Conflict of Interest Policy

1. POLICY STATEMENT

1.1 Lung Foundation Australia (LFA) has adopted this policy because modern standards of governance and accountability, across the whole range of corporate, not-for-profit and government bodies in the community, require a consistent and transparent approach to these matters.

The Board, committees, advisory groups, workforce, volunteers, and partner community regularly make decisions that may affect the interests of LFA and its stakeholders. It is essential for LFA to demonstrate its decisions are made independently and without any real or perceived influence from within or by external parties.

Effective governance relies not only on individual accountability but also on strong systems and processes that uphold transparency and integrity. These governance systems include clear procedures for identifying, declaring, and managing actual or perceived conflicts of interest within meetings and in decision making processes.

2. PURPOSE

2.1 The purpose of this policy is to set out how LFA deals with an actual, or potential, conflicts of interest of our Board, committees, advisory groups, workforce, volunteers, and partner community.

3. SCOPE

3.1 This policy applies to all LFA Board, Board Sub Committees, committees and working group members, employees, contractors, volunteers, consumer advocates and partners.

4. DEFINITIONS

4.1 For the purpose of this policy "Board" will be used to reference any member of an LFA Board or Board Sub Committee. "Advisory groups" will be used to reference any committees or working groups. Workforce will be used to reference any employees, contractors or volunteers. Volunteers may also include Consumer Advocates. Partner Community will be used to reference the broader group of organisations, businesses and individuals who collaborate with LFA to advance our mission.

5. POLICY

5.1 What is a "conflict of interest"?

A "conflict of interest" exists when a person's private interests - financial, professional, or personal, could improperly influence, or be perceived to influence, their judgement, decisions, or actions in their position as a Board or LFA committee member or as an employee, contractor, volunteer or partner.

A "conflict of interest" need not necessarily be financial; and may only be "indirect".

This policy outlines how conflicts are documented and managed.

6. COMPLIANCE AND ENFORCEMENT

6.1 Failure to disclose a "conflict of interest"

Failure to disclose a conflict of interest or comply with this policy may result in corrective action by LFA. Depending on the seriousness of the breach, actions may include:

- Formal Warning: A written notice outlining the breach, required corrective actions and expectations for future conduct.

- Restrictions on Participation: Temporary or permanent limitation from certain activities, committees, media opportunities, or roles.
- Removal from Position or Program: Ending involvement as an advocate, volunteer, committee member, or program participant where the conflict compromises trust or impartiality.
- Termination of Relationship: In cases of serious or repeated breaches, LFA may end the individual's engagement with the organisation.

LFA will assess each situation fairly and proportionately, ensuring decisions align with its commitment to transparency, integrity, and safeguarding public trust.

SCHEDULE A – BOARD, SUB COMMITTEES AND COMMITTEES

Examples of possible conflicts of interest

A conflict of interest may arise, for example, if the Board or Committee is considering a matter involving an outside party, and a Board or Committee Member (or their spouse, child, etc):

- is an employee or consultant of that outside party;
- holds shares (etc) in that party;
- is an office holder of that party;
- has received a research grant from that party;
- receives travel grants, conference expenses, gifts or hospitality from that party; or
- is intending to apply for any of those things.

In each of those cases, the existence of the outside relationship might possibly influence how the Board or committee member acts or votes.

1. Duty to inform the Group of potential conflicts of interest

Any Board or committee member has a duty to inform the other members ("the Group"), through the Chair, of any actual or potential conflict of interest which they might face in relation to the work of the Board or committee, and the nature of the conflict.

Some potential conflicts may ultimately be non-material; however, it is not for the individual member to make that determination. The Group must assess and decide whether a declared or perceived conflict requires action.

2. Procedures to consider the conflict

The Chair will be responsible for establishing a process that involves the remaining meeting members, to assess whether a conflict of interest does in fact exist and, if so, its significance and any action that needs to be taken. Depending on the circumstances, such a process may include:

a. discussion within the meeting itself.

b. the establishment of a specific committee to assess the issues.

If the actual or potential conflict involves the Chair, they should, after disclosing it to the meeting, vacate the Chair for the discussion that will follow. The members present may appoint an acting Chair for this purpose.

3. Member should not participate in the discussion

Once a declaration has been made, the member should leave the meeting room. The remaining members should then consider the disclosure in the individual's absence and decide:

a. whether a conflict of interest actually exists.

b. if so, its significance and likely impact on the item or items of business to which it applies; and

c. what action, if any, needs to be taken.

The remaining members may invite the member with the conflict to rejoin the meeting. The member may or may not be allowed to participate in the discussion and/or the decision. The member can be asked to leave at any time i.e. prior to or after the decision is made.

4. Notification of conflict by other members of Board or committee

If any Board or committee member believes that another member may have an undisclosed conflict of interest, they are entitled to raise the matter for consideration.

The members of the Board or committee may request the person be subject to the processes that apply when a conflict of interest has been declared.

In such situations, the most prudent initial step is for the member to leave the meeting room. This allows the remaining members to determine, in the individual's absence, whether the matter should be considered without them present, thereby ensuring the member cannot influence the outcome.

Minutes of meeting

The minutes of the meeting should record:

a. the fact the declaration was made
b. the process adopted by the Board or committee to deal with it; and
c. the conclusions of the Board or committee following their consideration of the matter, including any actions that were taken.

FOR BOARD OR BOARD SUB COMMITTEE

On appointment to an LFA Board or Sub Committee, members will be required to complete a "Consent to Act" Form.

All Board and Sub Committee members will be required to complete and keep up to date the Interests Register on BoardPro. Any new interests should be declared at the beginning of the next meeting. These interests will be kept in the BoardPro portal and are available for review by Directors of the Board, members of a Sub Committee.

FOR CLINICAL GUIDELINES COMMITTEE

LFA publishes clinical guidelines.

For committees responsible for developing or updating clinical guidelines, every committee member—and any individual listed as an author—must have their Conflict of Interest Declaration published in the Conflict of Interest Register. The register is presented as a table of declarations included in an appendix to the guidelines, accessible via a link provided within the appendix

SCHEDULE B – EMPLOYEES, CONTRACTORS OR VOLUNTEERS

Examples of possible conflicts of interest

Employees, contractors and volunteers must identify and disclose any potential conflicts of interest, including but not limited to:

- Financial interests in companies or organisations that do business with LFA
- Personal relationships with individuals or entities that may influence decision-making
- Outside employment or business activities that may conflict with their duties at LFA

1. Disclosure and Management

Employees, contractors and volunteers must disclose any potential conflicts of interest to their immediate manager or the General Manager, People and Culture.

The disclosure should include:

- A description of the conflict of interest.
- The nature and extent of the conflict.
- Any steps taken to mitigate the conflict.

The manager or General Manager, People and Culture department will review the disclosure and determine the appropriate action to manage the conflict, which may include:

- Reassigning duties to avoid the conflict
- Implementing additional oversight or review processes
- Requiring the staff member to divest from the conflicting interest.

SCHEDULE C – CONSUMER ENGAGEMENT AND PARTNER COMMUNITY

Examples of Conflicts of Interest

- Dual Representation: Serving as a Consumer Ambassador for LFA while also representing another lung health organisation in advocacy campaigns.
- Competing Roles: Volunteering for a cancer charity that promotes treatments or products not endorsed by LFA.
- Financial Interests: Receiving payment or sponsorship from a pharmaceutical company that supplies lung disease medications as an Ambassador of LFA and then forming a direct relationship with that company without prior permission or notification from and to LFA.
- Public Endorsements: Speaking publicly on behalf of another organisation in a way that conflicts with LFA's brand, messaging or priorities.

Examples of Good Practice

- Transparency: Informing LFA promptly when accepting a role with another lung health organisation.
- Proactive Communication: Disclosing any potential conflicts before participating in LFA events or media opportunities.
- Boundary Management: Avoiding situations where you speak on behalf of both organisations in the same forum.

Examples of Poor Practice

- Non-Disclosure: Failing to inform LFA about involvement with another organisation until after a conflict arises.
- Mixed Messaging: Using LFA platforms to promote another organisation's programs or products.
- Influence on Decisions: Allowing external affiliations to affect advice or input provided to LFA committees or projects.

1. Disclosure and Management

Please notify LFA in writing by emailing [insert LFA contact email] as soon as the conflict arises. Include details of the organisation, your role, and the nature of the involvement.

Steps to be taken by LFA to mitigate the conflict:

- Acknowledgement: LFA may note the conflict and allow continued involvement if there is no risk to impartiality.
- Conditions: LFA may set boundaries to manage the conflict (e.g., limiting participation in certain activities).
- Reassignment or Withdrawal: In cases where impartiality cannot be maintained, LFA may request reassignment of duties or withdrawal from specific roles.

This process ensures that all activities uphold LFA's commitment to trust and fairness.

- Financial Interests: Receiving payment or sponsorship from a pharmaceutical company that supplies lung disease medications as an Ambassador of LFA and then forming a direct relationship with that company without prior permission or notification from and to LFA.
- Public Endorsements: Speaking publicly on behalf of another organisation in a way that conflicts with LFA's brand, messaging or priorities.