

Conflict of Interest Policy

This policy should be read in conjunction with clause 12.5 of the Constitution. In the event of a contradiction between this policy and the Constitution, the Constitution will prevail.

Philanthropy Australia wishes to adopt a high standard of conduct so that all perceived, actual and potential conflicts of interest are disclosed. This will avoid not only real conflicts of interest affecting the responsible decision making of the Board but also avoid any perception of conflicts of interest in relation to the decision making.

Policy

A conflict of interest exists where loyalties of directors are divided. If a Board member's interests or other duties may affect their decision making or may be seen to possibly affect their decision making as a director of Philanthropy Australia or may be affected by a decision of Philanthropy Australia, then this interest is covered in this code of conduct.

Conflicts of interest cover any real or sensible conflicts the directors may have with other duties owed, such as being a Board or director or trustee of another company or trust, and conflicts with a personal interest, such as the interests of an associate or relative. For example, offering services to Philanthropy Australia of a business with which the director or their family member is involved. A director can have a potential conflict of interest if any decision they make as a director may provide an improper gain or benefit to themselves or an associate, including through the means of discouraging others.

The conflicting interest may arise as a result of the Board member's employment, consultancy or personal interests, often, but not limited to, financial investment.

The issue normally arises only in relation to pecuniary interest, but it does extend to all influences, loyalties, interest or duties which may affect or be seen as likely to affect the director in his or her decision making for Philanthropy Australia.

What must a director do:

Disclosure

Directors must disclose to the Board, through the Company Secretary their employment, their connection to any stakeholder group and other directorships, as well as any actual potential or perceived conflict of interest.

The Company Secretary will keep a list of disclosures to be provided to any

director on request and to new directors for their information.

Directors must disclose any actual, potential or perceived conflicts of interest to the Chair prior to or at the commencement of a Board meeting where the conflict may be relevant or to the directors at a Board meeting prior to discussions.

Directors must communicate any change in circumstances relevant to the disclosure of interest to the Chair, Company Secretary or all directors at a Board meeting.

Protocol

If there is a conflict of interest, or the directors or Chair have decided there is sufficient potential for a perceived or actual material conflict to arise to apply the protocol, then the Board member:

- will not receive the papers on the matter, but will be advised that certain papers have been excluded
- cannot be present (by phone or in person) when the matter is considered unless permitted by law and the other directors resolve that the director in question can stay; and
- cannot vote on the matter.

Open discussion

When any matter is being discussed at Board level, any director may query another director as to whether they consider they have a possible conflict of interest with the matter under discussion. This matter should then be discussed and considered by the Board and if the Board (other than the director who is being queried) considers that there may be a possibility of a perceived or actual material conflict of interest, then disclosure must be made, and the protocol must apply.

If a director is uncertain as to whether he or she has or may have a perceived or actual material conflict of interest, they must disclose this at the Board meeting discussing the matter or with the Chair.

Records

Any discussions, disclosures, resolutions and the application of the protocol relating to a conflict of interest should be recorded in the Board minutes.

Confidentiality

Directors must remember that Board papers and matters discussed at Board meetings are confidential as each director has a duty to maintain the confidentiality of information they learn by virtue of their position as a Board member.

If there is a need or desire by a director to disclose or report on resolutions or matters discussed at Board meetings, or information gained as a result of the being a Board member, to third parties, then the disclosure or reporting can only be made with the consent of the directors at the meeting or by the Chair.

Chair's role

The Chair will be available to discuss with any director the application of this procedure to particular circumstances and provide guidance as to whether they should be making a disclosure or whether the protocol should apply.

The Chair shall also seek to remind the directors from time to time of their obligations and commitments under this policy and this policy will be given to any new directors.

Document Change History

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