



Brien Holden Vision Institute Limited

ABN 49 081 303 282

Conflict of Interest Policy and Procedures ACNC External Conduct Standard 3

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1. BACKGROUND

1.1 Introduction

- (a) Brien Holden Vision Institute Limited ABN 49 081 303 282 (**BHVI**) is a registered charity with the Australian Charities and Not-for-Profits Commission (**ACNC**).
- (b) We believe that sight is a fundamental right for everyone, everywhere. We develop new solutions for vision care, especially refractive error, and work to eliminate vision impairment and avoidable blindness, thereby improving quality of life for people in need and helping to reduce disability and poverty

1.2 ACNC External Conduct Standards (Standards)

- (a) The Standards were implemented by the Government to assist in meeting Australia's international obligations including under the FATF Recommendations (within the meaning of section 5 of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006).
- (b) The Standards govern the administration and oversight of BHVI given its overseas operations. In the *Simplified Outline in Section 50.1 Australian Charities and Not-for-profits Commission Regulation 2013* the following quote appears as part of the explanation for the Standards which apply to charities registered with the ACNC and operating overseas:

"The external conduct standards are intended to provide greater confidence that funds sent, and services provided, outside Australia are reaching legitimate beneficiaries and are being used for legitimate purposes. The standards are also intended to prevent a registered entity from being misused by a criminal organisation".

1.3 Standard 3 – Conflicts of interest

- (a) Standard 3 requires a charity to take *reasonable steps* to identify and document any perceived or actual material conflicts of interest for its employees, volunteers, third parties and responsible entities outside Australia.
- (b) We have developed this Conflict of Interest Policy to reduce the risks of conflicts of interest adversely affecting our activities and to address the requirements of Standard 3, because we:
 - (i) work closely with many local and overseas health organisations and our vision related services include community primary eye care and vision screening, optometry schools, health communication methods and strategies related to vision care; and .
 - (ii) operate in environments where there are risks of conflicts of interest.

2. CONFLICT OF INTEREST POLICY

2.1 Purpose

- (a) Actions and decisions taken at all levels in our organisation need to be informed, objective and fair. A conflict of interest may affect the way a person acts, decisions they make, or the way they vote in group decisions. Conflicts of interest need to be identified and action taken to ensure that personal or individual interests do not affect BHVI's services, activities or decisions.

- (b) It is in the best interests of our organisation for individual employees, and Board members to strengthen trust and confidence in each other, to expedite resolution of problems, to mitigate the effect and to minimise organisational and individual stress that can be caused by an actual or perceived conflict of interest.
- (c) Identification and documentation for all perceived or actual material conflicts of interest is required for directors, employees, volunteers and third parties outside Australia
- (d) Declaration and management of conflicts of interest are specifically required for Board members and any Committee members as part of their legal responsibilities as Board and Committee members respectively.

2.2 Scope

- (a) This Policy applies to directors, employees, volunteers, third parties.
- (b) It applies to situations where the personal interests of an individual or group of individuals directly conflict with the best interests of BHVI , its members or clients, or where the decisions or actions of individuals may be influenced by their personal interests rather than those of our organisation.
- (c) It is impossible to define all the potential areas where a conflict of interest may arise, however some common examples include situations in which:
 - (i) close personal friends or family members are involved, such as discipline or dismissal, service allocation or awarding of contracts
 - (ii) an individual or their close friends or family members may make a financial gain or gain some other form of advantage in matters which involve BHVI
 - (iii) an individual has a financial interest or owes duties to another organisation that is in a competitive relationship with BHVI and therefore may have access to our plans, financial or other confidential information
 - (iv) an individual is bound by prior agreements or allegiances to other individuals or agencies that require them to act in the interests of that person or agency or to take a particular position on an issue
 - (v) personal/sexual relationships between any of employees, third party service providers and clients
 - (vi) commercial relationships between any of employees, third party service providers and clients.

2.3 Board

- (a) Directors must:
 - (i) Disclose to the Board actual or potential or perceived conflicts of interest which may exist or might reasonably be thought to exist between the interest of an individual Director, and their interests and position, and the interests of BHVI; and
 - (ii) At the request of the Board take such steps as are necessary and reasonable to remove or reduce to the satisfaction of the Board any conflict of interest referred to above.

- (b) If upon the giving of a reasonable request to do so a Director cannot remove or reduce to the satisfaction of the Board a conflict of interest as required by Clause 2.3 then, in order for that Director to maintain his or her position on the Board, the Director:
 - (i) Will not be entitled to participate in the deliberations on, or vote in respect of, any matter coming before the Board for discussion or resolution and which comes within the scope of the conflict affecting that Director, until such times as the conflict of interest ceases; but
 - (ii) Will be entitled to participate in the deliberations on or vote in respect of any other matter coming before the Board for discussion or resolution and which does not come within the scope of the conflict of interest.
- (c) If the Board is satisfied that the Director has taken all steps as are necessary or reasonable to remove or reduce a conflict of interest as required by this clause 2.3(a) then the Director may maintain his or her position on the Board and vote in respect of matters coming before the Board for discussion or resolution relating to the notified area of actual or potential conflict.
- (d) Each Director warrants to the other Directors that to his or her actual knowledge no conflict of interest exists which is likely to affect the performance of his or her obligations via this policy.
- (e) The company secretary will keep a register of Director's conflicts of interest disclosed pursuant to this clause.

2.4 Employees

- (a) Employees must:
 - (i) avoid any conflict of interest, even the perception of a conflict of interest. We serve the community as a whole rather than only serving a special interest group. The perception of a conflict of interest can cause embarrassment to BHVI and jeopardise our credibility.
 - (ii) maintain independence and objectivity with clients, the community, and BHVI. Employees are called to maintain a sense of fairness, civility, ethics and personal integrity even though law, regulation, or custom does not require them.

2.5 Volunteers and third parties

- (a) All BHVI third-party service providers are subject to contractual obligations regarding compliance with our Policies, if relevant to the services they provide.
- (b) Volunteers and third parties must disclose to the Audit & Compliance Committee (A&CC) actual or perceived conflicts of interest which may exist or might reasonably be thought to exist between the interest of the person and the interests of BHVI.

3. PROCEDURES

3.1 Registering known conflicts of interest

- (a) A register of conflicts of interest will be maintained by the Human Resources Manager. All potential and actual conflicts (other than director conflicts) will be recorded in the register.

3.2 Identifying and declaring conflicts of interest

- (a) Two important points underlying this policy are as follows:
 - (i) If you are unsure whether there is a conflict of interest, it is in all instances preferable to declare it. This will protect you, BHVI and the public.
 - (ii) When considering whether a conflict of interest exists, consider the situation from the standpoint of an outsider. If it is likely that a reasonable outsider would consider that a conflict exists, you should act as though a conflict does exist.
- (b) A conflict of interest can:
 - (i) Be actual (i.e. there is an obvious or demonstrable conflict of interest) or perceived (i.e. an onlooker may reasonably assume there is a conflict);
 - (ii) Be based on personal and/or financial matters; and/or
 - (iii) Arise from the interests of persons or entities related to or associated with you;
 - (iv) Arise from duties which you owe to persons or entities other than BHVI.
- (c) An employee has a conflict of interest when he/she is in a position of authority which requires him/her to exercise judgment or make decisions, or to participate in a committee which makes decisions, on behalf of BHVI and also has (personal, financial or other) interests or obligations that might interfere with or influence the exercise of his or her judgment.
- (d) All employees are required to promptly declare any conflict of interest, potential conflict of interest, or the perception of a conflict of interest by:
 - (i) notifying your manager
 - (ii) completing the Conflict of Interest Disclosure Form
- (e) If you have any doubt as to whether a conflict may exist you should seek advice from their supervisor in the first instance.

3.3 Managing conflicts of interest

- (a) Employees are required to register any conflicts of interest with the HR Manager (Executive Director, People & Culture). They must disclose, and take reasonable steps to avoid any conflict of interests. Employees must declare any financial or non-financial interests which are relevant to their capacity or function as an employee by filling out the form at Annexure A.
- (b) Where a perceived conflict of interest arises for an employee the matter shall be reviewed by the Manager at a confidential meeting. The Manager shall determine or if uncertain refer the conflict to the Audit & Compliance Committee (**A&CC**) to determine the best course of action to protect the interests of BHVI.
- (c) Volunteers and third party service providers are to take such steps as are necessary and reasonable to remove or reduce to the satisfaction of the A&CC any conflict of interest referred to above.

3.4 Strategies to manage

- (a) When the disclosure of a conflict of interest reveals a potential, perceived or actual conflict of interest, a management strategy is to be developed to document and address the questions that may be regarded as arising.

- (b) In some circumstances the simple act of declaring the perceived, potential or actual conflict may be sufficient to adequately mitigate or manage the conflict.
- (c) Other strategies may include:
 - Removal from the conflict.
 - Limiting or eliminating involvement in the situation.
 - Third party oversight.
 - Relinquishing the interest giving rise to the conflict.
 - Resigning from the role where the conflict applies.

3.5 Failure to comply

- (a) Failure to comply with this Policy by an employee will result in a breach of the Code of Conduct and disciplinary action will be taken against the Employee.
- (b) If Volunteer and a third party service providers conflict is not managed to the satisfaction of the A&CC, then the contract will be terminated in the case of a third party service provider and in the case of a volunteer, services withdrawn.

Annexure A Employee Conflict of Interest Disclosure Form

This form is to be completed by all existing and new employees and is an acknowledgement that they have received a copy of BHVI's Conflict of Interest Policy and understand the conduct and behaviour expected of all employees.

I _____ (employee's full name)

declare the following actual or potential conflict of interest:

[Detail the actual or potential conflict of interest.]

[To be completed by HR / Manager:

Steps to manage conflict:

1. Declaration
2. Removal from the conflict.
3. Limiting or eliminating involvement in the situation.
4. Third party oversight.
5. Relinquishing the interest giving rise to the conflict.
6. Resigning from the role where the conflict applies]

[Referral to A&CC: Yes / No]

[If yes: describe outcome]

By signing this form I confirm my understanding of the Policy and agree to comply with the steps outlined above to manage the actual potential conflict of interest.

Employee (signature)

Chief Executive Officer (signature)

Date

Date

Employee ID No

The original signed form must be sent to the Executive Director, People & Culture and placed on the individual employee's file.

The employee must receive a copy.