



# Conflicts of Interest Policy (Employees and Contractors)

nbn: Commercial

1 July 2023

Owner: Internal Audit and Fraud (Finance)



# Policy Overview

## Introduction

This policy outlines **nbn**'s position on how to manage conflicts of interest ([conflicts](#)) and expectations of how [employees](#) and [contractors](#) will support this approach.

## Why this is a policy

nbn's position on these matters reflects corporate best practice standards and is fundamental to maintaining public trust in nbn.

## Who does it apply to?

This policy applies to all employees and contractors of **nbn**. [Directors](#) must comply with the Conflicts of Interest Directors' Policy (including External Securities (Declaration of Interests) Policy).

## Related policies and documentation

- [Code of Conduct](#)
- [General Conflicts of Interest Form and procedure](#)
- Conflicts of Interest Directors' Policy (including External Securities (Declaration of Interests) Policy)
- [Fraud & Corruption Control Policy](#)
- [Whistleblower Policy](#)
- [Gifts or Benefits Policy](#)
- [Managing Performance & Behaviour Policy](#)
- [Resource Engagement Policy](#)

## Key Takeaways

- A conflict can arise when an employee or [policy, plan or strategy](#) contractor has—or is perceived to have—[personal](#) interests in conflict with those of nbn.
- Everyone is responsible for managing actual and potential conflicts.
- Some circumstances in which conflicts may arise (see [Identifying a Conflict](#)) include where you:
  - have a personal interest in a [third party](#), including where **nbn** is considering entering into an agreement with them;
  - have/are contemplating another paid or unpaid position outside of **nbn** ([secondary employment](#));
  - have a [close personal relationship](#) with someone in your direct line management
- Employees and contractors must follow **nbn** procedures to immediately [disclose](#) an actual, potential, or perceived conflict.
- Everyone should be prepared to act promptly to [avoid, remove, or mitigate](#) a conflict.



## 1 Purpose

There is significant public interest in [nbn](#), and as such we must avoid any circumstances that create actual, potential, and perceived conflicts of interest ([conflicts](#)).

This policy is in place to ensure we inform and provide guidance to all [nbn employees](#) and [contractors](#) on the various types of conflicts that may arise between your personal interests and nbn. All employees and contractors have a responsibility to act in the best interests of **nbn** and not for personal gain or the benefit of someone else.

This policy will help you to:

- manage conflicts to ensure that [third-party](#) dealings are conducted in a fair, transparent, and honest manner;
- identify circumstances which may give rise to conflicts with nbn's interests;
- establish appropriate procedures and systems to manage those conflicts, and
- ensure that procedures and systems to prevent actual damage to **nbn's** interests from identified conflicts are maintained.

Defined terms in this policy are set out in [Definitions](#) below.

## 2 Scope

This policy applies to all employees and contractors of **nbn**. This is an obligation arising from the employee's or contractor's contract of engagement with the **nbn**.

This policy does not apply to [Directors](#), even where they are also employees of **nbn**. Directors must comply with the Conflicts of Interest (Directors) Policy (including External Securities Declaration of Interests).

## 3 Policy

A conflict arises where the interests of an employee or contractor are different to, and conflict with, the interests of **nbn**.

A conflict could arise when an employee or contractor may be or perceived to be influenced by a [personal interest](#) when carrying out their duties.

Employees and contractors must be particularly sensitive to and aware of potential conflicts, and situations that could be perceived as a conflict, due to the public interest in **nbn** and its status as a Government Business Enterprise.

In certain circumstances, a conflict of interest could also involve corruption, or 'corrupt conduct' for the purposes of the *National Anti-Corruption Commission Act 2022* (Cth) (the NACC Act). For more information on this, see our [nbn Fraud and Corruption Control Policy](#) and [Whistleblower Policy](#).

Employees and contractors must disclose all potential conflicts and promptly take action to avoid, remove or mitigate the conflict as outlined in [Disclosing a potential conflict](#).

### 3.1 Identifying a conflict

A conflict could arise when:

- an employee's or contractor's actual interests conflict with those of **nbn** regardless of whether this occurs unintentionally or for personal gain;
- an employee's or contractor's interests potentially conflict with those of **nbn**;
- an employee's or contractor's interests are perceived to conflict with those of **nbn**;



- an employee's or contractor's [close personal relationships](#) conflict with those of **nbn**; and
- the interests of the [associate](#) of an employee or contractor conflict with those of **nbn**.

A conflict may be:



**Financial** - such as debts or income



**Non-financial** - such as preferential treatment



**Direct** - where the benefit flows straight to the **nbn** employee or contractor



**Indirect** - where the benefit flows to an associate of the employee or contractor.



**Ethical/legal** - where the employee or contractor's conduct is improperly influenced

A conflict can arise because of:

- a. Personal interests in a third party

A potential conflict arises where an employee or contractor has a personal interest in a third party, particularly where the third party has a business relationship with **nbn** (e.g., one that conducts business with, or seeks business from, **nbn**; one that **nbn** seeks business from; or one that competes with **nbn**).

An employee or contractor will have a personal interest in a third party if they, or one of their associates, is, for example, a director or shareholder of the third party. Ownership of less than one percent of a company is not considered to be a conflict.



---

<b>b.</b> Secondary employment and other positions outside of <b>nbn</b>	<p>In some cases, a potential conflict arises where an employee or contractor has another or is contemplating another paid or unpaid position outside of <b>nbn</b>. This does not necessarily mean that such outside positions are prohibited or that they constitute conflicts. However, employees and contractors must notify <b>nbn</b> of any existing or potential positions where a conflict may or does arise before it is accepted or as soon as possible if it is a pre-existing position so that an assessment can be made whether a conflict exists and, where appropriate, how to manage it, as outlined in <a href="#">Disclosing a potential conflict</a> (below).</p>
<b>c.</b> Employee and Contractor Referrals	<p>Employees or contractors who introduce one of their associates to <b>nbn</b> as a potential employee or contractor must not be involved in the selection process. <b>nbn</b> should be informed of the situation so that an assessment can be made whether a conflict exists and, where appropriate, how to manage it.</p>
<b>d.</b> Procurement and Business Dealings	<p>A potential conflict arises when an employee or contractor has the capacity to use their position at <b>nbn</b> to do or influence business with a third party in which they or an associate have an interest. <b>nbn</b> should be informed so that an assessment can be made whether a conflict exists and, where appropriate, how to manage it.</p>
<b>e.</b> Gifts or Benefits	<p>Employees or contractors who receive more than a token gift or benefit (including meals, hospitality, accommodation, or travel) from a third party in connection with their duties for <b>nbn</b> may have a conflict. <b>nbn</b> should be informed so that an assessment can be made whether a conflict exists and, where appropriate, how to manage it. For the purposes of this policy, a gift or benefit will be regarded as being more than token if its value is \$200 or more (see <a href="#">Gifts or Benefits Policy</a>).</p>
<b>f.</b> Relationships within <b>nbn</b>	<p>A potential conflict also arises where an <b>nbn</b> employee or contractor is in a close personal relationship with another <b>nbn</b> employee or contractor and is identified to be:</p> <ul style="list-style-type: none"><li>• in a direct or indirect supervisor or line management relationship; and/or</li><li>• involved in an appointment, appraisal, promotion, remuneration or treatment that may result in actual, potential, or perceived impaired fairness or objectivity.</li></ul> <p>Both parties to the relationship must separately disclose the close personal relationship to <b>nbn</b> so that any conflict can be appropriately managed.</p> <p><b>nbn</b> recognises that close personal relationships between <b>nbn</b> employees or contractors may be a sensitive matter and disclosures of this kind will be kept as confidential as possible. <b>nbn</b> staff who</p>

---



---

wish to discuss a close personal relationship and/or conflict with their [manager](#) or Human Resources Business Partner prior to making a disclosure under this policy can do so, however this does not remove the requirement to disclose any actual or perceived conflict in accordance with the procedure set out in this policy.

---



Where there is any doubt as to whether a conflict may exist, employees or contractors should seek guidance from their manager and, if necessary, approval from **nbn**, before engaging in the activity that may constitute a conflict.

Failure to comply with the obligation to disclose conflicts may lead to disciplinary action being taken by **nbn** in accordance with the [Managing Performance and Behaviour Policy](#) and/or termination of the applicable engagement or contract.

### 3.2 Disclosing a potential conflict

Employees or contractors must, in advance wherever possible and otherwise immediately, disclose any actual, potential, or perceived conflicts.

Where an employee or contractor is unable to avoid a conflict, or where there is a reasonable basis to suggest that a conflict may arise, the employee or contractor must:

- complete the [General Conflicts of Interest Form](#);
- send the completed form to nbn Internal Audit and Fraud Management by email at: [conflictsregister@nbnco.com.au](mailto:conflictsregister@nbnco.com.au); and
- copy their current manager on the email.

Employees and contractors must monitor their personal circumstances and where the nature or extent of the conflict situation changes, immediately disclose the change via the above process.

Executive Committee members must follow the conflicts disclosure and amendment process mandated and detailed in the COI tab of Diligent Boards.

### 3.3 nbn's approach to handling a conflict

**nbn**'s approach to managing a conflict will depend on the nature of the situation and will be dealt with on a case-by-case basis. Where a management plan cannot be agreed or will not adequately address the conflict, **nbn** reserves the right to take any necessary steps to avoid, remove, or mitigate the conflict.

Management plans are developed by the conflicts team in consultation with the discloser and their line manager and may include the following:

- Segregation of duties;
- Change in team structure;
- Control of information;
- Disposal of interest; and/or
- Refusal of service.

For further information on how conflicts are assessed and managed, visit the [Conflicts of Interest Hub page](#).



### 3.4 How nbn collects and stores information

disclosed to **nbn**, which is managed in accordance with **nbn**'s legal obligations, including the *Privacy Act 1998 (Cth)*.

**nbn**'s Internal Audit and Fraud team maintains a confidential register of conflicts that have been

## 4 Roles and Responsibilities

The key roles and responsibilities of [staff](#) at every level includes:

Role	Responsibilities
Employees and Contractors	<p><b>nbn</b> employees and contractors have a responsibility to:</p> <ul style="list-style-type: none"><li>• Ensure that in all their activities they <a href="#">consider</a> whether a conflict arises;</li><li>• Take all reasonable measures to avoid conflict situations arising, and where this is not possible, immediately <a href="#">disclose</a> the conflict to <b>nbn</b>. This includes the potential or appearance of a conflict; and</li><li>• Immediately disclose when a conflict situation changes.</li></ul>
Managers	<p><b>nbn</b> managers have the same responsibilities as employees and contractors, plus the following additional obligations:</p> <ul style="list-style-type: none"><li>• Develop (in consultation with the Internal Audit and Fraud Team) and maintain a written management plan designed to manage their direct report's disclosed conflict to mitigate the risk to <b>nbn</b>;</li><li>• Monitor the disclosure to ensure it is current and adequately managed; and</li><li>• Promote awareness to ensure all their direct reports understand their obligations under this policy and promptly disclose any potential conflicts.</li></ul>
Senior Executives	<p><b>nbn</b> senior executives have the same responsibilities as employees and contractors, plus the following additional obligations:</p> <ul style="list-style-type: none"><li>• An overriding duty to avoid a conflict and to act in the best interest of <b>nbn</b>;</li><li>• Never use their position at <b>nbn</b> for personal gain, or in a way which may cause detriment to <b>nbn</b>; and</li><li>• Never use information obtained in their position at nbn for personal gain, or in a way which may cause detriment to <b>nbn</b>.</li></ul>



<b>Role</b>	<b>Responsibilities</b>
Internal Audit and Fraud Team	The Internal Audit and Fraud Team must: <ul style="list-style-type: none"><li>• Monitor and assist in the management of all conflicts;</li><li>• Store and maintain a confidential register of controls used to manage conflicts and the tools used to monitor conflicts; and</li><li>• Provide updates to this policy as needed.</li></ul>
Legal Team	The Legal Team is responsible for providing legal advice, as required.

## 5 Contact Details

## 6 Policy Approval

<b>Policy approver</b>	Board
<b>Revision</b>	9.2
<b>Date Approved</b>	26/06/2023
<b>Review cadence</b>	Biennial
<b>Next Review Date</b>	March 2025

## 7 Version History Overview

Additional detail regarding previous versions of this policy may be obtained from the Enterprise Compliance team. The policy will be reviewed periodically to check that it is operating effectively and whether any changes are required.



Version	Date	Summary of Change
9.2	1 July 2023	Minor formatting and style amendments and updates in relation to <i>National Anti-Corruption Commission Act 2022</i> (Cth).
9.1	20/03/2023	Formatting and style changes to align to refreshed nbn corporate policy template and approach.
1.0	17/06/2011	Policy first approved by the Board.

## 8 Definitions

**associate** includes the following:

- someone who is a Close Personal Relationship;
- business associates; and
- business partners of employees or contractors.

**Board** means the **nbn** Board of Directors.

**close personal relationship** includes the following:

- spouse, partner, dependant, or any person living in the same dwelling;
- romantic, intimate, or sexual relationships; or
- any other relationship that may give rise to a conflict (e.g., friends or extended family).

**conflict** has the meaning in [3.1](#) above.

**contractor/s** includes the following, each as defined in the [Resource Engagement Policy](#)):

- Temporary Staff Augmentation; and
- Extended Workers.

**Director/s** means a member of the nbn Board of Directors.

**employee/s** include permanent and maximum term employees of nbn.

**manager** refers to the person an employee or contractor reports to.

**nbn** is nbn co limited (ABN 86 136 533 741) and its related entities.

**NACC Act** means the *National Anti-Corruption Commission Act 2022* (Cth).

**staff** means all workplace participants at **nbn**, including all employees, contractors, managers, Directors, and any individuals or groups undertaking activity for or on behalf of **nbn**.

**third party** is an organisation that has a business relationship with **nbn**, whether the third party conducts or competes for business with, or seeks business from **nbn**, and/or **nbn** seeks business from the third party.

“we” refers to **nbn**.



## **n b n V a l u e s**

We all have the opportunity and accountability for the culture we work in.  
We underpin everything we do with our enduring set of values.

