

CONFLICT OF INTEREST (COI) FRAMEWORK

1 OVERVIEW

Board of Directors (BOD) and all responsible persons owe fiduciary and statutory duties to the Company. They must act in the best interests of each with undivided loyalty.

Conflict of interest arises whenever such a person cannot or does not act in relation to the Company's matter with undivided loyalty.

The management of risks associated with any actual, potential or perceived COI situation is fundamental to ensuring the highest levels of integrity and trust are achieved and maintained. When the risks associated with COI are not appropriately managed, the effects can be serious for Company.

2 OBJECTIVES

The purpose of the COI framework is to provide an effective management of risks of COI by:

- 2.1 Demonstrating the commitment to managing risks of COI
- 2.2 Identifying the key principle guiding to the responsible management
- 2.3 Identifying the responsibilities persons for the management of risks of COI
- 2.4 Consolidating information about how risks relating to COI are addressed to assist in monitoring the effectiveness in meeting its commitment to managing risk of COI.

3 APPLICATION

- 3.1 The COI Framework applies to all employees of the Company.

- 3.2 This framework provides general principles which apply to management of all risks of COI and it outlines the obligations on all employees in identifying, managing and monitoring risk of COI responsibly.
- 3.3 Some roles such as Principals and Business Managers and certain work functions such as procurement and recruitment carry a higher risk of COI.
- 3.4 Risk of COI in relation to the following types of activity is typically significant:
 - 3.4.1 Recruitment and selection
 - 3.4.2 Procurement (tendering, purchasing, contracting)
 - 3.4.3 Funding allocation or licensing
 - 3.4.4 Contractor management
 - 3.4.5 Other external employment
 - 3.4.6 Gifts, benefits and hospitality
 - 3.4.7 Complaints management and disciplinary process

4 RESPONSIBILITY

- 4.1 All employees have a responsibility to manage risks of COI which may affect their duty. Managers and executive Officers have additional responsibilities.
- 4.2 Executive team and managers play an essential role in supporting all employees to identify and manage COI appropriately.
 - 4.2.1 All employees (including managers and executive officers) are responsible for the following:
 - 4.2.1.1 Being aware of their obligations under COI policy.
 - 4.2.1.2 Continually assessing their private interests and public duties in order and identifying whenever they are subject to a COI.

4.2.1.3 Reporting identified COI to their manager, or Committee or Board, in accordance with policy.

4.2.1.4 Assessing the risks related to identified conflicts and taking reasonable steps to address these risks in accordance with policy and procedures so that the Company interest is protected

4.2.2 Managers are responsible for facilitating the compliance of sub-ordinates by the following processes:

4.2.2.1 being aware of the risks of COI inherent in the work of the sub-ordinates.

4.2.2.2 Make sub-ordinates aware of relevant policies and procedures.

4.2.2.3 Identifying training needs of sub-ordinates in relation to COI policy and practice.

4.2.2.4 Advising sub-ordinates about appropriate ways to manage COI.

4.2.2.5 Recording the receipt of disclosures of COI reported to them.

4.2.2.6 Assisting staff to select and implement appropriate management strategies.

4.2.2.7 Continually monitoring the work of sub-ordinates and assessing the risks to which they might reasonably be exposed.

4.2.2.8 Taking appropriate disciplinary action in relation to sub-ordinates who fail to meet their obligations under the COI policy.

4.2.3 Executive Team is responsible for the following:

4.2.3.1 Identifying the principles for the identification, management and monitoring of COI.

- 4.2.3.2 Periodically reviewing those principles.
- 4.2.3.3 Including the management of COI in its terms of reference.

5 CONTROLS

- 5.1 COI may arise in many different situations.
- 5.2 This framework and the COI policy do not attempt to be prescriptive or restrictive about certain activities. Instead, they outline an overall process for risk assessment and management and identify the principles which should guide identifying and reporting COI and determining appropriate management strategies for mitigating risks.
- 5.3 Because of the inherently subjective nature of COI issues, it is recognized that the application of generic principles to real-life situations by individual is prone to variable and imperfect outcomes in the absence of clear and explicit guidance.