



Conflict of Interest Policy

Policy Number	Effective Date	September 2025
AKFA-POL 0014	Next Review Date	September 2028
	Sponsor	Country Director
	Approval/Authorisation	Board

1. Purpose and objective

- 1.1 The purpose of this policy is to help Aga Khan Foundation Australia ('AKF Australia'; 'AKFA') Personnel (defined below) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest. In doing so, this policy aims to protect the integrity and reputation of Aga Khan Foundation Australia Limited (ACN 663 072 124) and manage risks associated with conflicts of interest.
- 1.2 AKFA has developed this policy to ensure AKFA Personnel are aware of their obligations to:
 - a. disclose any actual, potential or perceived conflicts of interest that they may have; and
 - b. comply with the procedures in this policy to ensure they effectively manage conflicts of interest as representatives of AKF Australia.
- 1.3 To the extent of any inconsistency between the terms of this policy and the terms of the AFK Australia constitution, including article 18, the AFK Australia constitution shall apply.

2. Scope

- 2.1 This policy applies to all AFK Australia directors and all employees, volunteers, contractors and consultants engaged or employed by AKF Australia (or a related body corporate) (AKF Personnel).

3. Definition of conflicts of interests

- 3.1 A conflict of interest occurs when a person's personal interests or duties conflict with their responsibility to act in good faith in the best interests of AKF Australia.
- 3.2 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 director's duty to AKF Australia and another duty that the director has (for example, to another charity or company). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.
- 3.3 Conflict of interest 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 AKF Australia. Therefore, these situations must be managed accordingly.

4. Policy

- 4.1 It is the policy of AKF Australia, 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 their obligations to AKF Australia.



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4.2 AKF Australia will manage conflicts of interest by requiring AKF Personnel to:

- a. avoid conflicts of interest where possible;
- b. identify and disclose any conflicts of interest;
- c. carefully manage any conflicts of interest; and
- d. follow this policy and respond to any breaches.

4.3 The board is responsible for:

- a. establishing a system for identifying, disclosing and managing conflicts of interest across the charity;
- b. monitoring compliance with this policy;
- c. where required, providing advice to management, including the Chief Executive Officer, Executive Director or Country Director of AKF Australia (if any), on how to manage conflicts; and
- d. reviewing this policy on a regular basis to ensure that the policy is operating effectively.

4.4 AKF Australia must ensure that its board members (and any other responsible persons) are aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

4.5 Identification and disclosure of conflicts of interest

- a. AKF Personnel with an actual, potential or perceived conflict of interest must disclose the actual, potential or perceived conflict of interest in writing:
 - i. for directors, the Chief Executive Officer, Executive Director or Country Director — to the board chairperson of AKF Australia
 - ii. for employees and volunteers — to the Chief Executive Officer, Executive Director or Country Director of AKF Australia; and
 - iii. for consultants — to the person who engaged their services, who must in turn report the conflict of interest to the Chief Executive Officer, Executive Director or Country Director of AKF Australia.
- b. Once an actual, potential or perceived conflict of interest is identified, it must be entered into AKF Australia's register of interests, as well as being raised with the board.
- c. If the member of AKF Personnel with the conflict of interest is a director, then where every other director shares a conflict, the board should refer to ACNC Governance Standard 5 to ensure that proper disclosure occurs.
- d. The register of interests must be maintained by the secretary of AKF Australia. 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).



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4.6 Confidentiality of disclosures

- a. Disclosures of conflicts of interest will be treated confidentially and access to disclosure information will be restricted to authorised personnel being the Country Director and the Company Secretary.

5. Action required to manage conflicts of interest

5.1 Conflicts of interest of directors

- a. Once a conflict of interest has been appropriately disclosed by a director in respect of a particular matter, the board (excluding the director who has made the disclosure, as well as any other conflicted director) must decide whether or not those conflicted directors should:
 - I. vote on the matter,
 - II. participate in any debate, or
 - III. be present in the room during the debate and the voting.
- b. In exceptional circumstances, such as where a conflict is very significant or likely to prevent a director from regularly participating in discussions or performing their duties as a director, it may be appropriate for the conflicted director to resign from the board.
- c. 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.
- d. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

5.2 Conflicts of interest of AKF Personnel who are not directors

- a. Once the conflict of interest has been appropriately disclosed by a member of AKF Personnel (excluding a director), the Chief Executive Officer, Executive Director or Country Director (as applicable) of AKF Australia to whom the conflict of interest was disclosed or escalated must decide an ongoing strategy to manage the conflict, which may include without limitation any or a combination of the following:
 - i. no action is required, as there is no material substance or concern, or risk of an actual conflict is remote, and any effect would be minor;
 - ii. removing the relevant AKF Personnel from particular duties relating to the conflict of interest (e.g. from dealing with a particular grant recipient); and
 - iii. the relevant AKF Personnel should be restricted from accessing certain information or participating in discussions or decision making where the conflict of interest is likely to arise (e.g. not being involved in decisions about the procurement of goods or services where there is a conflict of interest in respect of a potential supplier).
- b. The chosen strategy to appropriately manage the conflict of interest will be recorded in the register of interests.



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- 5.3 What should be considered when deciding what action to take under sections 5.1 and 5.2 of this policy
- a. In deciding what approach to take, the board or person required to make a decision under section 5.2 will consider:
 - i. whether the conflict needs to be avoided or simply documented;
 - ii. whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making;
 - iii. alternative options to avoid the conflict;
 - iv. the charity's objects and resources; and
 - v. the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

6. Compliance with this policy

- 6.1 If the board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate and may take action which it considers appropriate in all the circumstances, including to end their relationship with AKF Australia.
- 6.2 If a person suspects that any member of AKF Personnel has failed to disclose a conflict of interest, they must notify:
- a. if the person they consider has failed to disclose a conflict of interest is a director or Country Director — the board chairperson; or
 - b. if the person they consider has failed to disclose a conflict of interest is an employee, volunteer or consultant — the Country Director,
- who must then investigate the alleged conflict of interest (including by discussing the matter with the person alleged to have a conflict of interest) and, if there is such a conflict of interest, take the steps set out in sections 4.5, 4.6 and 5 of this policy.

7. Access to this policy

This policy will be made available to all AKFA Personnel in the AKF Policies and procedures folder on SharePoint and online via the AKFA micro site.

For questions about this policy, contact the secretary by karim.sumar@akdn.org

8. Related policies

- AKFA Financial Management Policy
- AKFA Privacy Policy
- AKFA Anti-bribery and Corruption Policy
- AKFA Anti-Fraud Policy and Procedure
- AKFA Transfer of Funds Policy



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9. Revision History

AKF Australia will review and update this policy every three years, unless changes are required earlier, to ensure relevance and applicability.

Date	Revision Number	Change(s)	Reference Section(s)
25 th Sept 2025	1	New Policy	