

1. Purpose of the policy

This purpose of this Policy is to ensure that FemiliPNG Australia (FPNGA) can appropriately manage actual, potential or perceived conflicts of interest and related party transactions.

2. Policy application

This policy applies to all FPNGA Personnel and Representatives.

3. Definitions

Personnel	A FemiliPNG Australia staff member, contractor or volunteer
Representative	A FemiliPNG Australia Board member
Conflict of Interest	<p>A conflict of interest occurs when a person’s personal interests’ conflict with their responsibility to act in the best interests of FPNGA.</p> <p>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).</p> <p>It also includes a conflict between a board or staff member’s duty to FPNGA and another duty that the Board or staff member has (for example, to another charity). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.</p> <p>Actual Conflict of Interest: Where a person is being influenced by a conflicting interest</p> <p>Potential Conflict of Interest: Where a person could be influenced by a conflicting interest</p> <p>Perceived Conflict of Interest: Where a person could appear to be influenced by a conflicting interest.</p>
Related Party Transactions	A related party transaction is a transfer of resources, services, or obligations between related parties. It does not have to include financial payment.
Related Party	<p>A related party as defined includes:</p> <ul style="list-style-type: none"> • Close family members of FPNGA’s Board Members, CEO and Finance Manager • Organisations that have significant influence or control over FPNGA.

Femili PNG is a related party, because Femili PNG has a significant influence over FPNGA’s strategy and an ex-officio seat on the Board. The PNG High Commission to Australia is a related party, because they have an ex-officio seat on the Board.

Policy name, number	Conflict of Interest and Related Party Transactions Policy, POL-005	Policy version & approval	V2 2025
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4. Policy

- 4.1 FPNGA Personnel and Representatives are responsible for avoiding ethical, legal, financial or other conflicts of interest, and must ensure that any such actual, potential or perceived conflicts of interest (where they do arise) do not conflict with their obligations to FPNGA.
- 4.2 Personnel and Representatives must:
- Avoid conflicts of interest where possible
 - Identify and disclose any conflicts of interest
 - Carefully manage any conflicts of interest
 - Follow this Policy and respond to any breaches.
- 4.3 Representatives are additionally responsible for:
- Establishing a system for identifying, disclosing and managing conflicts of interest and related party transactions across the organisation
 - Monitoring compliance with this Policy
 - Periodically reviewing this Policy to ensure that it is operating effectively.

FPNGA is registered with the Australian Charities and Not-for-profits Commission (ACNC) and must ensure that its Board members are aware of the ACNC governance standards and that they disclose any actual or perceived material conflicts of interests as required by [Governance Standard 5](#).
More information on the duties of Responsible People (Board members) are available on www.acnc.gov.au.

Identification and disclosure

- 4.4 All conflicts of interest must be identified and declared in writing by the individual Personal or Representatives concerned. Board Members and / or the CEO may also disclose conflicts of interest during Board Meetings as needed.
- 4.5 The CEO is responsible for maintaining the Register of Interests (DOC-003), and presenting it to the Board at each Board meeting. The register must include information about the nature and extent of the conflict, and any steps taken to address it.
- 4.6 Where all Representatives share a conflict, the Board can refer to ACNC [Governance Standard 5](#) to ensure that proper disclosure occurs.
- 4.7 The Finance Manager is responsible for maintaining the Register of Related Party Transactions (DOC-004). The Register is provided to the Australian auditor to determine whether the related party transactions need to be disclosed under AASB 124.

Confidentiality

- 4.8 The Register of Interests (DOC-003) is confidential, and accessible only to Board Members and those staff who require access to the Board governance documentation.

Failure to comply

- 4.9 If the Board, staff or any person has a reason to believe that a person subject to this policy has failed to comply with it, FPNGA will investigate the circumstances, in line with the Whistleblowing Policy (POL-017) and Procedure (PROC-003).

Ex-officio Representation of Femili PNG

- 4.10 In line with FemiliPNG Australia's constitutional objectives, which commit the organisation to supporting and promoting the work of Femili PNG, a representative from the Femili PNG Board serves on the FemiliPNG Australia Board in an ex officio capacity with full voting rights. This ensures that FemiliPNG Australia, in fulfilling its mission to support and promote Femili PNG, is well-informed and able to make

decisions appropriately. While the missions of both organisations are closely aligned, on rare occasion conflicts of interest may still arise.

- 4.11 Where a conflict is suspected involving the Femili PNG representative the remaining board members (excluding the Femili PNG representative) as a whole will consider whether a valid conflict exists. If a conflict of interest is identified, the response will align with **clause 5.1** of this Policy, including disclosure, potential recusal from discussion or decision, and proper documentation in the minutes.
- 4.12 The ex officio representation facilitates collaboration and alignment between the two organisations. However, it does not compromise the independence of either organisation's governance, and both boards remain accountable for their respective statutory and fiduciary duties.

5. Actions required to manage conflicts of interests of Representatives

- 5.1 Once a conflict of interest has been disclosed and registered, the Board (excluding the Board Member/s who have made the disclosure, as well as any other conflicted Board member), will decide the most appropriate way to manage the conflict.

This usually includes consideration of whether the conflicted Board member/s should:

- Vote on the matter
 - Participate in any debate
 - Be present in the room during the debate and voting
 - Engage in any other actions to manage the conflict.
- 5.2 In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Board Member from regularly participating in discussions, the Board may consider if it is appropriate for the Member to resign from the Board.
 - 5.3 In deciding what approach to take, the Board will consider:
 - If the conflict needs to be avoided or simply documented
 - If the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
 - Alternative options to avoid the conflict
 - FPNGA's objects and resources
 - The risk of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the organisation.

6. Actions required to manage conflicts of interests of Personnel

- 6.1 Once a conflict of interest has been disclosed and registered, the CEO and the Board Chair will discuss the conflict and agree on mitigating actions relative to the staff members role and level of conflict declared. Conflicts of interest relating to recruitment are covered under the Recruitment Policy (POL-023) and Procedure (PROC-004).
- 6.2 Conflicts of interest relating to the CEO or Finance Manager must be raised at a Board meeting and included on the Register of Interest (DOC-003). The Board must agree on mitigating actions relative to the conflict declared.
- 6.3 The Board Chair or CEO is responsible for communicating the outcome and any mitigating actions to the staff member within one week of the Board meeting.

7. Policy amendments

- 7.1 All policies are subject to review and endorsement by the Board. Suggestions about this policy are welcome and should be directed to the CEO. Any amendments or changes to the Policy will be submitted to the Board for endorsement.
- 7.2 The CEO is responsible for maintaining this document, including updating confirmed changes, informing staff of the changes, and disseminating the latest version to all personnel.
- 7.3 This policy will be reviewed every five years, or as needed to meet governance obligations and/or changes in legislation.

8. Related documents

Document number	Document name
POL-017	Whistleblowing Policy
PROC-003	Whistleblowing Procedure
POL-23	Recruitment Policy
PROC-004	Recruitment Procedure
DOC-003	Register of Interests
DOC-004	Register of Related Party Transactions