

# Policy PL85 - Conflict of Interest Policy

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## Key Points

- WEHI promotes the disclosure and transparent management of conflicts
- All personnel are responsible for declaring any actual, potential or perceived conflicts of interest to their role at WEHI.
- Personnel are required to provide full and frank disclosure of all interests.
- Personnel who hold defined roles must complete the Annual Declaration of Interest Form

## 1. Purpose

The purpose of this Policy is to provide a framework for the declaration of interests and appropriate management of conflicts at WEHI. Declaring interests and managing conflicts supports the highest level of research integrity, good risk management, and ensures that WEHI acts consistently with its constitution, regulatory and contractual obligations.

This Policy operates in conjunction with the Conflict of Interest Procedure which details the steps required to identify, declare and manage a Conflict of Interest.

## 2. Scope

This Policy applies to all board members, committee members, employees, students and honorary appointees of WEHI and its Controlled Entities (individually, Person and collectively, Personnel).

This Policy applies from the date of its approval.

Existing arrangements will be reviewed on a case by case basis considering all the circumstances.

## 3. Definitions

Term	Definition
Funder Requirements	Rules, policies, regulations or contractual requirements relating to Private Interests and or Conflicts of Interest, which are imposed by externally-funded or jointly-funded research on WEHI, its controlled entities or Personnel.
Conflict of Duty	A Person is required to fulfil two or more roles that actually, potentially or could be perceived to conflict with each other. For example, where a Person sits on two boards which have competing interests.
Central Register	WEHI's central register of all Conflicts of Interest, maintained by the Governance Risk and Compliance team under section 4.5

Term	Definition
Controlled Entities	Entities that are subject to the control of WEHI in terms of section 50AA of the <i>Corporations Act 2001</i> (Cth).
WEHI Matters	<p>Any activity conducted by or on behalf of or reasonably connected with WEHI or its Controlled Entities, including without limitation:</p> <ul style="list-style-type: none"> <li>• carrying out work in or relating to research, applying for or receiving funding for research and other activities, clinical trials, commercialisation, partnership including under external funding arrangements, student admission, supervision including graduate research and clinical supervision, assessment, procurement, recruitment, appointment, promotion and all other professional and support activities</li> <li>• decision-making on behalf of WEHI as an individual or as a member of a group, board or panel entering into an agreement, undertaking or arrangement.</li> </ul>
Conflict of Interest	Conflict of Interest is defined in section 4.2
WEHI Committees	A WEHI Board Committee, a WEHI Management Committee or other committee which has authority to make decisions or recommend a decision on behalf of WEHI.
Reviewer	The person to whom a Conflict of Interest must be disclosed, and who must review a Conflict on Interest, as described in the <a href="#">Conflict of Interest Procedure</a> .
Private Outside Work	Any employment or other form or paid or unpaid work that is not undertaken for WEHI or its Controlled Entities, or as part of the normal duties of the employee's role, and includes proprietorship, directorship, trusteeship, independent contracting, consultancy in a private capacity, a governance or advisory role, and honorary, visiting or adjunct appointments or any other paid or unpaid role in any organisation that is not WEHI.
Private Interest	Private Interest is defined in <b>section 4.2</b>
Personal Gifts	<p>Personal Gifts means a gift, or a series of gifts, of the following:</p> <ul style="list-style-type: none"> <li>• free or discounted items</li> <li>• any item that an objective observer would consider a gift.</li> <li>• The value of the item does not determine if it is a gift. Gifts can be of high value (e.g. artwork, jewellery, or expensive pens), low value (e.g. small bunch of flowers, chocolates).</li> </ul> <p>For further information on gifts, see the <a href="#">Gifts and Anti-Bribery Policy</a>.</p>
Non-Financial Interest	<p>An interest that arises from a personal or family relationship, or involvement in an associated organisation.</p> <p>A Non-Financial Interest includes any tendency toward favouritism or prejudice resulting from friendship, animosity or other personal involvement with another person or group.</p> <p>If personal values are likely to impact on the proper performance of your role, then these can also lead to a Conflict of Interest.</p>
Material	Substantial in nature and either likely to undermine confidence in the management of conflicts at WEHI or impact WEHI.

Term	Definition
Management Plan	A plan that records the management of a Conflict of Interest under this policy.
Financial Interest	<p>Any employment, consultancy, appointment, business activity, or any other right, claim, title or legal share in something that has a monetary or equivalent value. A Financial Interest includes but is not limited to:</p> <ul style="list-style-type: none"> <li>• the right to receive distributions from a trust</li> <li>• directorships or trusteeships of a trust or company</li> <li>• legal or beneficial ownership of a trust or company</li> <li>• significant shareholding (more than 5% of issued capital) in a public or private company, or a significant holding of share options or access to dividends</li> <li>• the right to receive remuneration or other benefit such as distributions, salaries, fees from company directorship or board membership, consulting fees allowances or discounts</li> <li>• a right or benefit which has financial worth including the provision of materials, premises, facilities, equipment, time and effort of staff, information technology, intellectual property or confidential information and other resources, whether tangible or intangible</li> <li>• any other source of or right to income of more than \$10,000 per annum other than from paid employment at WEHI or a Controlled Entity.</li> </ul> <p>But does not include rights, claims, titles or legal shares in assets or rights where:</p> <ul style="list-style-type: none"> <li>• the Person has no direct control over the assets or rights in which the Conflict of Interest may arise or be perceived to arise (for example an interest held in a managed fund where the person has no control over individual transactions)</li> <li>• where the interest is so small that it could not reasonably be perceived to have any impact on the decisions or actions of the person in undertaking WEHI Matters.</li> </ul>
Familial Relationships	Relationships with immediate family, which means a spouse or former spouse, de facto partner or former de facto partner, child, parent, grandparent, or grandchild.
Direct Hierarchical Relationships	Relationships where there is a reporting line, or where one person has supervisory or decision-making authority of another – for example, making decisions about appointments, benefits, performance review.
Consensual Personal Relationships	<p>Consensual sexual, intimate and/or romantic relationships between adults of any sex or gender identity. Relationships of this kind may be on a casual, periodic or regular basis and may or may not constitute a primary relationship.</p> <p>A Familial Relationship of spouse or de facto partner also constitutes a consensual personal relationship.</p>

## 4. Policy

### 4.1 Key Principles

#### Act in the best interests of WEHI

All Personnel have a duty to place WEHI's interest above their private interests when involved in WEHI Matters.

#### Accountability

All Personnel are accountable for avoiding (wherever possible) or identifying, declaring and managing any actual, potential or perceived Conflicts of Interest that apply to them.

Personnel are accountable for overseeing management of their direct reports' Conflicts of Interest, modelling good practice, and promoting awareness of conflict of interest policies, training, and forms.

### **Risk-based approach**

Conflicts of interest may occur in any part of WEHI however some functions and activities are higher risk than others and may require increased risk mitigation measures. See the Conflict of Interest Procedure for further information. Refer to section 4.6 for information on the additional obligations that apply to activities that are considered higher risk.

Similarly, some relationships, including familial relationships, business relationships and consensual personal relationships, carry a high risk of conflict.

WEHI will take a proactive approach to assessing and managing conflict of interest risks. Personnel with direct reports will ensure they are aware of the conflicts inherent in their team's work and functions and monitor the risks to which their direct reports are exposed.

## **4.2 The meaning of Conflict of Interest (1)**

### **What is a Conflict of Interest?**

A Conflict of Interest is a conflict between:

- a person's Private Interests and the interests of WEHI; or
- a person's Private Interests and their duties and responsibilities to WEHI; or
- a person's professional obligations, activities or interests (such as to an outside employer) and their duties or responsibilities to WEHI or the interests of WEHI; or
- a person's duties or responsibilities that compete with the responsibilities and duties the person owes to WEHI **(2)**.

### **Types of conflicts**

A Conflict of Interest can be actual, perceived or potential:

- **Actual** – an actual Conflict of Interest occurs where there is in fact a Conflict of Interest
- **Potential** – a potential Conflict of Interest occurs where there is a possibility of a Conflict of Interest, or circumstances exist that could create a Conflict of Interest
- **Perceived** – a perceived Conflict of Interest occurs where it could reasonably be perceived or give the appearance to another person that a conflict exists whether an actual Conflict of Interest exists.

A Conflict of Interest can exist even where the Private Interests or competing professional obligations, activities or interests of the person and the interests of WEHI appear to align. When Personnel are considering whether a perceived Conflict of Interest could exist, it is irrelevant whether both WEHI and that person would benefit.

A Conflict of Interest may include the use of WEHI resources or assets to advance a person's Private Interests or competing professional obligations, activities, or interests. This includes the use of WEHI premises, facilities (e.g. laboratory facilities), equipment, time and effort of WEHI staff, information technology, intellectual property, confidential information and any other WEHI resources, whether tangible or intangible.

The Board has a low risk tolerance for activities that may damage WEHI's reputation. In this case, a perceived conflict may carry as much weight in decision-making as an actual conflict.

**(1)** - This section is consistent with University of Melbourne Conflict of Interest Policy.

**(2)** - WEHI employees have entered into an employment arrangement which requires them to act in the best interests of WEHI. Other roles may have duties or obligations intrinsic to their role.

### **What is a Private Interest?**

Private Interests includes any of the below:

- engaging in Private Outside Work
- having a Financial Interest
- having a Non-Financial Interest
- the actual or anticipated receipt of Personal Gifts (refer to the [Gifts and Antibribery Policy](#))

For the avoidance of doubt, Private Interests also include Financial Interests and Non-Financial Interests of, or Personal Gifts to, anyone who has a Familial Relationship with someone covered by this policy, where the person covered by this policy knew or ought reasonably to have known of those Financial Interests, Non-Financial Interests or Personal Gifts.

### **Consensual Personal Relationships**

WEHI has a responsibility to ensure a safe and fair workplace for all Personnel. Lawful sexual activity, gender identity, marital status and sexual orientation are protected attributes under the Equal Opportunity Act 2010. Discrimination on these grounds is prohibited in the context of employment.

Conflicts related to Consensual Personal Relationships or Familial Relationships can undermine trust in key employment processes such as recruitment, promotions, and remuneration reviews. They can also give rise to actual bias or create a perception of bias in the availability of professional development or career development opportunities.

Consensual Personal Relationships between Personnel are not prohibited and are private in nature, but they may give rise to an actual, potential, or perceived conflict of interest.

WEHI considers any Consensual Personal Relationships involving people in a direct hierarchical relationship (i.e., in the same reporting line, where one person has supervisory or decision-making authority over the other) to represent a potential conflict of interest. The risks of potential Conflicts of Interest are likely to be heightened for Personnel in senior leadership positions, given their increased discretion to make decisions benefiting either themselves or others.

### **4.3 Disclosure requirements**

More detail on the process of disclosure for the following items is provided in the Conflict of interest Procedure.

#### **Ongoing obligation to identify and declare**

Personnel must proactively and promptly identify any Conflict of Interest and, as soon as practicable, declare that conflict to the Reviewer listed in the Conflict of interest Procedure.

#### **Declaring conflicts at WEHI meetings**

Any Person participating in a meeting in connection with WEHI Matters has the obligation to declare any Conflict of Interest at the start of the meeting if the conflict is relevant (or could be reasonably perceived to be relevant) to the subject matter being discussed and to specify if he/she/they are participating in the meeting in another capacity than their WEHI capacity. The process for WEHI Committees is set out in the Conflict of interest Procedure.

#### **Annual declaration of interests**

Personnel who hold defined roles named in the Conflict of interest Procedure must complete an annual declaration of interest.

#### **Consensual personal relationships**

Consensual Personal Relationships where there is a Direct Hierarchical Relationship must be declared. Other Consensual Personal Relationships do not need to be declared unless there is an actual, perceived or potential Conflict of Interest.

Declarations of consensual personal relationships can be made in confidence to protect an individual's privacy, with only relevant persons in WEHI advised of the Conflict of Interest and any arrangements necessary to manage it.

#### **WEHI affiliation**

It is common for Personnel to be asked to undertake activities such as peer review or sit on scientific advisory, selection, award panels or similar. Personnel should actively declare their WEHI affiliation and other conflicts to ensure that they act and are seen to act with objectivity and integrity in these matters.

## **4.4 Managing conflicts**

#### **Assessing Conflicts of Interest**

Assessments of conflicts must be proportionate to the risks that they involve. WEHI has the absolute discretion to determine whether a Conflict of Interest exists, and whether it is manageable and how it will be managed.

#### **Management Plans**

Management Plans should be designed to maintain confidence in WEHI's research and to protect WEHI's interests and reputation. The management steps must be consistent with WEHI's Risk Appetite Statement and effectively manage the actual and perceived risks associated with the conflict. Personnel must comply with an approved Management Plan while the associated Conflict of Interest exists.

#### **Maintaining a current declaration**

Personnel must ensure that the disclosures and management plans that they submit under this policy are full, current and accurate, and that they promptly update them if circumstances change.

#### **Conflicts with Reviewers**

Anyone who is advising on, considering or approving a Person's Management Plan must themselves be free from Conflicts of Interest in exercising their responsibilities in the matter and, if they have a Conflict of Interest in relation to the matter, must withdraw from exercising those responsibilities.

## **4.5 Record-keeping**

### **Central Register**

The Governance, Risk and Compliance Team will maintain the Central Register.

### **Catalyst (intranet)**

Except for those relating to Consensual Personal Relationships, all Conflicts of Interest will be listed on WEHI's intranet. The information that will be disclosed is:

- Person's name
- Nature of the conflict (brief) (e.g. Shares – Mudd Pty Ltd).

### **Recording WEHI's commercial interests**

The Business Development Office should maintain a list of organisations where WEHI has a current commercial interest that may create a Conflict of Interest.

### **Access to records**

Access to information and documents held in the Central Register will be limited to the administrator and those WEHI staff or external advisors who require access in order to manage or support the management of Conflict of Interest, advise on a Conflict of Interest, administer or support WEHI's Conflict of Interest management scheme and central register, facilitate the identification and management of Conflicts of Interest, prepare de-identified reports of Conflict of Interest declarations, handle complaints or any other reasonable purpose.

### **Privacy**

Personal information will be collected and managed consistent with WEHI's Privacy Policy and procedures.

## **4.6 Additional obligations**

People covered by this policy may have concurrent ethical, legal, contractual and/or employment obligations concerning matters about which they have a Conflict of Interest. Compliance with those obligations, including to an external party such as a collaboration partner, does not replace a Person's obligations to WEHI under this policy.

### **Business Development Office Personnel**

Additional conflict of interest requirements may apply to Business Development Office Personnel including those contained in the Net Commercial Income Policy.

### **Private Outside Work**

All Private Outside Work must be approved in advance and managed under the Private Outside Work Procedure. Approval from WEHI must be sought before entering into any employment agreement or contract relating to Private Outside Work. WEHI is not responsible for any loss associated with a Personnel member entering into an agreement that creates a conflict without first seeking approval under that procedure.

### **Procurement, contracts, and financial activities**

All procurement activities and projects, the negotiation of contracts on behalf of WEHI, and all financial activities and decisions on behalf of WEHI must meet the highest standards of ethical conduct and are subject to strict legal and policy requirements, including WEHI's Procurement Policy.

### **Research collaborations and commercialisation of research**

Those involved in research and the commercialisation of research must act with the highest standards of probity and ethics in disclosing and managing conflicts. Additional guidelines apply specifically to research and commercialisation including:

- Australian Code for the Responsible Conduct of Research 2018 and associated guides
- WEHI's Research and Integrity and Misconduct Policy
- Funder Requirements.

### **Supervision and assessment of graduate research**

Personnel involved in the supervision of graduate research must ensure they follow the requirements regarding the management of conflicts at the relevant University.

### **WEHI Spinouts and Startups**

All WEHI Personnel must follow the WEHI Spinouts and Startup Policy.

## **4.7 Procedural principles**

### **Seeking advice**

Where a Person is unsure if a Conflict of Interest exists or how to manage a Conflict of Interest, they should seek advice from the Reviewer listed in the Conflict of Interest Procedure or the Head of Governance, Risk and Compliance.

If in doubt, staff should assume there is a Conflict of Interest and follow the steps in the Conflict of Interest Procedure.

### **Oversight and management**

The Head of Governance, Risk and Compliance is responsible for the oversight and management of this policy as well as maintaining the central register for Conflicts of Interest and the process for the Annual Declarations of Interests.

### **Disputes and raising concerns**

Disputes or concerns on the assessment and management of Conflicts of Interest should be directed to the Head of Ethics and Integrity (Research) for review or the Head of Governance, Risk and Compliance.

Concerns may include disputes against decisions or concerns that conflicts may not have been disclosed appropriately or managed in accordance with the Management Plan.

## **5. Review and Consultation**

<b>Action</b>	<b>Name and role</b>
Consultation	Business Development Office,  Governance, Risk and Compliance,  Executive
Promotion	PSLT PST Faculty Town Hall Lab meetings Catalyst
Drafted by	Joh Kirby, Head, Research Governance Risk & Compliance
Primary Review	Jess Hartley, Compliance Manager  Alicia Campos, Corporate Counsel  Alan Cowman, DDSS  Doug Hilton, WEHI Director  Chela Niall, Head Legal and Licensing  Anne-Laure Puaux, Head Biotechnology and Commercialisation

## **6. Supporting Information**

### **6.1. References**

NA

### **6.2. Related Policies**

[Fraud Control Policy](#)

[Whistleblower Policy](#)

## **Outside Work Policy**

[Gifts, Benefits, Hospitality and Bribery Policy](#)

### **6.3. Related Procedures**

[Conflicts of Interest Procedure](#)

### **6.4. Related Guidelines**

#### **Conflicts of Interest Guidelines**

### **6.5. Other**

Conflicts of Interest Litmos Training

Conflicts of Interest Declaration Form

External Appointments Form

Annual Conflicts of Interest Declaration Form

### **Review Cycle**

Initial Review	1 Years
Ongoing Review	1 Years
Next Review	2023

### **Version History**

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Director	14/11/2022	14/11/2022	New Policy	1