

Conflicts of Interest Policy

Soft Plastic Stewardship Australia Limited (SPSA)

1. Introduction

All capitalised terms used in this document and not otherwise defined have the meanings given to those terms in the Constitution of Soft Plastic Stewardship Australia Limited dated 6 August 2024 (**Constitution**).

1.1 Policy

All Directors and employees of Soft Plastic Stewardship Australia Limited ACN 679 696 998 (**Company**) are required to ensure that any potential, actual or perceived conflict of interest is appropriately identified, disclosed and managed.

1.2 Scope

- (a) This Conflicts of Interest Policy (**Policy**) applies to all Directors of the Company (each a **Director**, together **Directors**) and Employees of the Company (including full time, part time, casual, and fixed term contract employees, secondees and volunteers together **Employees**).
- (b) This Policy does not form part of the terms and conditions of any Director's employment contract or services agreement, nor does it impose any obligations on the Company.
- (c) It is the Board's responsibility to oversee the implementation of this Policy.

1.3 Purpose

The purpose of this Policy is to:

- (a) assist Directors and Employees to identify actual, perceived and potential conflicts of interest;
- (b) explain the process for disclosing conflicts or potential or perceived conflicts; and
- (c) assist the Company in dealing with any conflicts disclosed by the Directors or Employees.

2. What is a conflict of interest?

2.1 Conflict of Interest

A conflict of interest exists when a Director or Employee could be influenced, or where it could be perceived that they are influenced, by a personal interest that conflicts with carrying out their duty to act in the best interests of the Company.

Conflicts of interest may take many different forms. They may be actual, perceived or potential as described below:

- **actual conflict** – where a Director or Employee is being influenced by a conflicting interest.
- **perceived conflict** – where a Director or Employee could appear to be influenced by a conflicting interest.
- **potential conflict** – where a Director or Employee could be influenced by a conflicting interest.

2.2 Examples of conflict of interest

Examples of situations in which conflicts of interest may arise include the following:

- (a) where a Director or Employee, or a family member or close friend of the Director or Employee, may receive a financial benefit as a result of a decision made by the Company;
- (b) where another organisation in which the Director or Employee is involved may stand to benefit as a result of a decision by the Company;
- (c) where a Director or Employee acts as a consultant, employee, director, officer or manager for another company and the outside activity or employment may impact the performance of a Director's or Employee's duties to the Company;
- (d) hire, promote or directly supervise a close relative in their role at the Company, or use businesses of close relatives to provide goods or services to the Company, unless this has been specifically authorised by the Board;
- (e) appoint or award Company business to any party that they are personally or financially associated with; and
- (f) where a Director or Employee could influence a decision on behalf of the Company regarding the acquisition or supply of services between the Company and another organisation in which the Director or Employee is involved.

2.3 Scheme Participants

For the avoidance of doubt, a declared conflict of interest that is:

- (a) inherent solely due to the fact that a Director is also an officer or employee of a Scheme Participant; and
- (b) is common to two or more Directors

shall not preclude that Director/s from voting and/or being counted in the quorum for any particular matter to which the inherent conflict of interest would otherwise relate.

3. What to do if a conflict exists?

3.1 Identification and disclosure of conflicts of interest

- (a) The possibility that a conflict of interest may occur can be addressed and resolved before any actual impact occurs. Therefore, when a Director or Employee understands or suspects that a conflict of interest (whether actual, potential or perceived) exists, they must immediately declare to the Board or their direct line manager, the fact and the nature, character and extent of the conflict and its relation to the affairs of the Company.
- (b) Where a conflict of interest is disclosed by a Director, it must be recorded in the conflict of interest register held by the Company (**Register**), alongside any action taken to resolve the conflict and the outcome of that action. The Register must be maintained by the Company Secretary.
- (c) Declaration of any new conflicts of interest will be a standard agenda item at the beginning of each Board meeting and the Directors present should declare any new interests and any matters that could give rise to a conflict in respect of any of the agenda items for that meeting. All such declarations must be minuted.

3.2 Action required to manage conflicts of interest

- (a) Should any matter be brought before the Board that relates to a Director's recorded conflict, the Board (excluding, where applicable, the Director who has made the disclosure, as well as any other conflicted Director) must decide whether or not the conflicted Director should:
 - (i) be present and participate while the matter is being considered at the meeting; or
 - (ii) vote on the matter.
- (b) If the conflict of interest has been discussed and understood by the Board and the Board has decided that it is satisfied that the conflict should not disqualify the Director from voting or being present, then, subject to their obligations under the *Corporations Act 2001* (Cth) and any requirements specified by the Board, the Director or Employee:

- (i) if a Director, may vote in respect of that matter if it comes before the Board and be counted as part of the quorum;
 - (ii) may enter into contracts with, or otherwise have dealings with, the Company. Any documents entered into by the Director or Employee of the Company in these circumstances will not have their validity affected in any way;
 - (iii) may hold any other office or place of profit in the Company (except as auditor) or in any other company, body corporate, trust or entity promoted by the Company or in which the Company has an interest of any kind; and
 - (iv) if a Director, is not liable to account to the Company for any profit realised by any contract, dealings, office or place of profit contemplated by clause 3, by reason only of holding the office of Director or of the fiduciary relationship established by the office of Director.
- (c) In deciding what approach to take (including in making a determination under 3.2(a) above, the Board (excluding, where applicable, the Director who has made the disclosure, as well as any other conflicted Director) or the relevant Employee's direct line manager must consider:
- (i) whether the conflict needs to be avoided or simply documented;
 - (ii) whether the conflict will realistically impair the disclosing Director's or Employee's ability to act and make decisions objectively and impartially, in the best interests of the Company;
 - (iii) alternative options to avoid the conflict;
 - (iv) the Company's objectives and resources; and
 - (v) the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Company.
- (d) The approval of any action by Directors requires the agreement of at least a simple majority of the Board (excluding, where applicable, any conflicted Director or Directors) 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.
- (e) In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Director from regularly participating in the Board's discussions, it may be worth the Board or relevant Employee's direct line manager considering if it is appropriate for the conflicted Director or Employee to resign from the Board or their position in the Company, as applicable.

4. Breach of this Policy

- (a) Failure by a Director or Employee to disclose an actual, potential or perceived conflict of interest is a breach of this Policy, and may result in disciplinary action, including termination of employment, service agreement or other similar arrangement.
- (b) In cases when a solution to a conflict of interest cannot be found, it may be necessary for further action to be taken, including termination of employment, service agreement or other similar arrangement.

5. Confidentiality

The Company understands that disclosing conflicts can be sensitive and that conflicts can be personal in nature. All matters disclosed in respect of conflicts will remain strictly confidential and will not be shared beyond those within the Company responsible for managing and resolving conflicts of interest unless required by law or with the express consent of the individual concerned.

6. Version

Version	Approved by	Approved date
V1.0	SPSA Board	3 October 2024
V1.1	Co-CEOs	4 October 2024
V1.2	SPSA Board	16 October 2025

