

1. PURPOSE OF POLICY

AFF Board members have a legal obligation to act in the best interests of the AFF and in accordance with the AFF's constitution and applicable law.

Conflicts of interest may arise where an individual's personal or family interests and/or loyalties to some other individual or group conflicts with those of the AFF. Such conflicts may create problems by:

- inhibiting free discussion;
- resulting in decisions or actions that are not in the interests of the AFF; and/or
- giving rise to an impression that the AFF has acted improperly.

The purpose of this policy is to ensure that any conflicts of interest arising at Board level are dealt with appropriately, and to protect both the AFF and its Board members from any appearance of impropriety.

2. APPROACH TO DEALING WITH CONFLICTS OF INTEREST

As far as possible, AFF Board members should seek to avoid any potential conflict arising between their personal interests (or the interests of any related person) and their duties to the AFF.

However, due to the relatively small size of the Australian fencing community, it is common for AFF Board members (and their families) to be involved in the sport in a number of different capacities. In these circumstances, it is to some extent inevitable that from time to time various potential conflicts of interest will arise.

Under the AFF constitution, potential Board candidates who hold certain positions which create a potential conflict of interest ("disqualifying positions") are ineligible for election unless a special resolution is passed by the AFF in general meeting deeming the candidate exempt from disqualification.

However, the potential for conflicts of interest to arise at Board level extends beyond the specific disqualifying positions identified in the constitution. For example, conflicts of interest may arise as a result of Board members (or their families) being involved in fencing as active competitors, coaches, referees or team managers.

In this context, this policy is primarily directed towards ensuring the disclosure by Board members of interest which result in a Board decision having a materially greater effect on the Board member (or their related parties) than the effect on other persons involved in Australian fencing in an equivalent capacity.

3. NOTIFICATION OF CONFLICTS OF INTEREST

Board members should declare all conflicts of interest (whether actual or potential) promptly and at the earliest possible opportunity.

The Company Secretary will maintain a conflict of interest register which will include details of all interests disclosed by each Board member as standing interests.

Any new director who joins the Board will be required to disclose any standing interests which may give rise to a potential conflict, which will then be recorded in the register.

Existing directors should promptly disclose any changes which may result in additional conflicts of interest, so the register can be updated.

At the start of each meeting, Board members should disclose any additional interest which may give rise to a potential conflict in relation to any item to be considered at the meeting. A standing item will be included in Board meeting agendas for this purpose.

However, Board members should err on the side of caution in disclosing any matters which may give rise to potential conflicts of interest.

4. MEASURES FOR DEALING WITH CONFLICTS OF INTEREST

Board members should at all times bear in mind how any other interest they hold (including interests previously declared as standing interest) may be relevant to particular items discussed at Board meetings.

Where a Board member holds an interest which may give rise to a material actual or potential conflict of interest, the Board will determine how to deal with that conflict of interest. The affected Board member should not be present or participate in any such discussions.

The approach adopted in each particular case will depend on matters including the level of materiality of the conflict (including whether it involves financial or non-financial interests), whether the conflict presents a real danger of bias and how the conflict is likely to be perceived by members of the AFF and external stakeholders.

In each case, the Board may decide that the Board member should:

- refrain from voting (this is a minimum in the case of a material conflict of interest);
- refrain from participating in any discussion regarding the relevant matter; or
- withdraw from the Board room during the discussion and voting.

All decisions as to how a conflict of interest will be dealt with will be recorded in the minutes of the meeting.

The AFF recognises the importance of ensuring that the Board includes members who have detailed knowledge and experience of the issues facing Australian fencing, gained through their personal involvement in the sport.

Accordingly, where possible, the Board will seek to ensure that any conflicts of interest are addressed by adopting the measures outlined above.

However, where the nature of a conflict of interest is such that it makes it impossible for a director to effectively contribute to the ongoing operation of the Board, it may be appropriate for the director to resign from the Board.