

Handling Conflicts of Interest Policy

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1 Purpose

Handling conflicts of interest ethically, transparently and honestly is essential to upholding public trust and confidence in Landcom. It preserves the reputation for ethical and principled behaviour that Landcom enjoys within the NSW Government and the broader community.

This Policy provides clear guidance on how Landcom manages conflicts of interest in an ethical and transparent manner. It ensures that Landcom makes decisions in a fair and unbiased way, unaffected by self-interest or personal or professional gain. It also ensures that Landcom complies with relevant legislative requirements and Treasurer's Directions relating to conflicts of interest.

While conflicts of interest do not, of themselves, constitute corrupt conduct, corrupt conduct and unethical behaviour can arise when a conflict of interest is concealed, understated, mismanaged or abused. According to the NSW Independent Commission Against Corruption (ICAC), many, if not most, instances of corrupt conduct involve a conflict of interest. This is why it is critical that conflicts of interest are managed appropriately and in accordance with this Policy.

2 Application

This Policy applies to the Board, the CEO, all permanent and temporary Landcom employees and contingent workers engaged by Landcom, collectively defined as Staff for the purposes of this Policy.

It also applies to Directors as individuals having public official functions or acting in a public official capacity for or on behalf of Landcom.

3 Defined Terms

Term	Definition
ARMC	means the Audit & Risk Management Committee
Board	means the Board of Landcom
CEO	means Chief Executive Officer
Code of Conduct	means the Staff Code of Conduct
Directors	means a Director on the Board of Landcom
EGM	means Executive General Manager
Immediate Family Member	means spouses, de facto partners, parents, children and siblings of Staff but does not mean cousins, aunts, uncles or grandparents or other family relations
Management	has the same meaning as in the Staff Code of Conduct
People Manager	has the same meaning as in the Staff Code of Conduct
Policy	means the Handling Conflicts of Interest Policy

Term	Definition
Staff	includes the Board, the CEO, all permanent and temporary employees and contingent workers engaged by Landcom. This term is used for the purposes of this Policy.
Suppliers	has the same meaning as in the Supplier Code of Conduct

4 Scope and guiding principles

4.1 Handling Conflicts of Interest - Policy in brief

You must:

- Declare all conflicts of interests in accordance with this Policy;
- Cooperate with your People Manager or other colleagues to ensure conflicts of interest are properly managed;
- Not allow your personal interests to affect the way you carry out your public duties; and
- Protect the reputation of Landcom by considering how a conflict of interest might be perceived.

If you have concerns about whether your personal interests could conflict with your public duties, you may like to keep a register of any personal interests that could affect the way you carry out those duties.

When considering conflicts of interest, the personal interests of your Immediate Family Members are normally deemed to be your interests and sufficient to cause a conflict.

4.2 What is a conflict of interest?

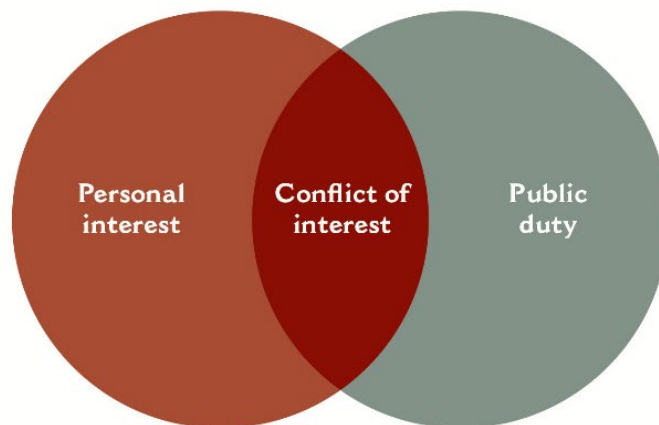
A **conflict of interest** occurs when your personal interests conflict or appear to conflict with your public duty. It can also occur when a reasonable person perceives that your personal interests could be favoured over your public duties and result in competing loyalties which could influence you (consciously or otherwise) to pursue a personal interest at the expense of Landcom. Conflicts of interest also can occur when there is a connection or overlap between your personal interests and those of your family, friends and associates and your public duties, as shown in the figure below.

Public duty means a power, authority or function conferred on you as the holder of a public office. It includes a duty to always serve the public interest in an ethical manner. For Staff and Directors, our public duties also include a requirement to act in accordance with the Code of Conduct, Landcom's values and broader frameworks, policies and procedures, including this Policy.

A **Personal interest** is any interest arising from your private or non-work life that can influence you or bring financial or other materials benefits or result in disadvantages to the public interest. As stated above, the personal interests of your Immediate Family Members are regarded as your personal interest when considering conflicts of interest.

Personal interests that may create a conflict of interest include:

- Your financial interests and that of your family, friends and associates;
- People who are friends or more than acquaintances;
- Connections to people who have provided or may provide you and those close to you with income;
- Organisations, memberships and clubs, and the people connected to them;
- People and entities who offer or give you gifts, benefits or favours; and
- Other close associates or connections.



4.3 What types of conflict of interest do we face at Landcom?

Conflicts of interest can be:

- **Actual** - where your performance of your public duties is unduly influenced by a competing personal interest;
- **Perceived** - where a reasonable person could perceive that the competing personal interests could improperly influence your performance of your public duties. For perceived conflicts of interest, it does not matter whether or not this is actually the case and involves an objective assessment of the circumstances; or
- **Potential** - where your personal interests have the potential to conflict with your public duties in the future.

The two main types of interests that can cause a conflict, either for us or for our family, friends and associates, are:

- **Financial interests** which are interests with a reasonable likelihood or expectation of financial gain or loss to us or to someone associated with us; and
- **Non-financial interests** which are interests which do not relate to money but instead involve a non-financial gain or loss to us or someone associated with us.

4.4 Types of financial interests

Financial interests can be direct or indirect or, short- or long-term. They can stem from both financial gains and losses and include the financial interests of your close family members or close associates.

Examples of financial interests can include where you, your Immediate Family Members or close associates:

- Own property or hold shares;
- Hold positions or interests in companies, trusts, joint ventures, partnerships or any other organisations;
- Have an option to buy or sell an asset, including land, or any other anticipated future financial benefit;
- Are in debt to others;
- Receive a gift or hospitality from someone you feel indebted or obligated to. It is not the gift or benefit itself that causes the conflict of interest, but the potential relationship and sense of obligation or expectation that can develop;
- Participate in other employment that conflicts with your public duties for Landcom; or
- Connections to former or future employment or business opportunities.

4.5 Types of non-financial interest

Examples of non-financial conflicts of interest might include personal relationships where there are common interests, such as kinship, friendship, membership of an association, professional groups, and sporting, social or cultural activities.

Non-financial conflicts of interest may also occur where you hold strong personal beliefs or attitudes that could influence, or may be perceived to influence, your impartiality, for example feelings of enmity or hatred towards a person.

5 Recognising conflicts of interest

In most cases, only individual members of Staff will be aware that a conflict of interest could exist. Because of this, the onus is on each of us to identify possible conflicts and declare them in accordance with this Policy.

It can be challenging to objectively assess whether your own personal interests are in conflict with your public duties. But you should always err on the side of caution and speak to your People Manager or a member of the Legal team if you are unsure.

Use the following four questions to help you determine whether a conflict of interest does or could exist.

1. Do you or the public official have a personal interest?
2. Do you or the public official have a public duty?
3. Is there a connection between the personal interest and the public duty?

4. Could a reasonable person objectively assessing this, perceive that the personal interest might be favoured?

It does not depend on the character of the individual who's declared the conflict but on the specific circumstances. The key issue to consider is whether your ability or the ability of the public official to act equally, fairly and impartially may be compromised now or in the future or be perceived to be compromised.

6 Declaring conflicts of interest

6.1 Overarching Obligation

You must identify and declare your own conflicts of interests which arise in the course of your public duties. You must make a declaration at the first available opportunity, even if you are unsure as to whether a conflict exists.

If you become aware of a situation that could create a conflict of interest, you must make a declaration in writing to your People Manager and the EGM Legal & Compliance or member of the Legal team at your earliest opportunity.

If a conflict of interest has arisen which may impact on an active Landcom transaction or market process, the declaration must also be made to the decision-maker of that transaction or market process at your earliest opportunity.

6.2 How to Declare a Conflict of Interest

Conflicts of interest declaration can be made in a number of ways, including:

- By submitting an online Conflict of Interest form on the Hub. These declarations are monitored by the EGM Legal & Compliance and the Legal team;
- By email to your People Manager and the EGM Legal & Compliance, member of the Legal team or relevant decision-maker/s;
- Verbally to your People Manager, the EGM Legal & Compliance, member of the Legal team or relevant decision-maker/s; or
- Recorded in the minutes of a meeting.

In circumstances where an initial written declaration is not possible, you must make a verbal declaration to the panel, your People Manager, the decision-maker or the EGM Legal & Compliance. You must document the declaration in writing as soon as possible after the verbal declaration.

Where a declaration requires further assessment, either to determine whether it is a conflict or the best way to manage it, Staff are to exercise caution and not participate in decision-making until the relevant determination has been made.

Where Staff become aware of a conflict of interest involving another member of Staff or public official, they may raise the matter with the individual concerned. If they are uncomfortable raising it or it is apparent that the interest has not been or is not going to be declared, Staff should raise

it with their People Manager, the decision-maker for a transaction or market process and the EGM Legal & Compliance.

Staff should make a report to a Disclosures Officer or the Disclosures Coordinator in accordance with the Public Interest Disclosure and Internal Reporting Policy & Procedure if they suspect the matter involves potentially corrupt conduct, maladministration or serious or substantial waste.

If a conflict of interest has been declared to you, you must promptly report it to the EGM Legal & Compliance and/or the head of the relevant committee or panel. The report should be in writing and include details of the conflict and any action that was taken to manage the conflict.

Details of all conflicts of interest and the actions taken to manage them will be added to the Register of Conflicts of Interest maintained by the Legal team.

7 How Landcom manages conflicts of interests

Landcom manages conflicts of interests in many ways, including:

- In accordance with Landcom's Code of Conduct and this Policy;
- By maintaining a Register of Interests and Associations in line with requirements of relevant legislation, Treasurer's directions, and Australian accounting standards, in particular AASB 124 Related party disclosures;
- By requiring Directors, the CEO and the Executive Committee (**ExCo**) to complete a Related Party Transaction Statement (**'Declaration'**) annually, and whenever changes occur, as part of Landcom's financial statement disclosures;
- Requiring relevant staff, being Staff acting or holding Level 1, 2 or 3 positions (**'Management'**) in the Delegations Manual and other positions as determined by the EGM Legal & Compliance, to complete an Annual Declaration of Interests and Associations. These Declarations create the Annual Declaration of Interests and Associations Register, which is analysed and used to support Landcom's management of conflicts of interest;
- Relevant Staff must complete a Declaration of Interests and Associations when conducting certain procurement activities or market processes, such as the evaluation of tenders;
- The Legal team maintaining a central Register of Conflicts of Interest which records all conflicts of interest declared throughout each financial year. The Register includes details of the conflict and the actions taken to manage it;
- A Staff Declared Conflicts of Interest Table published on the Hub to alert Staff to ongoing conflicts of interest declared by other Staff; and
- By requiring all Staff involved in potential new projects to provide upfront conflicts of interest declarations, which are re-declared every six months until negotiations for the project and/or any land acquisitions are complete.

8 How to manage a conflict of interest?

The first and most important step in managing any conflict of interest is to declare it. Once a conflict is declared, the options available for resolving it vary, depending on the type of conflict and an objective assessment of all the circumstances.

While Management is responsible for managing many conflicts of interests which arise in the course of your day-to-day public duties, all conflicts must be reported to the EGM Legal & Compliance for advice, if required and entry into the Register of Conflicts of Interest. This also gives Landcom central oversight of existing conflicts of interest and the actions being taken to manage them.

For material conflicts, the EGM Legal & Compliance and/or the CEO will assess the conflict and provide additional guidance, including in respect to deciding what, if any action, is necessary.

8.1 Avoiding conflicts of interest

If possible, you should avoid placing yourself in situations where a conflict of interest could arise. This can be achieved by avoiding:

- Assignments and tasks that could conflict with your private interests (which you should discuss with your People Manager);
- Investments or financial arrangements that could relate to your public duties;
- Commercial dealings with suppliers and other stakeholders, especially those that are not on an arm's length basis;
- Situations in which professional relationships could develop into personal relationships; and
- Social media activity that could be perceived as compromising your impartiality.

8.2 Managing Conflicts of Interest

After you declare your conflict of interest, actions to manage the risk of the conflict will be considered. These may include:

- Asking you to dispose of the conflicting interest;
- Asking you not to participate in decision-making relating to the conflict;
- Preventing you from working on or accessing information relating to the conflict; or
- If the conflict is very serious and cannot be otherwise managed, asking you to resign as a final resort.

Likely areas where you may face possible conflicts of interest include:

- Land dealings; or
- Dealing in other businesses which are related to Landcom.

The following guidance is provided to ensure that these potential conflicts are administered and managed in a fair, transparent and accountable manner.

8.2.1 Land dealings

All Staff and Directors must obtain prior written approval from the CEO in accordance with the [Staff Purchase Policy](#) before purchasing land under Landcom control. This includes land owned by our partners or other vendors for whom Landcom acts. It also applies to your Immediate Family Members and associates.

A copy of the CEO's approval must be given to the EGM Legal & Compliance who will record it in the Register of Conflicts of Interest.

Written approval from the CEO must also be obtained prior to the purchase of any property or shares (including options) by you, a family member or an associate involving:

- land or a house, unit or similar product next to or directly affected by Landcom activities; or
- a large number of shares in a joint venture or partnership where you have information not available to the market.

8.2.2 Personal dealings with suppliers and service providers

You should avoid personal purchases from Suppliers and service providers unless they are strictly on an arm's-length basis. Staff are not to seek discounts or favourable terms from Suppliers for personal purchases as this will create a conflict of interest. If you are in any doubt, please seek advice from your People Manager or the EGM Legal & Compliance.

8.2.3 Inside information

You must not use any inside information obtained while performing your public duties for personal gain. This includes using inside information to obtain financial benefit or work outside Landcom, or to benefit friends, relatives and business associates.

Inside information includes:

- information that is not publicly available; or
- information that could reflect favourably or unfavourably on the investment value or future market value of business stock, shares, securities and other investments, such as property.

Unless the CEO approves, you must not discuss the prices, nature and extent of Landcom's services which are confidential.

Staff must comply with the [Media & Social Media Policy](#) in respect to handling information about Landcom's business activities at all times.

8.3 Commercially advantageous information

Commercially advantageous information is confidential information Landcom may receive due to its status as a state-owned corporation. This is usually information which is not in the public realm. This information can potentially give Landcom a competitive advantage as it may not be available to other private sector developers.

Commercially advantageous information is received and managed in two main ways:

- **Formally:** if you wish to join a committee that involves discussion of commercially advantageous information, you must seek approval from the CEO to participate in the committee; or
- **Informally:** if you receive commercially advantageous information that is not generally considered to be in the public realm, you must seek guidance from the CEO or the EGM Legal & Compliance about how to treat the information.

This should be documented in writing and a copy of the formal approval forwarded to the EGM Legal & Compliance to be added to the central Register of Conflict of Interests.

8.4 Intellectual property

Landcom owns the intellectual property in the confidential work that we do or which is produced on our behalf. This includes:

- Written work;
- Concepts and ideas; and
- Training and other materials, including software.

You must not disclose, use or trade any Landcom intellectual property without the written consent of the appropriate Division EGM, even if you have created or produced the intellectual property yourself.

8.5 Secondary employment and private commitments

You must not participate in any business or employment outside Landcom that could:

- Adversely affect your public duties for Landcom;
- Affect your ability to make impartial decisions in Landcom's or the public's best interests; or
- Make you morally or legally responsible to another party.

Because secondary employment and private interests can create conflicts of interest, CEO approval is required for Staff to undertake private paid or unpaid secondary employment or external directorships, subject to the exceptions outlined in the Staff Code of Conduct. You must gain written approval from the CEO before you accept or begin the private paid or unpaid secondary employment or external directorships. If approved, you must inform the CEO in writing if any changes to your secondary employment or private interests occur.

Directors, independent chairs and executives must declare any private interest that may affect a Board decision.

Staff are encouraged to join non-profit charitable, social, political or sporting bodies where there are no conflicts of interest. But if you join one of these bodies, especially a political or semi-political organisations, you must not use your position in Landcom or its assets or information in such pursuits.

9 Roles and responsibilities

9.1 Board and Directors:

Directors must:

- Comply with this Policy and disclose any perceived, actual or potential conflicts of interest; and
- Satisfy the Board that they have put measures in place to manage conflicts identified or removed the conflict.

The Board may determine and resolve that it is satisfied that the interest does not disqualify the Director involved. If so determined, the Director may receive Board reports on the matter and

take part in deliberation and voting. In this case, the conflict involved and the reasons for the decision not to exclude the Director must be recorded.

Where it is not possible to remove or manage the conflict, the Director involved:

- Must not receive Board reports on the matter; and
- Must leave the meeting during any deliberation or voting, and their entry and exit must be recorded in the minutes;

A Director should resign from the Board where a conflict significantly affects a Director's ability to take part in the majority of the Board's deliberations.

Directors should:

- Consult with the Chair before accepting a new external role or appointment to consider whether a perceived, actual or potential conflict of interest may arise; and
- Notify the Chair and the Company Secretary as soon as practicable of any changes to their interests. The Company Secretary will maintain a full register of Directors' interests and provide a summary of this for each scheduled Board meeting.

9.2 The CEO

The CEO is responsible for ensuring that:

- Systems are in place to ensure that conflicts of interests are managed effectively; and
- Information about conflicts of interest and this Policy is brought to the attention of Staff.

9.3 ExCo and Management

ExCo and Management are responsible for:

- Ensuring that Staff are aware of this Policy and their obligations in respect to conflicts of interest;
- Identifying risks specific to their division which could give rise to conflicts of interests. They are also responsible for putting appropriate controls in place to address them;
- Reviewing actual, perceived or potential conflicts of interest as soon as they are reported or arise;
- Reporting all conflicts of interest to the EGM Legal & Compliance in a timely manner, including the details of the conflict and the action taken to manage the risk;
- Managing, resolving or dealing with the conflict of interest, including that the conflict and details of how it was managed are documented in writing;
- Providing advice and assisting Staff with appropriate ways to manage any conflict; and
- Seeking advice from the EGM Legal & Compliance or the Legal team as to whether a conflict of interest exists or how it should be resolved or managed;

9.4 The EGM Legal & Compliance and the Legal team

The EGM Legal & Compliance and the Legal team are responsible for:

- Providing advice to Staff and Management as to whether a conflict of interest may exist and how it should be best managed, resolved or dealt with;
- Updating and maintaining the Register of Conflicts of Interest and reporting on it, as required. This includes reporting any material conflicts of interest to ExCo and the ARMC; and
- Conducting the Annual Declaration of Interests and Associations process, including updating and analysing the Annual Declaration of Interests and Associations Register, and reporting on this process to ExCo and the ARMC.

9.5 All Staff

All Staff:

- Owe your primary business loyalty to Landcom, in accordance with the Code of Conduct;
- Are required to avoid conflicts of interest or creating conflicts of interest for others;
- Are accountable to Landcom, the CEO and Board and the NSW government for your decisions and general conduct. You must perform your duties with integrity, impartiality, honesty, conscientiousness, care, skill, diligence and loyalty to the public interest;
- Must report a conflict of interest to your People Manager and the EGM Legal & Compliance or a member of the Legal team as soon as possible after you become aware of it;
- Must avoid, resolve, or otherwise manage the conflict of interest in consultation with the EGM Legal & Compliance and your People Manager;
- Must comply with the actions implemented by the EGM Legal & Compliance and your People Manager to manage the conflict; and
- Should make a public interest disclosure in accordance with Landcom's Public Interest Disclosure and Internal Reporting Policy, if you become aware of a conflict of interest which has not been declared or appropriately managed, and you feel that this failure may constitute corrupt conduct, maladministration or a serious and substantial waste of resources.

10 Managing personal information

Conflicts of interest can involve the disclosure of information that may be personal in nature, such as details about personal finances and relationships. While you must disclose this information if it creates a conflict of interest, the personal information will be held confidentially and only shared internally if needed. The exception to this is the limited information about ongoing conflicts of interest which staff have declared and which are published on the Staff Declared Conflict of Interest Table, as outlined in Section 7.

The personal information will be held securely, with access restricted to the CEO, EGM Legal & Compliance and/or members of the Legal & Compliance Team. It may also be shared with members of the People, Culture & Safety Team. In certain circumstances, the information may be made available to the Board, the Portfolio and Shareholder Ministers and reviewed by the NSW Audit Office or other auditors or provided to a Landcom probity advisors for standalone probity advice.

11 Breaches

- You will breach this Policy if you:
 - Fail to declare an actual, perceived or potential conflict of interest or do not declare it in a timely manner;
 - Fail to comply with your responsibilities and obligations under this Policy; or
 - Fail to provide an updated Declaration of Interests and Associations, should your circumstances change and a conflict may arise.
- Breaches of this policy will be taken seriously and may result in serious consequences for the individual, including disciplinary action.
- Breaches that could amount to corrupt conduct will be reported to the ICAC.
- Breaches that amount to criminal conduct will be reported to the NSW Police.

You should also report any reasonably suspected breaches of this Policy in accordance with the Public Interest Disclosure & Internal Reporting Policy.

Document Control Table

Document information	
Document approver	Chief Executive Officer
Document owner name	Executive General Manager Legal & Compliance
Document delegate name/s	Solicitor & Right to Information Officer
Document version number	3.0
Document version date	23 November 2022
Document review cycle	Every two years
Next document review date	November 2024
Document location	External use Landcom.com.au
Document level	2 = CEO approved document

Linked artefacts	
Linked documents	<ul style="list-style-type: none"> Code of Conduct Code of Conduct for Suppliers Fraud Control Framework Fraud Control & Corruption Prevention Policy Gifts & Hospitality Policy Public Interest Disclosure and Internal Reporting Policy Staff Purchase Policy
Linked legislation	<ul style="list-style-type: none"> Government Sector Finance Act 2018 Independent Commission Against Corruption Act 1988 Public Interest Disclosure Act 1994 Public Interest Disclosure Act 2022
Linked risks	<ul style="list-style-type: none"> Reputational Regulatory Financial

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Version	Approval date	Author	Description
3.0	23/11/2022	Carina Carter	Periodic review and update to reflect organisational change
2.2	29/10/2020	Carina Carter	Periodic review and update to reflect organisational change
2.1	27/07/2018	Carina Carter	Review and update after organisational change
2.0	April 2016		Review following organisational change