

ORG-007, Version 5.0

Chief Operating Officer

Declarations and Conflicts of Interest Policy

Global

1. INTRODUCTION

The board directors and company secretary of The Fred Hollows Foundation (The Foundation) and its related legal entities currently in the United Kingdom, Kenya, Hong Kong and the United States of America (The Foundation) and globally, The Foundation's executives and managers, must comply with the standard legal and statutory duties of their office. Broadly, these duties are to:

- Act in good faith and in the best interests of The Foundation;
- Act with due care and diligence;
- Act for a proper purpose and in keeping with the objects of the organisation as set out in the various Constitutions;
- Avoid conflicts of interest or duty;
- Refrain from making improper use of information gained through the office or taking improper advantage of the office; and
- In particular, the board directors, company secretary, executives and managers are expected to consider carefully whether a conflict of interests may arise in connection with any other activities, positions, employment, consultancies, relationships or interests they may pursue in other areas of their lives.

2. DEFINITIONS

Legal framework - This policy outlines how The Foundation will comply with our global standard, based in Australian law. The duty to avoid conflicts of interest is derived from both general law and statutory provisions found in the Corporations Act 2001 (Cth) (the Act), which requires board directors to avoid conflicts of interest. Under the Act, the board directors must:

- Exercise their powers and discharge their duties with a reasonable degree of care and diligence (section 180);
- Act in good faith in the best interests of the company or for a proper purpose (section 181).
- Not use their position to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 182);
- Not improperly use information gained through their position as a director to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 183).

The Foundation's Constitutions and Global Corporate Governance Charter reflect these responsibilities.

Conflicts of Interest - A conflict of interest may occur when your duty to act in the best interest of The Foundation 'conflicts' (or may conflict) with the opportunity or potential to obtain a personal benefit (or a benefit for someone related to you).

There are three types of conflicts, which should be self-assessed:

- Actual conflict, where a director, trustee, officer, executive, manager, staff and volunteer is likely to gain a personal advantage for themselves or a relative or a friend, because of their position as a director;
- Perceived conflict, where others may reasonably perceive a conflict and that perception may create a risk for the organisation with regard to reputation or financial assets.
- Potential conflict, where a process has been set in train that, in the future, may create a conflict of interest.

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

3. SCOPE

This policy covers the responsibilities and requirements of declaring and managing potential and real conflicts of interest in all related entities of The Foundation and these obligations apply to all directors, trustees, officers, executives, managers, staff and volunteers of The Foundation.

4. PRINCIPLES AND ACTIONS

4.1. Directors of each Entity Board

All board Directors are required to complete a Declaration of Interests Form (see template) that sets out any other interests they hold and any of their other partnerships, trusteeships, memberships, investments or benefits that have a direct relationship to the operations of The Foundation.

This form is first completed upon their election or appointment to the board and thereafter on an annual basis, with the returns filed in the office. The local company secretary is responsible for ensuring this process is followed and communicated to the Chief Operating Officer of The Foundation.

It is the responsibility of board directors to declare/disclose any specific conflict of interest that may arise at any point during their directorship in relation to any matter before the board and then to remove themselves from any discussion or decision-making on the matter. If board directors are uncertain about their responsibilities or situation, they should discuss the situation with the chair who will provide guidance. Each board or committee meeting will include a standard agenda item for these conflicts or potential conflicts to be tabled.

4.2. Staff and volunteers

All staff are also obliged to declare any conflict of interest and to remove themselves from discussion or decision-making on matters where a conflict may exist.

This form is first completed upon their acceptance of their offer of employment and thereafter when circumstances change, with the returns filed in the office. The Associate Director – People and Organisational Development is responsible for ensuring this process is followed.

If managers are uncertain about their responsibilities or situation, they should discuss the situation with their line-manager, their People Partner or the CEO who will provide guidance.

4.3. Volunteers

All volunteers are required to complete a Declaration of Interests Form (see template) that sets out any other interests they hold and any of their other partnerships, trusteeships, memberships, investments or benefits that have a direct relationship to the operations of The Foundation.

This form is completed upon their engagement with The Foundation. The Associate Director – People and Organisational Development is responsible for ensuring this process is followed.

5. Responsible Individual or Group

- The Board of The Foundation, based in Australia
- All entity board directors, company secretaries and committee members
- All managers
- All other staff
- All volunteers

5.1. Reporting required

- For board directors – annually and as specific conflict situations arise
- For managers and other staff and volunteers– upon employment/engagement and as specific conflict situations arise

6. Evaluation mechanism/Review cycle

Board directors' Declaration of Interest Form: upon appointment or election to the board, and thereafter annually

Related Policies:

- Recruitment Policy
- Constitution of The Fred Hollows Foundation
- Corporate Governance Charter
- Letter of Appointment (for board directors and committee members)
- Declaration of Interest Form (for board directors and committee members)
- Declaration of Interest Form (for staff and volunteers)

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