

CONFLICT OF INTEREST POLICY



Reference	LH006	Date approved	26 th February 2024
Approved by	Board of Directors	Date for review	26 th February 2026

STATEMENT OF POLICY

This policy applies to board members and employees of LiteHaus International. Board members and employees will also be referred to as 'officers and employees' in this policy. The purpose of this policy is to help board members and employees of the organisation to effectively identify, disclose, and manage any actual, potential, or perceived conflicts of interest to protect the integrity of LiteHaus International and manage risk.

INTRODUCTION

LiteHaus International endeavours to maintain a workplace culture in which any actual, perceived or potential Conflicts of Interest (COIs) are identified, declared, resolved or appropriately managed so they do not affect the services, activities, decisions, integrity or reputation of the organisation, or the duties and responsibilities of employees or the Board. LiteHaus International demonstrates impartiality and integrity in fulfilling its responsibilities and seeks to promote stakeholder confidence through its commitment to the highest standards of integrity and conduct of employees and board members at every level.

RATIONALE

This policy has been developed to address conflicts of interest affecting LiteHaus International. The Board aims to ensure that officers and employees, in compliance with this policy, are aware of their obligation to disclose any conflicts of interest that they may have to ensure that conflicts of interest are identified, disclosed, reported, managed and mitigated effectively. Failure to declare and manage the conflict appropriately may result in disciplinary action and expose the officer or employee and the organisation to risk.

Employees and board members of LiteHaus International are charged with the responsibility of disclosing in a timely fashion through appropriate channels, any ethical, legal, financial, relational or other situations or contexts that are at risk of being perceived as being a conflict of interest for LiteHaus International. Such conflicts of interest must be avoided by employees and board members so that they do not conflict with their obligation to the organisation.

DEFINITIONS

Interest is defined as anything that can bring a benefit or disadvantage to an individual, or to others whom one may wish to benefit or disadvantage. Interests may be financial or non-financial.

- Financial interests (pecuniary): Involve an actual or potential financial gain or loss. Money does not have to change hands for an interest to be financial.
- Non-financial interests (non-pecuniary): May arise from personal or family relationships or involvement in sporting, social, community or cultural activities. They include any tendency toward favour or prejudice resulting from friendship, animosity or other personal involvement that could create bias in the making of a judgement or decision. They also include the personal, professional or business interests of individuals or groups we associate with.

Conflict of interest (COI) is defined as any matter, circumstance, interest or activity affecting LiteHaus International or one of its committees which may, or which may appear to, impair the ability of the organization, officer or employee to carry out its/their work diligently, objectively and independently. A COI exists when an employee's interests conflict with their duty to serve the organisation's interest. A COI may arise from a range of factors including personal relationships, employment outside the public service (other/secondary employment), membership of special interest groups, giving and receiving gifts and benefits, ownership of shares, companies or property, or an interest held by a family member or close associate.

Types of COI:

- An **actual** COI involves a direct conflict between an officer or employee's current duties and responsibilities and existing private interests;
- A **perceived or apparent** COI can exist where it could be perceived, or it appears, that an officer or employee's private interests could improperly influence the performance of their duties – whether or not this is in fact the case;
- A **potential** COI arises when an officer or employee has a private interest that could conflict with their official duties in the future.

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 an officer's and employee's duty to LiteHaus International and another duty that the board member has to another organisation, committee, or board. These situations present the risk that a person will make a decision / make decision based on, or affected by, these influences, rather than in the best interests of the organisation.

Change in interest means where the officer or employee's interests change to the extent that the potential for a conflict of interest is altered. Change in interests may include:

- any significant change in the interests about which information is required including acquisition, divestment or an altered relationship in the interest; or
- a significant change in the official responsibilities of the public service employee.

POLICY DIRECTIVE

LiteHaus International will manage conflicts of interest by requiring officers and employees 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.

RESPONSIBILITIES

Everyone in LiteHaus International is responsible for identifying, disclosing, and resolving conflicts of Interest.

The Board is responsible for:

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

The board chair is responsible for:

- confirming all board members are aware of their responsibilities under these procedures;
- managing any CEO conflict of interest

The organisation must ensure that its board members are aware of the ACNC governance standards and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

The CEO is responsible for:

- confirming all employees are aware of their responsibilities under these procedures;
- implementing strategies to appropriately manage all actual, perceived and potential conflicts of interest reported by employees or that they otherwise become aware of or suspect;
- monitoring implementation and compliance with COI management strategies;
- confirming all employees known to be engaged in secondary or outside employment have obtained permission to do so and have reported and registered a COI;

- registering the management of a conflict of interest including mitigation strategies that are discussed and implemented with the reporting employee;
- notifying any instance of non-compliance with these procedures to the Board Chair / the Board;
- managing any employee conflict of interest
- reporting a conflict of interest to the Board Chair.

The Employee is responsible for:

- being aware of Conflicts of Interest that might affect them;
- disclosing / reporting Conflicts of Interest to their Line Manager / the CEO;
- documenting and registering the management and communication strategies for any Conflict of Interest in conjunction with their Line Manager / CEO;
- speaking up to advise their Line Manager / CEO if they see an actual or potential Conflict of Interest that may not be appropriately managed;
- managing conflicts as required by management plans and notify their Line Manager / CEO of any changes.

Identification and Disclosure of Conflicts of Interest for the Board

The Board Chair should, at the commencement of each meeting, remind all members of the need to declare any conflicts or raise any concerns regarding perceptions of conflict that has arisen or may arise when discussing the agenda for that meeting. All COI situations are to be reported to the Board Chair. Once an actual, potential, or perceived conflict of interest is identified, it must be entered into LiteHaus International's register of interests, as well as being raised with the Board. All disclosures and decisions concerning a conflict of interest are to be recorded in the minutes of the relevant meeting. Where every other board member shares a conflict, the board should refer to ACNC Governance Standard 5 to ensure that proper disclosure occurs.

On being advised of a potential conflict, the Chair - acting on the advice of the Committee - then decides whether:

- i. A conflict exists, and whether it is substantial enough to warrant some action;
- ii. Whether the member ought to recuse themselves from the meeting or parts of the meeting where discussion will occur about the issue that has given rise to the conflict; and
- iii. Whether any other action is required including:
 - a. a potential conflict is declared, recorded, and noted, or
 - b. the member with the conflict recuses themselves while the relevant issue is under discussion.

The register of interests must be maintained by the Chair of the Board of Directors. 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). In

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

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.

Confidentiality of Disclosures for Officers and Employees

It is essential that there is no favoured treatment of any officer or employee and all comply with all relevant duties. Upon appointment, all officers and employees must declare any current or potential conflicts of interest, by filling out the Acknowledgement Form regarding Conflict of Interest, which is to be kept by the Board Chair, securely.

Compliance with this Policy

If an officer or employee has a reason to believe that a person subject to the policy has failed to comply with it, the CEO or Board Chair (where relevant) will investigate the circumstances. If it is found that this person has failed to disclose a conflict of interest, the CEO or Board Chair (where relevant) may take action against them. This may include seeking to terminate their relationship with the organisation.

If a person suspects that an officer or employee has failed to disclose a conflict of interest, they must discuss with the person in question, notify the CEO and/or Board (where relevant), or the person responsible for maintaining the register of interests.

RELATED POLICIES

- LiteHaus International – Codes of Conduct
- LiteHaus International – Fraud Risk Management Policy
- LiteHaus International – Whistleblower Policy