

CHILDFUND AUSTRALIA

Conflict of Interest Policy

Policy Objectives

To enable ChildFund to conduct its activity with high standards of personal and corporate integrity

To assist all employees and Directors to understand what is expected of them in relation to real, potential or perceived conflicts of interest

Underlying Principles

- ChildFund aims to be a good corporate citizen and will comply with the laws and jurisdictions where it conducts its activity or has any presence.
- At all times Directors and employees will put the needs of beneficiaries, stakeholders and the organisation first.
- All beneficiaries, employees, sponsors & donors, partners and other stakeholders are entitled to be treated fairly
- Vendors and suppliers will be selected on the basis of quality, service and cost only
- All employees and Directors will act in a manner consistent with the vision, mission and values of ChildFund and will comply with the ACFID Code of Conduct to which ChildFund is a signatory.

Policy

ChildFund employees and Directors are required to take reasonable steps to avoid a conflict of interest. Where actual, perceived or potential conflicts of interest arise employees and Directors will make a full and frank disclosure to their supervisor or manager (in the case of employees) or the Chairperson (in the case of Directors and the CEO) or the Deputy Chairperson (in the case of the Chairperson). If employees or Directors are in any doubt about whether to disclose a potential conflict of interest they have an obligation to consult their supervisor or the Chairperson.

What is a conflict of Interest?

A conflict of interest occurs where the interests or personal circumstances of an employee or Director could influence, or could be perceived as influencing, the performance of their duties.

Examples of conflicts of interest

Conflicts of interest may arise in the following situations:

- Related party transactions that could benefit or could be perceived as benefiting Directors or employees
- Awarding of contracts or procurement of goods and services where favour is shown to a supplier
- Personal and family relationships of Directors or employees where a perception of unfair advantage could arise

- Use of ChildFund Australia facilities and equipment for personal or third party interests
- Use of official information where internal ChildFund Australia information is knowingly or unwittingly shared with a third party
- Providing favour to allied religious, ethnic or family groups
- Secondary employment where engagement in outside employment is at odds with fulfilment of the individual's ChildFund responsibilities

Specific instances where conflict of interest may arise & relevant guidelines

Board and staff involvement in other aid agencies

Directors are permitted to be involved with other aid agencies provided these are not in direct competition with ChildFund regarding sponsor acquisition (for example - World Vision). Employees are expected to advise their supervisor where they have, or are considering, an involvement with another aid agency. The supervisor or manager will determine whether or not a real or perceived conflict of interest exists such as to limit, compromise, or impede the employee's ability to carry out their duties impartially.

Directors applying for executive roles

Directors intending to apply for executive positions must notify the Board before applying and resign from their role as a Director. If the application is unsuccessful the Board may reappoint the recently resigning Director after one year has passed. At times it may be prudent for a Director to step temporarily into the management position until a suitable full time replacement is found. In this case the Director involved is not required to resign from the Board.

Operational issues

Directors are generally not to be engaged in operational matters unless sanctioned by the Board or invited to help by the CEO or other senior staff.

Travel expenses & cash allowances

(Refer to the Travel Policy.)

Directors' commitments of ChildFund resources

Individual Directors are not authorised to commit the resources of ChildFund without Board or CEO approval.

Gifts, entertainment and non-financial incentives

Gifts, entertainment and non financial incentives should not be given or received if they create a feeling of obligation.

Giving or accepting reasonable entertainment such as meals, theatre parties or events by Directors and executive staff is acceptable if it advances the work of ChildFund and is without conflict of interest

Employees are not to give gifts, payments, discounts or services unless they are of nominal value and appropriate to the circumstances.

Any gift or entertainment given or received by an employee or Director in excess of \$250 must be reported to the supervisor or manager (in the case of an employee) or the Chairperson (in the case of a Director).

General procedure for handling conflicts of interest

When a Director discloses a conflict of interest to the Chairperson, the Chairperson will bring the matter to a Board meeting. The Director concerned will not be present at a Board meeting, while the matter is being considered nor vote on the matter unless Directors who do not have such an interest in the matter agree that the interest should not disqualify such Director from being present. The minutes of the meeting will record the decision taken by the Directors who do not have an interest in the matter.

When an employee discloses a conflict of interest to their supervisor or manager the supervisor or manager will determine whether or not the matter constitutes a conflict of interest and the action to be taken. In making a determination the manager or supervisor may choose to discuss the matter with senior managers or Directors and may request the Chairperson that the matter go to the full Board for decision.

Policy Breaches

An employee or Director who breaches the Conflict of Interest Policy faces disciplinary action, which may lead to dismissal, and/or legal action and/or information being passed to relevant authorities.

Any employee or Director who suspects a breach, must, in the first instance, report the matter to their supervisor (in the case of an employee) or to the Chairperson (in the case of a Director). No action will be taken against any employee or Director reporting, in good faith, a breach of this Policy.