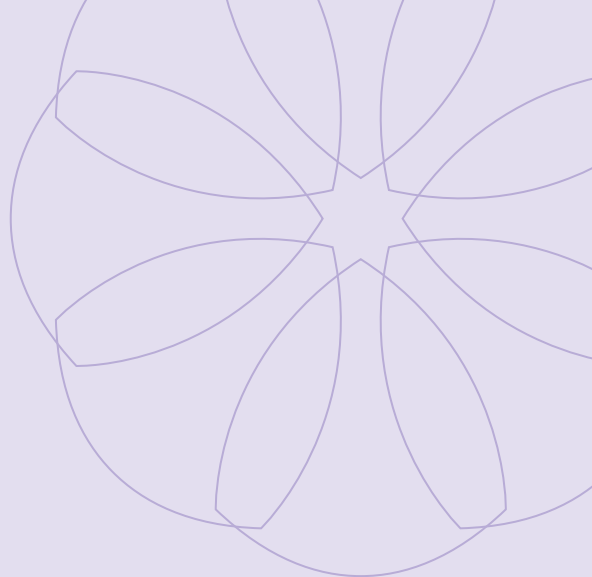


# Conflicts of Interest Policy



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## Conflicts of Interest Policy

MAS Foundation's Trustees, Advisors, officers, and employees aspire to the highest level of ethical conduct in our work. To ensure that the Foundation's decisions are free of any conflicts or other inappropriate influences, the Foundation has adopted the following policy outlining management and disclosure of conflicts of interest.

### Process

#### Interests Register

The Foundation will maintain an Interests Register. The Register will be maintained by the Secretary and presented at Board meetings. Trustees, Advisors, and Heads of Foundation are required to record enduring disclosures of interest in the register. These include memberships of other boards or community organisations, commercial interests such as Directorships or material shareholdings and other enduring interests.

Specific disclosures of interest are not required to be recorded in the Register. Specific interests would not ordinarily be disclosed, however can arise in relation to matters due to be considered by the Foundation or in the course of Foundation activities. Examples of specific interests are friendships or family connections with potential grant applicants or previous employment relationships with potential suppliers.

If a specific interest arises, it is required to be declared and recorded in Board meeting minutes or presented in a specific interest declaration before or during the meeting.

#### Close Whānau

Trustees, Advisors, and Heads of Foundation must consider their "close whānau" when identifying actual, potential and perceived conflicts of interest.

Close whānau (referred to as "close family members" in accounting standards) are defined as "those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) That person's children and spouse or domestic partner;
- (b) Children of that person's spouse or domestic partner; and
- (c) Dependants of that person or that person's spouse or domestic partner."

The above definition is aligned to the accounting standards definition.

### Disclosure at Meetings

The Chair of any meeting of the Trustees or any committee of Trustees shall, before the conduct of business, ask for the disclosure by Trustees of any interest in the upcoming business.

Conflicts of interest as defined by the Trust Deed Clause 7.7 must be declared and recorded in the minutes. The Trust Deed requirements are:

#### 7.7 Conflicts

A conflict of interest exists for a Trustee if the Trustee's interests or duty in a particular matter conflicts, or might conflict, with his or her duty to the Trust.

#### 7.8 Declaration of conflict and permitted acts

When a conflict of interest exists for a Trustee, that Trustee must declare the nature of the conflict or the potential conflict to all other Trustees. The Trustee must not take part in any deliberations or proceedings, including decision-making, in relation to the conflict of interest, and must not sign any written resolution of the Trustees to the extent that it relates to the conflict of interest. The Trustee must not be counted in the quorum for decision-making on the matter for which he or she has the conflict of interest.

## Policy and process for identifying, declaring and managing interests

The process for handling such conflicts consist of four steps:

- 1. Identify:** The Trustee/Advisor/Employee identifies that they may have an interest in a matter that is being considered by the Foundation's Trustees, regardless of whether that interest is "actual", "potential" or "perceived". Attendees should turn their mind to interests when considering the agenda items and reading the meeting papers, before a meeting and consider both themselves and their close whānau.
- 2. Declare:** The Trustee/Advisor/Employee declares the interest in a matter, ideally in advance or at the start of the meeting, but always before discussions on that matter begin. For emphasis – the operating principle will be: "If in doubt, declare." The declaration must be to all Trustees and contain sufficient details on the nature of the interest to ensure that Trustees can make a good decision about how to manage the interest.
- 3. Manage:** The other Trustees collectively agree on how the declared interest should be managed. Broadly speaking, when an interest is declared, the Trustees will have two options:
  - a. Option 1: The other Trustees decide that there is no conflict of interest, and the declarer participates as usual.
  - b. Option 2: The other Trustees agree that some sort of conflict exists – whether actual, potential or perceived. The other Trustees direct that the conflicted person:
    - i. Stays for the course of the discussion but does not vote
    - ii. Stays for some of the discussion, but withdraws for some of the discussion to allow free and frank discussion and does not vote
    - iii. Withdraws from the meeting for the course of the discussions and does not vote.

**4. Record:** The following three things will be recorded in the minutes:

- a. Declared details of the "interest" whether "actual", "potential" or "perceived"
- b. The Trustees' decision on how to manage the interest
- c. The Trustees' rationale for that decision.

If the interest is an enduring interest, it will also be recorded in the Interests Register.

Relevant principles to consider when determining how to manage a declared interest include:

- Merely knowing someone does not by itself amount to a conflict of interest or duty.
- The potential for bias in a Trustee's decision making is the main source of a conflict of interest or duty sufficient to prevent a Trustee from voting on a matter.

In the absence of consensus about whether a conflict of interest or duty exists, or how it should be managed, the Chair will make this determination (or the Deputy Chair where the interest relates to the Chair).

## General Application

The Foundation will not proceed with the following transactions in which a conflict of interest is present:

1. A grant to or for the benefit of an entity in which a Trustee, Advisor or employee is the principal executive officer, and the grant is material to the entity.
2. An investment or other transaction that will give rise to payment of fees, income, or profits to a Trustee, Advisor or employee, or an entity in which any such individual has a material financial interest.

Where a Head has a material conflict of interest with a ringa raupā, such as being an officer or a whānau member being an office holder or employee, the "interested" Head will not take any part in the assessment of, or reporting on, any application. In the interest of full transparency this interest will be declared to the Board Chair on receipt of an application.

## Training

Conflicts of interest training is included as a standing agenda item on the Foundation workplan. Training will be undertaken as part of the review of this policy.

The training is intended to enable consistent understanding across the Foundation (Trustees, employees, and Advisors) of the conflicts of interest policy and process, especially for people new to the Foundation.

MAS employees will be engaged to assist with this training (for example, the MAS Legal team or other personnel with appropriate skills).

## Document Owner and Review Period

The Chair and Heads of Foundation are responsible for this policy. It will be reviewed as required and at least every three years.

Next review required: November 2027

