

Conflict of interest policy

1. Purpose

The purpose of this policy is to help Board members of Transcend Australia Ltd to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Transcend Australia Ltd and manage risk.

2. Objective

The Transcend Australia Ltd Board, (called the 'Board' in this policy) aims to ensure that Board members are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of Transcend Australia Ltd.

3. Scope

This policy applies to the Board members of Transcend Australia Ltd.

4. Definition of conflicts of interests

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the Company.

Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder).

It also includes a conflict between a Board member's duty to Transcend Australia Ltd and another duty that the Board member has (for example, to another Company). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

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 Company.

Therefore, these situations must be managed accordingly.

5. Policy

This policy has been developed to address conflicts of interest affecting Transcend Australia Ltd.

Conflicts of interest are common, and they do not need to present a problem to the Company as long as they are openly and effectively managed.

It is the policy of Transcend Australia Ltd, as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to Transcend Australia Ltd.

Transcend Australia Ltd will manage conflicts of interest by requiring Board members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

5.1. Responsibility of the Board

The Board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the Company as stipulated in items 5.2 and 6 of this policy
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

The Company must ensure that its Board members are aware of what constitutes good governance. For example those standards outlined in the ACNC “Governance for Good” guide and in particular governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

Transcend Australia Ltd will ensure that its Board members understand their duties as Board members which include:

- To act with reasonable care and diligence
- To act in the best interest of the company and for a proper charitable purpose
- Not to improperly use your position or information obtained whilst a Board member (refer also the Transcend Confidentiality Policy)
- To manage financial affairs responsibly
- To disclose and manage conflicts of interest and
- To not allow the Company to operate whilst insolvent. (ACNC Good Governance Guide pp 14-15)

5.2. Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into Transcend Australia Ltd’s register of interests, as well as being raised with the Board.

Where every other Board member shares a conflict, the Board should refer to ACNC Governance Standard 5 to ensure that proper disclosure occurs.

The register of interests must be maintained by the Board Secretary. The register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

5.3 Confidentiality of disclosures

Access to information pertaining to disclosures of conflict of interest will be limited to Board members. The Board must not discuss these conflicts with people who are not Board members unless the conflict is of a criminal nature and/or has the potential to impact upon the safety of Transcend Australia Ltd members.

6. Action required to manage conflicts of interest

6.1. Conflicts of interest of Board members

Once the conflict of interest has been appropriately disclosed, the Board (excluding the Board member who has made the disclosure, as well as any other conflicted Board member) must decide whether or not those conflicted Board members should:

- vote on the matter (this is a minimum),

- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Board member from regularly participating in discussions, it may be worth the Board considering if it is appropriate for the person conflicted to resign from the Board.

6.2. What should be considered when deciding what action to take

In deciding what approach to take, the Board will consider:

- whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- the Company's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Company.

The approval of any action requires the agreement of at least a majority of the Board (excluding any conflicted Board member/s) who are present and voting at the meeting.

The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

7. Compliance with this policy

If a person suspects that a Board member has failed to disclose a conflict of interest, they must notify the person responsible for maintaining the register of interests, the Board Secretary. In the event that the Secretary has failed to disclose a conflict, they should contact the Board Chair.

If the Board has reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances in accordance with section 6 above.

If it is found that a Board member has failed to disclose a conflict of interest, the Board may take any reasonable steps it sees fit to address that failure of disclosure.

If it is found that a Board Member has wilfully concealed or otherwise hidden a conflict of interest, the Board may take action against the member to address such behaviour. This may include seeking to terminate their relationship with the Company.

Contacts

For questions about this policy, contact the Board board@transcendaus.org.

Document History

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