

CBM AUSTRALIA POLICY CONFLICT OF INTEREST POL_013

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Document Approval and Review

Approved by: CBM AUSTRALIA BOARD

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This policy will apply to activities and operations of CBM Australia, at all times.

Introduction

Conflicts of interest can arise when the interests or loyalties of Board members or employees are incompatible or in competition with the interests of CBM Australia.

The CBM Australia Board Charter Statement of Integrity and the CBM Australia Code of Conduct requires all Board members to not take improper advantage of their position and to disclose conflicts of interest as they arise. Board members have a common law and legislative duty to act in the best interests of CBM Australia.

This policy is in place to guide Board members to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of CBM Australia and manage risk.

The CBM Australia Code of Conduct guides conflict of interest expectations and practice for all CBM Australia employees.

How does conflict of interest arise at a governance level?

Conflicts of interest arise when personal interests conflict with the interests of the entity served. Personal interests include direct interests as well as those of family, friends, or other organisations. There may also be conflict between a Board member's

duty to CBM Australia and their duty to another entity. A conflict of interest may be actual, potential or perceived, and may be financial or non-financial.

These situations present the risk that a Board member will make a decision based on, or in some way affected by, any conflicted interest.

Conflicts of interest commonly arise, and do not need to present adverse risk if they are openly and effectively managed.

How does CBM Australia deal with conflict of interest at a governance level?

CBM Australia manages conflicts of interest by requiring Board members to:

- avoid conflicts of interest where possible;
- identify and disclose to the Board conflicts of interest;
- carefully manage conflicts of interest, individually and collectively.

When an actual, potential or perceived conflict of interest is identified and disclosed, it is entered into the CBM Australia Register of Interests, maintained by the Company Secretary and regularly reviewed by the Board.

Conflict of Interest is a standing agenda item at Board meetings. Once a conflict of interest has been appropriately recognised, the Board, in every applicable instance will decide whether the conflicted Board member/s may:

- vote on the matter;
- participate in any debate;
- be present in the room (physical or virtual) during debate and voting.

The Board may consider:

- whether the conflict will realistically impair capacity to impartially participate in decision making;
- any alternative options to avoid the conflict;
- CBM Australia's strategic objectives and resources; and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, CBM Australia.

This policy is implemented through Board and staff management processes and the maintaining of the Register of Interests.

The Board and management of CBM Australia are fully committed to the principles of this policy. Any breach of strategic significance or any material risk associated with this policy will be reported to the Board in a timely manner.