

MOTORCYCLING NSW CONFLICT OF INTEREST POLICY

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Title: Conflict of Interest Policy - Governance

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Responsible Persons: Motorcycling NSW Board

Authority: This document is a Charter made pursuant to the Motorcycling NSW Governance Policy. MNSW may unilaterally introduce, vary, remove or replace this Charter at any time.

CONFLICT OF INTEREST POLICY

1. PURPOSE

The purpose of this policy is to assist Motorcycling NSW Ltd (MNSW) Directors, Officers and Committee Members to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of MNSW and manage risk.

2. OBJECTIVE

The MNSW Board (called the 'Board' in this policy) aims to ensure that Directors, Officers and Committee 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 MNSW.

3. SCOPE

This policy applies to MNSW Directors, Officers and Committee Members. Subsequent references to "Director" in this policy also mean Officers and Committee Members unless otherwise stated.

4. DEFINITION OF CONFLICTS OF INTEREST

A conflict of interest occurs when one's personal interests conflict with their responsibility to act in the best interests of MNSW. 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 Director's duty to MNSW and another duty that the Director has (for example, to another Board). 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 MNSW 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 MNSW if they are openly and effectively managed. It is the policy of MNSW as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to MNSW.

MNSW will manage conflicts of interest by requiring Directors 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;
- monitoring compliance with this policy; and
- reviewing this policy regularly to ensure it is operating effectively.

MNSW must ensure that its Directors are aware of this policy and that they disclose any actual or perceived material conflicts of interests as required by this policy.

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 MNSW's Conflict of Interest Register, as well as being raised with the Board or committee (as applicable). The register must be maintained by the CEO 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).

6. ACTION REQUIRED FOR MANAGEMENT OF CONFLICTS

6.1. Conflicts of Interest of Directors

Once a conflict of interest has been appropriately disclosed, the Board or committee as applicable (excluding the Director disclosing and any other conflicted Director) must decide whether or not the conflicted Director should:

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

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Director from regularly participating in discussions, it may be worth the Board considering whether it is appropriate for the person conflicted to temporarily stand aside and / or resign from the Board or committee.

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;
- MNSW's objects and resources; and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, MNSW.

The approval of any action requires the agreement of at least a majority of the Board or committee as applicable (excluding any conflicted Director/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.

7. COMPLIANCE WITH THIS POLICY

If the Board or a committee 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 position as a Director.

If a person suspects that a Director has failed to disclose a conflict of interest, they must notify the Chair who will contact the Director to discuss the alleged breach of policy.



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