

## **Conflict of Interests Policy Summary**

### **Overview**

This policy provides guidance for those who work for, or represent, LaunchVic to identify conflict of interest situations and act appropriately. By adhering to this Policy, we can better ensure decision making at LaunchVic is impartial, objective, and free from competing self-interest, prejudice and favouritism.

LaunchVic is guided by the principles of the *Code of conduct for Victorian public sector employees* and has applied them to LaunchVic's specific circumstances.

Definitions of key terms used in this Policy are set out in **Attachment 1**.

### **Audience and Application**

This policy applies to all staff, employees, secondees, contractors and consultants working with or undertaking activity for or on behalf of LaunchVic, or any LaunchVic Controlled Entity, including Directors and Committee Members and including where such individuals are representing LaunchVic on any Investment Vehicle.

This Policy also applies to suppliers, Investment Vehicles, grant applicants, advisors and clients of LaunchVic, as appropriate.

### **Policy Principles**

In its decision-making, LaunchVic aims to operate efficiently, honestly and fairly.

Employees, contractors or representatives of LaunchVic have an obligation to avoid any business interest, outside activity or relationship, financial or otherwise, which might:

- adversely affect or influence sound judgement;
- affect the performance of duties or services; or
- adversely affect LaunchVic's brand or reputation.

Individuals in LaunchVic have an obligation to avoid participating in, or influencing, LaunchVic's decision making where the individual has a conflict of interest with either their personal investments or activities or those of other organisations with which they are involved.

Recognising that Directors and executives may legitimately have a wide range of external business interests, some of which may overlap with LaunchVic's interests, this Policy sets out the specific arrangements for Directors and executives to identify, declare and actively manage those interests and to stand aside from relevant decision making.

## General Obligations

Conflicts of interest can be actual, perceived, or potential, and occur when a Person working with LaunchVic can be influenced, or can be perceived to be influenced, by a personal interest in carrying out their duties or services for LaunchVic.

Everyone who works for or represents LaunchVic has a responsibility to:

- avoid situations or actions that create, or may be perceived to create, a conflict of interest, or situations that may interfere with the exercise of sound judgement;
- avoid decisions and decision-making processes within LaunchVic that may generate personal gain, or a gain for an immediate family member or a close personal friend; and
- inform the appropriate authority, where a conflict of interest exists or may be inferred.

Any Person who reasonably suspects an undisclosed conflict of interest is occurring must report the matter promptly to the appropriate authority. If Improper Conduct (see the definition in the Whistleblower Policy) is suspected, a Public Interest Disclosure **must** be lodged with the Independent Broad-based Anti-corruption Commission (IBAC) as these matters cannot be dealt with internally to LaunchVic.

For matters that fall below the threshold of Improper Conduct, LaunchVic has appropriate internal reporting and management processes

Anyone raising concerns or reporting suspicion of an undisclosed conflict of interest occurring, in good faith under this policy, will be supported and will not suffer adverse consequences. However, LaunchVic will not tolerate malicious, frivolous or vexatious complaints. The making of a complaint without a reasonable basis for doing so, may amount to misconduct under the Harassment, Discrimination & Bullying Policy.

## Declarations

Directors, the CEO, Company Secretary and Chief Finance Officer are required to complete, and maintain the currency of, a Declaration of Private Interests.

Any attendee (including guests) at a Board, Committee or Assessment Panel meeting must declare any conflicts of interest at the start of the meeting.

## Managing Conflicts of Interest

Directors and managers with a likely conflict of interest in the matters before a Board, Committee, or Assessment Panel meeting, will not be provided with the associated background material.

At the start of such meetings, attendees will be asked to declare any potential conflicts of interest with the material to be considered. The meeting will:

- assess and evaluate whether there is a real conflict, and
- decide upon, and implement, an appropriate response to any conflict.

Individuals with a conflict of interest must not be present while the matter is being considered and must avoid influencing the decisions of others. Details of such disclosures, and the steps taken to avoid any conflict of interest during the meeting are to be recorded in the minutes of the meeting.

### **Conflicts of Interest by Grant Recipients**

Where a Grant recipient, or its owners, directors or management have a Private Interest in a startup, it will be a conflict of interest under this Policy for the Grant recipient to use the grant funds to:

- invest in the startup; or
- claim activities of the startup, including capital raising, towards achievement of a KPI under the grant agreement,

unless there is prior written agreement from LaunchVic.

### **Procurement**

Persons covered by this Policy have a responsibility to:

- comply with LaunchVic's Procurement Policy and procedures;
- avoid any relationship, financial or otherwise, with potential or existing suppliers that might unfairly influence a person's judgement, or create the perception of unfair influence;
- act lawfully and fairly with all suppliers, and
- avoid potential conflict of interest in any supply decisions.

Suppliers, and potential suppliers, have an obligation to not seek to place People working with LaunchVic in a conflict of interest situation.

### **Recruitment**

Persons covered by this Policy must not be involved in the recruitment or selection of an immediate family member or a close personal friend.

Employment or engagement of immediate family or close personal friends is permitted, but not where a family member or close personal friend would be in a direct line relationship, or be able to directly influence the Person's career path, conditions of employment or engagement, or performance assessment.

## Breaches of the Policy

Any behaviour that breaches this Policy will be managed through the applicable investigation and disciplinary processes. A proven breach may result in disciplinary action, up to and including termination of employment.

Additionally, actions inconsistent with this Policy may constitute misconduct under the *Public Administration Act 2004*, which includes:

- breaches of the *Code of Conduct for Victorian Public Sector Employees of Special Bodies*, such as sections covering conflict of interest (section 3.7), public trust (section 3.9), gifts and benefits (section 4.2), and use of official information (section 3.4); and
- employees making improper use of their position.

A proven breach of this Policy by a supplier or grant applicant may result in termination of any supply or grant contracts and exclusion from consideration for grants or supply agreements.

## Attachment 1

### Definitions Relating to Conflicts of Interest

Term	Definition
<b>Conflicts of interest:</b>	
<b><i>Actual conflict of interest:</i></b>	There is a <u>real conflict</u> between a Person's public duties and private interests.
<b><i>Potential conflict of interest:</i></b>	Where a Person has private interests that <u>could conflict</u> with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk.
<b><i>Perceived conflict of interest:</i></b>	Where the public or a third party could <u>form the view</u> that a Person's private interests could improperly influence their decisions or actions, now or in the future.
<b>Private Interest</b>	<p>A private interest means anything that can influence a Person. Private interests include <b>direct</b> interests, such as a person's own personal, family, professional or business interests. They also include <b>indirect interests</b>, such as the personal, family, professional or business interests of individuals or groups with whom the person is, or was recently, closely associated.</p> <p>Private interests may be <b>pecuniary</b> (i.e. financial), which includes any actual, potential or perceived financial gain or loss. They may also be <b>non-pecuniary</b>, which includes any tendency toward favour or prejudice resulting from personal or family relationships, such as friendships, enemies or sporting, cultural or social activities.</p>