



**Australasian
Pork Research
Institute Ltd**
APRIL

**AUSTRALASIAN PORK RESEARCH INSTITUTE
LTD.**

**Conflict of Interest Policy for
Directors**

November 2023

Purpose

The purpose of this Code of Conduct is to ensure that the deliberations and decisions of the Directors of Australasian Pork Research Institute Ltd (APRIL) are made in the interests of the Australasian pork industry as a whole and to protect the interests of APRIL and its members.

Conflict of Interest

The Board has in place a process whereby relevant interests of all Directors are disclosed on appointment, reviewed on an annual basis and notified, as and when they arise, in relation to a particular issue. The Board and individual Directors, by request through the Chair, may obtain independent advice on matters of importance.

Purpose

The purpose of this Conflict of Interest Policy is to ensure that the deliberations and decisions of the Directors of Australasian Pork Research Institute Ltd (APRIL) are made in the interests of the Australian pork industry as a whole (rather than in the interests of any individual) and to protect the interests of APRIL and its members.

Directors will, at all times on APRIL business, give primacy to the interests of APRIL, and will not allow their personal interests, or the interests of any associated person, to conflict with those of the company.

In accordance with the *Corporations Act 2001*, Directors must disclose all direct or indirect material interests in matters that relate to the affairs of APRIL. All disclosures must be recorded in a standing disclosure and where relevant in the minutes of the Board meeting. Where there is a material conflict of interest in a matter being discussed at a Board meeting, Directors ensure their interest is disclosed to the meeting and must not be present or take part in any deliberation or decision in relation to the matter.

As a consequence, guidelines regarding material personal interest have been drawn up to guide Directors in recognising and dealing with potential conflict of interest situations.

This Policy is for use by Directors and deals specifically with their role. It is intended as a supplement to Australasian Pork Research Institute Ltd's Code of Conduct.

Introduction and Procedure

As a Director of Australasian Pork Research Institute Ltd (APRIL), you must disclose to the Board any material personal interest you have in a matter that relates to the affairs of APRIL.

These guidelines are intended to help you determine:

- a. whether you have a 'personal interest' in a matter being considered by the Board; and

- b. if so, whether that personal interest is 'material'.

These guidelines are a guide only. They are not intended to be an exhaustive list of factors that may give rise to a material personal interest. The circumstances of each particular situation need to be considered in determining whether a 'material personal interest' exists.

Do you have a 'personal interest' in the matter?

The following guidelines are intended to help you form a view as to whether you have a personal interest in a matter being considered by the APRIL Board.

- You will have a personal interest in any matter which gives rise to the potential for some specific benefit or detriment to accrue to you in relation to that matter.
- You could have a personal interest by reason of a benefit or detriment accruing to a relative or close associate.
- Your personal interest may be either 'direct' or 'indirect' (e.g. a payment to you, or a payment to a company owned by you).
- Your personal interest may not be a financial or pecuniary interest, though in many cases it is likely to be so. The interest can arise from your relationship with a third party who may benefit from or be positively or negatively affected by a decision of the APRIL Board (e.g. a decision to defer the implementation of a new policy that will adversely affect you or your associates).
- At this stage, it is helpful to refrain from considering the extent of the interest or the probability of the interest materialising (as these are questions of materiality considered below).

Is your personal interest 'material'?

Note that you are only legally required to disclose a 'material' personal interest and not all personal interests. The following guidelines are intended to help you form a view as to whether your personal interest in a matter before the APRIL Board is 'material'.

Determining whether your personal interest is material involves an assessment of the extent to which, or probability that, your personal interest would or could be seen to affect your decision making in relation to that matter in your capacity as a Director of APRIL. Where there is a 'real' and 'substantial' capacity for your decision making to be affected, or a perception that your decision making may be affected by the interest, your personal interest will be material.

When making this assessment, you should take the following into consideration:

- The type of the interest (e.g. financial/pecuniary, reputational, social/emotional);
- To whom would the potential benefit or detriment accrue? (e.g. would it affect you, your relative(s), or your close associate(s));
- The nature and remoteness of your interest (e.g. if you stand to profit from the board's decision, this would be more likely to be material than if you had a small minority shareholding in another company which may profit from that decision);

- The extent to which your personal interest could be expected to be affected by the action being considered by the Board (e.g. if the Board's decision is likely to result in you personally receiving the benefit of a \$1 million contract, this would be more likely to be material than a decision that would be likely to result in you receiving a marginally higher dividend from a company of which you are a small shareholder awarded that same contract); and
- In situations where the action being considered by the Board theoretically could, but in all probability would not result in a benefit or detriment to you — the probability or likelihood of such a benefit or detriment occurring.

It may be difficult to determine whether your own personal interests are in fact 'material'.

Breach of the legal obligation you owe to APRIL as a Director is a serious matter and can expose you to criminal prosecution or action to recover any losses suffered by APRIL or profits you might make. Accordingly, you should consider taking a conservative approach to disclosing your personal interests to the APRIL Board and deciding not to participate, or to allow the Board to collectively advise whether it considers the interest to be material. (Note that if the interest is material then a view of the Board that it is not material does not change the true position.)

The Board is able to consider the materiality of a disclosed personal interest (including in the presence of the Director who has disclosed the interest) and to determine whether it is material. These discussions and the Board's determination should (and, if the conclusion is that the Director does have a material personal interest, must) be minuted. Where the Board considers that the director does have a material personal interest, the requirements of the *Corporations Act 2001* (e.g. restrictions on participation and voting) will apply.

Monitoring

A Register of Directors Disclosures is maintained and reviewed at each Board meeting. Directors should inform the Company Secretary of any required updates to the Register as soon as practicable after they become aware that the Register needs updating.