



**Royal United Services Institute for Defence and Security Studies,
New South Wales Incorporated**

Conflict of interest policy

1. Purpose

The purpose of this policy is to help Board members of the Royal United Services Institute for Defence and Security Studies, New South Wales Incorporated (RUSI) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of RUSI and manage risk.

2. Objective

The policy aims to ensure that Board members are aware of their obligations to disclose any conflicts of interest that they may have and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of RUSI.

3. Scope

This policy applies to the Board members of RUSI.

4. Definition of conflict of interest

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of RUSI. 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 (for example, as a shareholder). It also includes a conflict between a Board member's duty to RUSI and another duty that the Board member has (for example, to another charity). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of RUSI and must be managed accordingly.

5. Policy

This policy has been developed because conflicts of interest commonly arise and do not need to present a problem to RUSI if they are openly and effectively managed. It is the policy of RUSI as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest are avoided and that any such conflicts (where they do arise) do not conflict with the obligations to RUSI.

RUSI will manage conflicts of interest by requiring Board members 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.

5.1 Responsibility of the Board

The Board is responsible for:

-) establishing a system for identifying, disclosing and managing conflicts of interest across RUSI,
-) monitoring compliance with this policy, and
-) reviewing this policy on an annual basis to ensure that the policy is operating effectively.

Board members must be aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

5.2 Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into RUSI's register of interests, as well as being raised with the Board. Where all of the other Board members share a conflict of interest, the Board should refer to governance standard 5 to ensure that proper disclosure occurs. The register of interests must be maintained by the Secretary and 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).

Confidentiality of disclosures

Access to the information disclosed shall be restricted to Board members unless it is agreed by a resolution of the Board that such disclosure can be made available to members.

6. Action required for management of conflicts of interest

6.1 Conflicts of interest of Board members

Once the conflict of interest has been appropriately disclosed, the Board (excluding the Board member disclosing and any other conflicted Board member) must decide whether or not those conflicted Board members should:

-) vote on the matter (this is a minimum),
-) participate in any debate, or
-) be present in the room during the debate and the voting.

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 may consider whether it is appropriate for the person conflicted to resign from the Board.

6.2 What should be considered when deciding what action to take?

In deciding what approach to take, the Board:

-) will consider whether the conflict needs to be avoided or simply documented,

-) whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making,
-) alternative options to avoid the conflict,
-) RUSI's objects and resources, and
-) the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of RUSI.

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.

7. Compliance with this policy

If the Board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the Board may take action against them. This may include seeking to terminate their relationship with RUSI.

If a person suspects that a Board member has failed to disclose a conflict of interest, they must raise the matter with the President and the Secretary. The President then has the responsibility of discussing the matter with the Board member.

Contacts

For questions about this policy, contact the Board or Secretary **[CLICK HERE](#)**