

POLICY AGAINST CONFLICTS OF INTEREST

Approved on: 2019-April-04
Approved by: Executive Board
Version: 1
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Next review: 2024
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Binding on:

- All employees of Welthungerhilfe (Association and Foundation)
- All employees, executives, and committee members of partner organisations
- All employees, executives, and committee members of social businesses
- All freelancers working for Welthungerhilfe
- All persons and groups volunteering for Welthungerhilfe
- All suppliers and service providers of Welthungerhilfe

The current applicable version of this document is available in the intranet <https://bit.ly/2J5QvPH> and on the webpage www.welthungerhilfe.org/code-of-conduct.

1. Introduction

Welthungerhilfe¹ is aware that its work, reputation, and credibility can be damaged if Employees or Contributors have conflicts of interest. In addition, conflicts of interest often lead to various forms of corruption², e.g. bribery.

2. Objectives

The objectives of this Policy are to:

- promote the prevention of conflicts of interest by establishing rules of conduct for avoiding and combatting them.
- make it easier to identify misconduct by describing where conflicts of interest can arise;
- inform third parties about the conduct they can expect from Welthungerhilfe's Employees and Contributors; and
- express existing contractual obligations in clear terms.

3. Scope

The provisions of this Policy apply to:

- a) Welthungerhilfe (Association and Foundation) employees, regardless of their type of contract (including full-time employees, temporary personnel, interns and personnel on loan), the scope of their responsibilities and the location of employment.
- b) Employees, executives, and committee members of partner organisations³ receiving material or non-material support from Welthungerhilfe.
- c) Employees, executives and committee members of social businesses that Welthungerhilfe holds shares in.
- d) Freelancers working for Welthungerhilfe on a contractual basis.
- e) People and groups volunteering for Welthungerhilfe (e.g. members of the Programme Advisory Committee or action groups).
- f) Suppliers and service providers for Welthungerhilfe.

Members of the Association's bodies (the General Assembly, Supervisory Board, and Executive Board) of Welthungerhilfe as well the Foundation's Executive Board and management commit themselves to respecting this Policy. Hereinafter, the persons specified in points b) through f) above are referred to as Contributors.

This Policy applies worldwide, serving as the minimum standard for each and every Employee and Contributor. It complements Welthungerhilfe's Code of Conduct as well as the policies, international standards, and codices mentioned therein. Employees and Contributors must also observe the laws

¹ **Welthungerhilfe:** this term refers to both the association Deutsche Welthungerhilfe e.V. and the foundation Deutsche Welthungerhilfe.

² **Corruption:** the abuse of power for private gain or for the benefit of an individual. Corruption can be both material and immaterial. This includes offering, awarding, requesting, and receiving financial or material gifts, loans, rewards, supplies, or other advantages to or from a third party as an incentive to do something that would be considered dishonest, illegal, or a breach of confidence within the context of normal business practices.

³ **Partner organisations:** all local, national, and international partners who have signed a memorandum of understanding or a partnership agreement with Welthungerhilfe, including community-based organisations, civil society groups, non-governmental organisations and advocacy partners.

that prevail at their place of deployment. In the event of discrepancies, the stricter standard will prevail.

Welthungerhilfe will not be liable for the actions of Contributors who violate this Policy despite having previously given their agreement to the Policy in writing.

4. Definition

A **conflict of interest** exists if someone has competing professional and/or private interests. Welthungerhilfe considers a conflict of interest to be present if Employees or Contributors cannot make impartial and objective decisions or fulfil their professional responsibilities due to the influence of private, familial, political, economic, or other interests, whether such influence is real, potentially real or merely apparent. A conflict of interest also occurs if Employees or Contributors:

- can use their professional position for personal gain or benefit;
- act against Welthungerhilfe's interests, whether at work or elsewhere; or
- act in ways that could give them a disproportionate advantage that contravenes the principles of free economic competition.

Employees' and Contributors' personal interests include all benefits to themselves, their friends, their families, or other relatives. This includes individuals or organisations with whom they have past or current business or political relationships.

5. Rules of Conduct

All Employees and Contributors must avoid both real and perceived conflicts of interest. Employees or Contributors who have an actual or perceived conflict of interest must report it to Welthungerhilfe. All conflicts of interest that others are found to have must also be reported to Welthungerhilfe (see § 6). Where there is any doubt, the Compliance Unit can offer guidance.

5.1 Unacceptable Behaviour

There are some types of behaviour by Employees or Contributors that Welthungerhilfe will not tolerate under any circumstances, including, but not limited to, the following:

- Using or invoking their position within Welthungerhilfe for personal gain or for the benefit of third parties.
- Making public procurement decisions where there are any conflicts of interest.
- Accepting presents or other benefits from partner organisations, or from business partners of Welthungerhilfe, that have a total value exceeding EUR 40 per year and that are used for private purposes (see *Organisational Directive Employment Conditions for Domestic Employees/ Staff working abroad, §11/ §13, Rewards and Gifts*).
- Participating in political or religious activities as a representative of Welthungerhilfe unless permitted to do so by the Executive Board.
- Participating in activities or becoming a member of organisations, alliances, and associations with goals and activities that conflict with or undermine the objectives, values, and reputation of Welthungerhilfe.
- Utilising confidential information⁴ acquired in the context of their contractual relationship with Welthungerhilfe for personal gain or for the benefit of third parties.
- Favouring friends or relatives when awarding jobs and contracts.
- Favouring Employees or Contributors at work who are friends or relatives.

⁴ **Confidential information:** any data and information that is not publicly available.

Actual or perceived conflicts of interest facing Employees or Contributors must be promptly removed. If they cannot or do not wish to do so, the instructions laid out in § 5.2 must be followed. Conflicts of interest can be eliminated by measures such as:

- Leaving the executive board of a donor organisation, giving up other public activities, or declining to employ family members.
- Abstaining from voting on or participating in decisions that affect the procurement procedure in question.

5.2. Conduct Requiring Guidance

Employees and Contributors must consult with Welthungerhilfe before engaging in certain actions and becoming involved in certain situations, including but not limited to the following:

- Undertaking business activities for the benefit of third parties where those activities are in a similar field to those undertaken by Welthungerhilfe.
- Pursuing external employment (e.g. with a supplier or service provider) or other activities outside of Welthungerhilfe that conflict with or undermine the activities, values, and reputation of Welthungerhilfe.
- Using Welthungerhilfe's name, logo, or photos.
- Holding a membership in organisations, on boards of directors, or in evaluation committees of donor institutions from which Welthungerhilfe is requesting or already receiving funding.
- Sitting on the executive board, supervisory board, or advisory board of a commercial enterprise, a non-profit organisation, or a foundation that works in a similar field of business.
- Sitting on the executive or supervisory committees of partner organisations.
- Employing family members or awarding contracts to them.
- Owning or participating in an enterprise, or being a member of an organisation, that is in a business relationship with Welthungerhilfe (this also applies to family members or close relatives of Welthungerhilfe's Employees).
- Undertaking paid work (such as giving lectures, training sessions, or public presentations) during working hours, i.e. while on Welthungerhilfe's clock.
- Hiring project participants⁵ to provide private services (e.g. housekeeping)⁶.
- Engaging in sexual relationships with project participants. Welthungerhilfe strongly discourages such relationships because they undermine the credibility and integrity of its work (see *Policy against Sexual violence*).
- Engaging in sexual relationships with superiors or subordinates.

If Employees and Contributors have an actual or perceived conflict of interest that they are unable or unwilling to remove, they must report it. To whom such a conflict of interest must be reported depends on who the actual or perceived conflict of interest has arisen for.

Employees: Conflicts of interest must be reported to their line manager or the Human Resource Unit at Welthungerhilfe's Head Office.

Members of association bodies: Conflicts of interest must be reported to a member of the general committee.

⁵ **Project participants:** target groups (beneficiaries) of programmes and projects implemented by Welthungerhilfe or its partner organisations; members of communities in which Welthungerhilfe and its partner organisations are active; anyone who is actively participating in programmes or projects of Welthungerhilfe or its partner organisations and who is not categorised as either an Employee or a Contributor.

⁶ It is essential to ensure that the employment of project participants cannot be perceived as an abuse of power and/or favouritism and that their working conditions do not fall below locally-accepted standards, regardless of whether they are subject to local laws.

Contributors: Conflicts of interest must be reported to the Contributor's Welthungerhilfe contracting authority. Outside of Germany this is invariably their local Welthungerhilfe country directorate.

The person who receives the report will decide how to proceed in dialogue with the person who submits it. In addition, they will report the conflict of interest to the Compliance Unit at Welthungerhilfe's Head Office, which can also offer guidance in such cases.

6. Reporting Requirements and Consequences for Violations

Anyone with concerns, suspicions or knowledge of incidents regarding violations of this Policy is obligated to immediately report them to the Compliance Unit at Welthungerhilfe's Head Office (complaints@welthungerhilfe.de). Any report submitted to management or via national complaint lines to Welthungerhilfe must be passed on by them to the Compliance Unit. Welthungerhilfe also offers anonymous reporting online or via a telephone hotline for whistle-blowers. All information regarding breaches of this Policy is treated as strictly confidential in accordance with the Organisational Directive on Whistleblowing. Nobody who reports violations or submits information regarding violations with honest intent, needs to fear any disadvantage or other consequences, even if the report later turns out to be unfounded. It is not the responsibility of the Employees and Contributors or the whistle-blowers to conduct investigations, deliver evidence, or determine whether or not conflicts of interest exist.

Deliberately false accusations made for the purposes of harming others will not be tolerated. The failure to report an incident will also constitute a violation of Welthungerhilfe's policies.

Violations of this Policy may result in disciplinary measures, up to and including immediate termination and/or the annulment of cooperation agreements. Welthungerhilfe will report criminal offences in compliance with applicable laws.

Additional information is provided in the following documents:

- *Complaints Response Mechanism Policy*
- *Organisational Directive on Whistleblowing*

Internet: www.welthungerhilfe.org/complaints

Confidential e-mail address: complaints@welthungerhilfe.de

Whistleblowing hotline: +49 (0)228 2288 577

The Policy has been approved by the Executive Board on 04. April 2019



Mathias Mogge
Secretary General



Christian Monning
Chief Financial Officer