



Fairtrade Australia & New Zealand

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Fairtrade ANZ Board Conflict of Interest Policy

Purpose

Each Director of Fairtrade ANZ has a duty to act in the best interests of Fairtrade ANZ in performing their duties. This includes not putting their personal interests above the interests of the organisation.

The purpose of this policy is to help board and committee members of Fairtrade ANZ to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Fairtrade ANZ and manage risk.

This policy has been developed because potential conflicts of interest commonly arise, and do not need to present a problem, if they are openly and effectively managed.

Related Policies

- Anti-Fraud and Corruption Policy; and
- Employee Conflict of Interest Policy (HR Policies).

Who does this policy apply to?

This policy applies to all Board and Committee members.

Employees, contractors and volunteers are subject to the Conflict of Interest Policy contained in Fairtrade ANZ's HR Policies.

Policy

Definition of Conflict of Interest

A conflict of interest arises where a personal interest or activity of a Board or Committee member conflicts with their responsibility to exercise their role objectively and in the best interests of Fairtrade ANZ. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

The term 'personal interests' includes the direct interests of the Board or Committee members as well as those of immediate family and friends, and other organisations they are involved with.

These situations present a risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of Fairtrade ANZ and must be managed accordingly.

Disclosure of Conflict of Interest

Each Board and Committee member must declare any conflicts of interest to the Board and the Company Secretary as soon as they become aware of them. All conflicts of interest will be documented in the Board's Conflict of Interest Register, maintained by the Fairtrade ANZ's Company Secretary.

In addition, Board and Committee members shall declare any conflicts of interest of which they become aware at the start of the Board or Committee meeting where the potential conflict of interest is relevant to

matters on the proposed agenda. The nature of the conflict of interest will be recorded in the meeting minutes as well as in the Board's Conflict of Interest Register.

A Board or Committee member who believes that another Board or Committee member has an undeclared conflict of interest should specify in writing to the Chair the basis of this conflict. The Chair will then discuss the matter with the subject member to determine if a conflict of interest exists and should be disclosed.

Board and Committee members are encouraged to obtain independent advice in relation to potential conflicts of interest and how such interests can be best managed.

Actions required for management of conflicts of interest

Once a conflict of interest has been disclosed, the Board or Committee (excluding the board member disclosing and any other conflicted board member) must decide whether the conflicted member(s) should be excluded from:

- voting on the topic (this is a minimum);
- participating in any debate or discussion on the matter (either in the meeting or with other Board/Committee members before or after the Board meetings); and/or
- being present during any discussion or voting on the topic.

In deciding what approach to take – in particular, whether the conflict of interest needs to be avoided or simply documented – the board will consider:

- Fairtrade ANZ's objects and resources;
- any alternative options to avoid the conflict of interest;
- whether the conflict of interest will realistically impair the board member's capacity to act impartially; and
- whether the conflict of interest may create an appearance of improper conduct that might impair confidence in, or the reputation of, Fairtrade ANZ.

The decision of the Board/Committee will be recorded in the minutes of the meeting and the register of interests.

For More Information

For more information or to report any concerns/violations, please contact info@fairtrade.com.au or info@fairtrade.org.nz

Approval and Review

This policy will be reviewed once every 3 years.

Last Approved By Board: May 2019

Scheduled Review Date: May 2022