

1 Conflict of Interest

POLICY NUMBER

GTO 2.5

POLICY GROUP

Group Training – Risk Management

RELATED POLICIES AND REFERENCES

[GTO 2.2 National Standards for Group Training Companies](#)

[GTO 3.3 Code of Conduct](#)

2 What is a Conflict of Interest?

Conflict of interest risks are an inevitable fact of organisational life, and can arise without anyone being at fault. Problems can arise where these risks are not properly managed.

The management of risk associated with any actual, potential or perceived conflict of interest situation is fundamental to ensuring the highest levels of integrity and trust are achieved and maintained.

Types of Conflicts of Interest

Conflicts of interest are conflicts between company duties and private interests. These can be actual, potential or perceived.

An **actual conflict of interest** is one where there is a real conflict between an AFL SportsReady employee's duties and responsibilities, and their private interests.

A **potential conflict of interest** arises where an employee has private interests that could conflict with their AFL SportsReady duties.

A **perceived conflict of interest** can exist where a third party could form the view that an employee's private interest could improperly influence the performance of their duties, now or in the future.

A conflict of interest can arise from avoiding personal losses, as well as gaining personal advantage — whether financial or otherwise.

Purpose

To clarify the Directors and staff obligations in relation to personal or business interest and other relationships that may affect business arrangements involving AFL SportsReady, so as to avoid actual or perceived conflicts of interest. As Directors are members of the company they are often host employers and/or suppliers of services or products to AFL SportsReady, there is potential for real or perceived conflict of interest.

This policy exists to ensure employees are not distracted from the performance of their duties and commitment to the interests of AFL SportsReady due to an involvement in an external commercial interest, other activity, or personal relationship. The emphasis of this policy is on Directors of the Board and all employees declaring their external interests and arriving at a workable solution with AFL SportsReady, rather than prohibiting external interests without due consideration to the individual.

This policy applies to The Chairperson, Deputy Chairperson, Secretary, and all other Directors of the Board.

Members of Board committees, even though these persons do not hold positions as Directors and do not have the formal power to vote in Board meetings.

The Chief Executive Officer and any manager of AFL SportsReady, or any employee occupying a decision making position or with influence over decision-making involving business arrangements.

Employees are remunerated on the assumption that all their working time and energies will be devoted to the interests of AFL SportsReady. Employees are not to engage in any work that could be considered to be in direct competition with AFL SportsReady.

All conflicts of interest whether direct or indirect, actual or potential, pecuniary or nonpecuniary are captured by this policy.

This policy gives a proactive mechanism for handling such situations.

This policy gives compliance to the Corporations Act 2001 and the National Group Training Standard No8.

Policy

Responsibilities of the Organisation

The best interests of the company as a whole are paramount to other interests of third parties, individual stakeholders, directors, employees or associates.

AFL SportsReady has the responsibility to comply with the legislation and intent of the Corporations Act.

To promote and protect the image and reputation with stakeholders, employees and the general public that AFL SportsReady operates under ethical standards and sound business practices.

To avoid any dissent and unrest in decision-making through upfront publication of a transparent process to handle and record conflict of interest. The process will be concerned with major conflicts of interest of a material nature and this is, to some extent, a matter of judgment contingent upon whether the issue is of significant importance to the company.

Ensuring that AFL SportsReady's interest is not compromised should be the overriding objective of any conflict of interest management strategy. AFL SportsReady is responsible for:

- establishing a system for identifying and managing conflicts of interest in the form of detailed policies and procedures;
- building an organisational culture that supports implementation of all relevant policies through appropriate education, training and enforcement activities;
- reviewing relevant policies and procedures on a regular basis to ensure they are effective;
- receiving and investigating complaints regarding possible breaches of conflict of interest policies;
- monitoring compliance with conflict of interest policies, including responses to alleged breaches.

Responsibilities of the Board of Directors and Managers

The Board of Directors and Managers:

- shall not have a personal interest or engagement with a third party except with the fully informed consent of the company.
- shall not misuse their position or knowledge within the company for personal or professional gain, profit or advantage except with the fully informed consent of the company.
- shall not misappropriate the company's property or knowledge for their own or a third party's advantage or usage except with the fully informed consent of the company.
- shall give notice of any material personal interest or involvement relating to any affairs of the company.

The Board of Directors and Managers; or employees within the company able to make, influence or participate in decisions are responsible for:



- complying with conflict of interest policies with respect to their own conflicts and potential conflicts of interest facilitating the compliance of those they supervise by:
 - being aware of the risks of conflicts inherent in the work of the staff they manage;
 - making staff aware of relevant policies and procedures;
 - advising staff about appropriate ways to manage conflicts;
 - recording the receipt of disclosures of conflicts of interest reported to them by staff;
 - assisting with preparation of management strategies for staff who disclose conflicts of interest;
 - monitoring the work of staff and the risks to which they are exposed.

Responsibilities of Employees

Employees are responsible for:

- being aware of their obligation to avoid conflicts of interest where possible, and manage those conflicts of interest that cannot be avoided;
- assessing their private and personal interests, and whether they conflict, or have the potential to conflict, with their official duties;
- disclosing conflicts of interest they may have in accordance with specified procedures; and complying with the requirements of this general policy or related specific policies and procedures.

AFL SportsReady has no desire to limit the involvement of employees in outside interests. However, it is entitled to ensure that outside interests do not lead to a conflict of interest with the commercial interests of AFL SportsReady or make demands upon the employee's time and energy to the extent that it adversely affects their job performance.

Procedure

Any personal or business matter which is/or could lead to a conflict of interest must be declared at the earliest possible time to the Chairperson (for Directors) and the Chief Executive Officer (for managers and employees) who will advise the Chairperson as soon as practicable.

Individual Directors, the Chief Executive Officer, other Managers or employees who are aware of a real or potential conflict of interest pertaining to another Director, the Chief Executive Officer or other Managers or an employee, have a responsibility to advise the Chairperson (in the case of Directors and Chief Executive Officer) or the Chief Executive Officer (in the case of managers or employees) who will advise the Chairperson if the interest is considered potentially material.

For employees, the Chief Executive Officer will decide if there is an actual conflict of interest and if it is of a material nature will inform the Chairperson. All conflicts of interest involving the Chief Executive Officer will be referred to the Chairperson for a determination about materiality.

All material declarations are to be recorded in a Register of Interests held by the General Manager - Operations.

For Directors, the full Board will decide if there is an actual conflict of interest and if it is of a material nature which will be minuted along with the necessary action to be taken.

A Director with a declared and material conflict of interest shall not vote on any resolution concerning the issue and may only remain in the room during any discussion with Board approval which shall be minuted. As part of the minute process, the Board will determine whether the discussion, outcome or resolution is to be shared with the Director with a material conflict of interest.

The Chairperson is ultimately responsible for managing conflict of process issues in accordance with this policy. Where the Chairperson is absent or directly involved then responsibility falls to the Deputy Chairperson.