl 3 - August 2021 (added ref to partner)

Next review: May 2025

1. OBJECTIVE

Actions and decisions taken at all levels within the Australian Himalayan Foundation (AHF) and its work needs to be informed, objective and fair.

The purpose of this Policy is to provide Board members, staff and volunteers access to information and a mechanism to disclose potential conflicts of interest. It aims to: ensure the highest level of ethical conduct of persons employed by or involved in AHF; and to avoid perceptions and consequences detrimental to AHF that could arise from the real or perceived misuse of an individual's position or influence.

2. COMPLIANCE

This Policy is designed to ensure compliance with:

- The Australian Charities and Non-For Profits Commission (ACNC) Governance Standards – specifically *Standard 5: Duties of Responsible Persons* (the Standard).

Whilst also remaining in alignment with:

- Provisions of the *Corporations Act 2001 (Cth)* which previously applied to charities, specifically Sections 191 & 192 pertaining to Director's duties in relation to conflict of interest.

3. SCOPE

This Policy applies to all AHF personnel including Board and Committee members, employees, contractors and consultants, volunteers and other representatives. This Policy also applies to in-country partners.

4. DEFINITIONS

4.1 Conflict of interest

Governance Standard 5 of the ACNC advises:

A conflict of interest occurs when your personal interests conflict with your responsibility to act in the best interests of your charity. The term 'personal interests' does not need to be your own interest, but may also arise from the interests of your family, friends, or other organisations you are involved with. It also includes a conflict between your duty to the charity and another duty that you have (for example, to another charity).

In the AHF context the following definition applies consistent with the Standard:

- Where there is a conflict between the individual interests of a Board member, staff member, volunteer or other AHF personnel, and their professional obligation to AHF such that it may provide, or be perceived to provide, advantage to the individual or others who are associated with them, or such that an observer might question whether their actions or decisions were influenced by their own interests or are for their own benefit;

- Or where an individual's position within AHF provides either personal benefit beyond the declared benefits arising from that position or an opportunity for undue influence in a decision relating to another person's or organisation's benefit;
- Or where there is conflict of interest arising within projects that has a potential negative impact on the development principles of AHF.

4.2 Conflict of Duties

Where an individual, while occupying more than one position that involves the exercise of power or influence, affects outcomes in one position that are of direct and personal benefit to him/her as an occupant of another position.

4.3 Benefit

Means anything that provides a Board member, staff member or volunteer with a direct or indirect personal gain or the potential for personal gain or gain to a third party.

Such a gain need not be financial, but could include provision of material or facilities, reputational benefit or provision of benefits.

5. POLICY PROCEDURES

All charities are required to meet a set of ACNC governance standards which set out core minimum governance standards for all registered charities.

Governance standard five requires a charity to ensure that its board members know and are subject to a set of duties outlined in the standard.

The duties are to:

- act with reasonable care and diligence
- act in good faith in the best interests of the charity and for its purposes
- not misuse their position as a responsible person
- not to misuse information they gain as a responsible person
- **disclose any current or perceived conflict of interest**
- ensure that financial affairs are managed, and
- not allow a charity to operate while insolvent.

5.2 Board of Directors – Duty of Disclosure

Directors with a potential conflict of interest must make full disclosure of:

- (i) the nature and extent of the interest; and
- (ii) the relation of the interest to the affairs of the AHF

Director disclosure must be recorded in the Minutes of a Board meeting and recorded in the *Conflicts of Interest Register*. Any disclosure of potential conflict must be made before any decision is made or expected regarding the particular situation that raises concerns.

A Director who has an interest in a matter may give the other Directors standing notice of the nature and extent of the interest in the matter. This disclosure must be recorded in the

Minutes of the Board meeting and recorded in the *Conflicts of Interest Register*. Any disclosure of potential conflict must be made before any decision is made or expected regarding the particular situation that raises concerns.

Prior to any consideration of the matter related to the conflict, it is expected that other board members should consider the appropriateness of the conflicted individual in:

- Voting on the matter involving the conflict; and
- Participating in any debate or discussion relating to the matter.

A conflicted Director may not be present during the deliberations of the Board in regard to any matter touching upon the subject matter of the conflict. Failure to comply is a breach of the ACNC Governance Standards and is a breach of the AHF Board Governance Manual.

5.3 Directors – Approach to Managing a Conflict

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.

5.4 AHF Staff and Volunteers – Duty of Disclosure

AHF Staff, consultants, contractors and volunteers (including Committee members) with a conflict of interest must make disclosure of the situation and all relevant facts known to the CEO at the earliest possible opportunity.

Personnel needing to disclose conflict of interest should complete the Conflict of Interest Disclosure *Form* ([Annex A](#)) on employment / commencement of duties or as the individual is aware of an actual or potential conflict.

Any conflict will be recorded in the *Conflicts of Interest Register*. Breach of this Policy may result in disciplinary action and may ultimately jeopardise the personnel's employment or engagement with AHF.

At times, AHF personnel may be required to make decisions or participate in decisions around matters such as the award of funding to projects or the appointment to positions. Upon consideration of the nature of the conflict of interest as presented in the declaration, the person may be requested not to participate in that decision.

5.5 AHF Projects

Within the project context, conflict of interest needs to be discussed and relevant measures taken to: reduce the incidence of pecuniary advantage to individuals or groups; ensure transparency in procurement arrangements; and to prevent project benefits being unfairly apportioned.

5.6 Gifts

Board members, staff, volunteers, consultants and visitors to AHF projects will record any gifts or benefits given by project partners with a monetary value in excess of AUD\$50 and be encouraged to decline gifts of any value given in anticipation of preferable treatment in the future, taking care to consider the cultural context in which the gift is offered and to avoid giving offence.

5.7 Confidentiality

Board members, staff and volunteers are bound by rules of discretion in regard to all matters of AHF business externally or internally. Further details are included in the *AHF Communications Policy*.

6. ROLES AND RESPONSIBILITIES

6.1 AHF Directors

All Directors are responsible for ensuring their own compliance with ACNC Standards and, where relevant, the Corporations Act 2001. Standard five require Directors 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.

6.2 Conflict of Interest Register

Directors must also ensure once an actual, potential or perceived conflict of interest is identified, it must be entered into **the AHF's** register of interests, as well as being raised with the board.

The register of interests must be maintained by the Company Secretary. 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). A templated Register of Interests is provided at [Annex B](#).

6.3 AHF Board and CEO

The Board and CEO will provide information and awareness of this Policy and associated Policies to staff and volunteers. The CEO will be alert to the possibility that the situations of staff members and volunteers may change and may require disclosure of a potential conflict of interest.

6.4 AHF Staff and Volunteers

Individuals are responsible for their own compliance with this Policy.

If the situation of a staff member or volunteer changes during their employment and they need to disclose a conflict of interest they must complete the Conflict of Interest *Disclosure Form*.

7. Related Documents (Internal)

- AHF Constitution
- AHF Board Manual
- AHF Communications Policy
- AHF Human Resources Procedures Manual
- AHF Volunteers Policy
- AHF Partnership Agreements
- AHF Fraud and Anti-Corruption Policy

8. Related Documents (External)

- ACNC Governance Standard 5: Duties of Responsible Persons
- ACNC Managing Conflicts of Interest Guide
- ACNC Governance for Good Guide
- ACNC Protect your Charity from Fraud Guide
- Corporations Act 2001: Sections 191 & 192.

**AHF CONFLICT OF INTEREST DISCLOSURE FORM
FOR AHF STAFF AND VOLUNTEERS**

A. I have read and agree to abide by the above *Conflict of Interest Policy*. To the best of my knowledge, I have no conflicts as described in this Policy, except those noted below or on the attached document. I also acknowledge my continuing obligation to notify the AHF of any conflict that may arise during my time as a staff member or volunteer.

Signature:

Date:

Please Print Name:

B. I have read and agree to abide by the above Conflict of Interest Policy. I would like to declare below the details of a conflict of interest in line with this policy:

Note: if more space is required for a declaration please attach as a separate document.

Signature:

Date:

Please Print Name:

Management response to declaration of conflict of interest and decision taken:

Signature:

Date:

Please Print Name:

AHF REGISTER OF INTERESTS

Name of Director	Description of interest	Has the board been notified?	Date of disclosure	Steps taken by board for dealing with the conflict	Board member actions to address the conflict