

# Conflict of Interest Policy

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This policy is applicable to: **All Staff (including Directors).**

## 1. Introduction

GAC is committed to conducting its business and delivering its services in a fair, transparent, accountable, and impartial manner.

This policy will deal with situations where employees (including Directors) may have an actual, perceived, or potential conflict of interest between their role within the Corporation and their person interests.

## 2. Key Terms and Definitions

<b>Conflict of Interest</b>	Arises where a personal interest or activity impacts a person's ability to take action or make a decision, in the best interests of GAC
<b>Fiduciary</b>	Refers a legal and ethical relationship involving trust with one or more Parties
<b>GAC</b>	Gumala Aboriginal Corporation
<b>Member</b>	Any approved Banjima, Yinhawangka, and Nyiyaparli persons who are entered on the register of Members by Gumala Aboriginal Corporation

## 3. Scope

This code applies to all GAC Key Employees and the GAC Board of Directors.

## 4. Purpose

The purpose of this policy is to set out a framework for relevant persons to identify, disclose, manage, and monitor conflicts of interests.

## 5. Conflict of Interest

A conflict of interest arises where there is a conflict between the performance of a professional duty and a private/personal interest.

It is a *'fundamental rule of equity that a person in a fiduciary capacity... must not place themselves in a position where their duty and interest may conflict'*.

Conflicts of interest may be unavoidable, but this does not mean that they are wrong or unethical. What is important is that all conflicts are identified, disclosed to other Directors, and managed accordingly.

Management of conflicts of interest is very important and must be fair, transparent, accountable, and free of bias.

Conflicts of interest may be actual, perceived or potential:

i. Actual

An actual conflict arises where there **is** a conflict between a person's official duty and responsibility and their personal interest.

ii. Perceived

A perceived conflict occurs where a reasonable person, with an understanding of the circumstances would consider that a conflict of interest exists.

iii. Potential

A potential conflict arises where a person has a personal interest that **may** conflict with their official duties in the future.

## 6. Policy

A conflict of interest may affect a person's judgement, as to what is in the best interest of the corporation and/or may lead to bias in their decision-making.

This policy is developed because conflicts of interest commonly arise, and do not need to necessarily present problems to the Corporation, if they are openly and effectively managed.

GAC will manage conflicts of interest by requiring Directors to:

- Avoid (where possible) conflicts of interest;
- Identify and disclose any conflicts of interest;
- Carefully manage any conflicts of interest; and
- Follow this policy and respond to any breaches.

### **6.1. Board Responsibilities**

The Board are responsible for managing the conflicts of interests of all other board members.

The Board is responsible for:

- Establishing a system for identifying, disclosing and managing conflicts across the corporation;
- Monitoring compliance with this policy; and
- Instructing review of this policy on an annual basis to ensure that the policy is operating effectively.

### **6.2. Identification and disclosure**

Once a conflict (actual, perceived or potential) has been identified, it must be entered onto a register of interests, as well as being raised to the Board. The register of interests must be maintained by GAC Governance and record information related to a conflict of interest, including the nature and extent of the conflict, as well as any steps taken to address it.

## **7. Action required for Management of Conflicts**

The Director who has the conflict must disclose to their fellow board members and identify their conflict, as soon as practicable – most preferably prior to the board meeting. The general rule should be that disclosure should occur as soon as possible, in order to provide as much time as possible to address the conflict.

The remaining board members (excluding the conflicted director) have the responsibility to decide what the appropriate next steps are – they need to be impartial decision makers. They must consider the risks associated with the conflicted director being involved in the decision-making – so that they are able to determine the most appropriate action. Removal of the conflicted director allows the board to act responsibly and reasonably in order to address the issue.

For each conflict, the Board should consider whether the Director should:

1. Participate OR refrain from participating in discussion;
2. Be present OR be removed from the room during the time for discussion; and
3. Vote or abstain from voting on the matter.

#### **7.1. Steps to be considered when deciding what action to take**

Steps, which the GAC Board may take, can vary depending on the nature of the conflict, the required decision, or the corporation's circumstances. Some conflicts may require that the board take action to ensure that the conflict does not undermine the Board's ability.

In deciding what approach to take the Board needs to consider:

- whether the conflict needs to be avoided or documented;
- whether the conflict will realistically impair the conflicted director's capacity to act impartially in the decision making;
- alternative options to avoid the conflict;
- the corporations objects and resources; and
- the possibility of creating an appearance of improper conduct which may impair the reputation of the corporation.

#### **7.2. Compliance with this policy**

Where the Board has reason to believe that a person has failed to comply with this policy, it may investigate the circumstances.

Where a person has been found to have failed to disclose to the Board any conflict of interest, the Board may take action against them, including seeking to terminate their directorship.

Where the Board suspects that a Director has failed to disclose a conflict, they must notify the Chairperson and GAC Governance.

**8. Related Documents**

[Related Party Benefits Policy](#)

[Declaration of Interests Form](#)

**9. Review History**

Date:	Reviewed by:	Amendments/Review
	Executive Officer and Board	
8 April 2024	Foundation Finance, Audit & Risk Committee	<p>Section 5 - <i>fundamental rule of equity that a person in a fiduciary capacity... must not place himself in a position where his duty and his interest may conflict</i>.</p> <p><i>'himself' changed to 'themselves' and 'his' duty changed to 'their' duty. 'his' interest, 'his' omitted.</i></p>
10 April 2024	Executive Officer and Board	Policy Approved

**10. Next Review**

Date:	Position Responsible:
April 2026	Executive Officer and Board

**11. Authorisation**

GAC Board on 10 April 2024.