

# CONFLICT OF INTEREST POLICY



Terre des  
Hommes

<b>Title</b>	Conflict of Interest Policy
<b>Target Group</b>	TdH NL Board members, Executive Team, staff, volunteers, consultants, trainees, and all other stakeholders.
<b>Owner</b>	TdH NL Managing Director (MD)
<b>Function</b>	TdH NL Manager Integrity & Compliance (I&C)
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<b>Date for review</b>	March 2025

For questions or reporting, contact [integrity@tdh.nl](mailto:integrity@tdh.nl)

# **CONFLICT OF INTEREST POLICY**

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## 1. Introduction

Terre des Hommes Netherlands and its related entities (Terre des Hommes Winkels, independent Terre des Hommes shops, Stichting ICS and the Terre des Hommes country office, together 'TdH NL') requires its Supervisory Board, Executive Team, managers, staff, volunteers, consultants ('TdH Members'), as well as suppliers and partners to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The Supervisory Board recognises that it is entrusted with resources devoted to charitable purposes and has therefore adopted this Conflict of Interest Policy in order to protect TdH NL's interests.

This Conflict of Interest Policy sets the standards expected from the TdH Members, as well as significant external stakeholders such as suppliers and potential implementing partners.

The contents of this policy are reviewed annually.

## 2. Definitions

**Executive Team:** The management team consisting of the Managing Director, Director of Operations and Director of Programmes.

**TdH Member:** Any Supervisory Board member, employee, volunteer or consultant of TdH NL.

**TdH NL:** Terre des Hommes Netherlands (including the country offices), Terre des Hommes Winkels, independent Terre des Hommes shops and Stichting ICS.

## 3. Policy Statement

A conflict of interest arises when an individual could be or is influenced by personal considerations in the course of doing his or her job. This introduces the risk that decisions are made for the

wrong reasons - financial or other personal rewards may adversely influence objectivity, integrity or professional commitment and can lead to unfair advantages or fraud.

It is expected that TdH Members will have interests outside of TdH NL. This is not necessarily a problem, but they should be disclosed so that any potential biases can be taken into account.

A potential or actual conflict of interest occurs whenever a TdH Member is in a position to influence a decision that may result in any direct or indirect personal gain for themselves, any other employee, board member, volunteer or an immediate family member.

Risks to TdH NL from conflicts of interest can arise, but is not limited to:

- from personal interests within TdH NL e.g. a married couple who are both TdH NL employees. If one is the line manager of the other, s/he may not be diligent in following procedures;
- between TdH Members and suppliers e.g., a staff member who hires his/her relative as a consultant or a staff member who is an owner in a business that is a potential supplier to TdH NL;
- between a TdH Member and other organisations, including government institutions and NGOs e.g., a staff member who invites their relative who works for Children Services to facilitate a workshop;
- between a TdH Member and potential implementing partners e.g., a staff member whose relative runs an NGO that is an implementing partner;
- within the implementing partner organisations and others e.g., a partner organisation that uses TdH NL or donor funds to hire a consultant who is related to one of their staff members;
- from a TdH Member who is involved in leadership and/or governance of other NGOs, local and international organisations e.g., a staff member is founder or Board member of other organisations whether they operate in the same sector as TdH NL or not.

Conflicts of interest adversely affect TdH NL's reputation and its effectiveness in attaining value for money. Perceived conflicts of interest could be as damaging to TdH NL's reputation as actual occurrences, even when the right decisions are being

made.

TdH Members must safeguard themselves as well as TdH NL against any risk of conflicts of interest. It is particularly important that TdH NL actively manages any conflicts of interest because of the high expectations of TdH NL's donors and partners.

## 4. Disclosure

### Internal members

TdH NL requires that if a TdH Member has had a professional relationship (either prior or current) with a potential supplier, consultant or implementing partner, this should be disclosed before any decision-making process is started. If a TdH Member is running for a political office, they must disclose this.

TdH NL Members are committed to making a prompt, full and honest conflict of interest disclosure to TdH NL regarding any relationship or commitment that could affect the impartial fulfilment of their roles in the work of TdH NL. Prompt disclosure is considered to mean a complete disclosure before start of employment and, during employment, as soon as possible conflicts arise.

Former affiliations and indirect associations should also be disclosed. Such disclosures shall include all relevant and material facts known to such a person about the contract or transaction that might reasonably be assumed to hurt TdH NL's interests. [The Conflict of Interest Statement](#) should be completed by each TdH Member when entering the organisation, together with signing the Employment Contract and the Code of Conduct in order to disclose any on-going relationships and interests that may present a conflict of interest.

The primary obligation of any TdH Member regarding a potential conflict of interest is to bring to the attention of their manager and the Manager of Integrity & Compliance so that it can be evaluated and addressed. A TdH Member should not make the decision about whether a conflict of interest exists, but should report the potential conflict for investigation by the appropriate designated parties.

The TdH Member shall make an appropriate disclosure of all material facts prior to and at any time that an actual or potential conflict of interest arises. The disclosure should be made to the

employees' line manager and to the Manager of Integrity & Compliance (via [integrity@tdh.nl](mailto:integrity@tdh.nl)) and, in the case of the Supervisory Board, to the Chair of the Supervisory Board.

### Recruitment

If any family member or relative is applying for a position within TdH, the family member should immediately disclose this to the hiring committee and, if necessary, remove themselves from the recruitment panel. If any relation, former colleague, friend, etc is applying for a position within TdH, the TdH Member should disclose this fact to the recruitment panel. The recruitment manager should then decide if the TdH Member can be a part of the recruitment process or if they should be removed. The recruitment manager should consider the nature of the relationship, and whether it is likely to influence the recruitment panel.

### Gifts

Offering and accepting small gifts can improve a legitimate business relationship. However, it is important that the reason for giving a gift is transparent and cannot be misinterpreted. Any gifts with a value of more than €50 received from suppliers or partners must be disclosed to the Manager of Integrity & Compliance. If the gift is from a partner and it was purchased with TdH NL funds (e.g., t-shirts or IEC materials) this does not have to be disclosed. Any gifts with a value of more than €50 may not be exchanged between staff members, and if this happens it should be reported. In any event a member of the staff may not give a gift of a value greater than €20 to a manager.

### Meetings

Meetings including Board meetings, IMT meetings, recruitment meetings, partner selection processes, tender and procurement meetings should include an item on Conflicts of Interest at the beginning of the meeting agenda. During this part of the meeting, the chair should invite all those present to declare any conflict of interest or potential conflict of interest they may have for any item of the agenda. This should then be recorded in the minutes of the meeting along with the mitigating actions.

### External parties

Potential implementing partners should be asked to disclose any conflicts of interest to the budget holder by signing a [Conflict of Interest Declaration form](#) before signing a Partner agreement. This disclosure will be shared to the Manager of Integrity

& Compliance for record-keeping and will be included on the Conflict of Interest Register.

## 5. Annual reporting

TdH Supervisory Board Members, Executive Team Members, Country Directors, Regional Directors and Global Support Team Managers are required to complete a [Conflict of Interest Statement](#) annually, or more frequently if their interests change. Volunteers and staff are not required to complete this annual statement, but are required to report conflicts as they arise.

Annual reporting will be carried out during the annual employee performance review cycle. The performance reviews for required personnel will only be accepted if accompanied by an updated Conflict of Interest Statement.

Annual reporting of the Supervisory Board will be taken during the first Board meeting of each calendar year.

## 6. Record-keeping

During the on-boarding of all staff (globally), they will be required to complete a [Conflict of Interest Statement](#).

The Global HR Department will keep a listing of all conflicts of interest disclosed by TdH Members during their onboarding and/or annual performance reviews. This will be kept in a Conflict of Interest Register. To protect the privacy of the employees, only their name will be recorded on this register and the register will only be shared on a need to know basis, for example, with the Finance Team and Integrity & Compliance Team. HR will also, annually, send a reminder to all Managers, Executive Team and Supervisory Board Members to request that they complete an updated Conflict of Interest Statement.

## 7. Procedures

### Existence of conflict of interest

After disclosure by a TdH Member of any potential

conflict of interest, a determination must be made about whether a material financial interest, self-dealing transaction or other kind of actual conflict exists.

If a disclosure is first made during a Supervisory Board meeting, the TdH Member must leave the meeting while the determination of whether a conflict of interest exists is discussed and voted upon by the remaining members of the Supervisory Board.

If a disclosure is made separately, it will be reported to the Manager of Integrity & Compliance. The Manager of Integrity & Compliance will gather all relevant information in discussion with the TdH Member and, where necessary, their direct manager.

Factors that must be considered in determining if an actual conflict of interest exists or not are, among others:

- The proximity of the TdH Member to the decision-maker of the other entity involved in the transaction;
- Whether the amount of the financial interest or investment is higher than €50;
- The degree to which the TdH Member might benefit personally if a transaction were completed.

The Manager of Integrity & Compliance will make a decision regarding a potential conflict of interest. The steps taken, reasoning and decision will be documented in an internal memo. If it is determined that no conflict of interest exists, the memo will be stored in a restricted folder in Google Drive. This determination will also be recorded in the Conflict of Interest Register. If it is determined that a conflict of interest does exist, the memo will be passed to the Executive Team for a decision whether to proceed with the transaction or not.

### Decision to proceed

If a conflict of interest is determined to exist and a transaction with the interested party is being considered, a decision must be made as to whether the transaction should be allowed to proceed.

The Manager of Integrity & Compliance will present their memo to the Executive Team. If any member of the Executive Team is involved in the potential conflict of interest, they must excuse themselves from all discussions and decisions.

The Executive Team may choose to talk with the TdH Member to gather more information. However, the TdH Member must not be present when the Executive Team is discussing its decision.

The Executive Team must consider if it is possible and advantageous for TdH NL to obtain the same goods/services from another entity that does not have a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under the circumstances without a conflict of interest, the Executive Team must decide if the proposed transaction is within TdH NL's best interest and whether it is fair and reasonable.

The Executive Team will, based on the above facts and circumstances, reach a decision whether to proceed with the transaction or not. All discussions and decisions must be documented in minutes of meetings. The decision will be communicated back to the Manager of Integrity & Compliance within 2 working days.

## 8. Violations

**If anyone becomes aware of a situation where there may be a conflict of interest, they are requested to file a report through the Speak Up system (see [Speak Up Manual](#)).**

If a report is made or otherwise if there is reasonable cause to believe that a TdH Member has failed to disclose actual or potential conflicts of interest, the Manager of Integrity & Compliance shall discuss together with the Executive Team. The Executive Team may choose to perform an investigation to learn more information.

The TdH Member shall be given an opportunity to explain the alleged failure to disclose.

If, after making further investigations and after hearing the TdH Member's response, the Executive Team determines that the TdH Member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective actions, in accordance with the TdH NL Staff Handbook section 3.4 Disciplinary Measures.

Agreements and contracts with any suppliers, consultants or partners who have not disclosed a conflict of interest will be reviewed and may be terminated.

# Annex I - Sample Declaration of Interest – Staff, Board Members and Consultants

**Do you or your close family have any financial or other interest in the subject/matter of the work in which you are involved, which may be considered as constituting a real, potential or apparent conflict of interest?**

**NO**    **YES**

If yes, please indicate details below

**Type of interest, e.g., shares, employment, association, payment**

**Name of viable entity**

**Belongs to you or close family**

**Current interest? (Or date ceased)**

I, \_\_\_\_\_

hereby declare that I have read and understood the Conflict of Interest Policy. I declare that neither I nor my close family have any personal or business interest in, or potential for personal gain from the organisation or projects other than those disclosed above and that the disclosed information is correct and that no other situation of real, potential or apparent conflict of interest is known to me. I undertake to inform you of any change in these circumstances, including – if an issue arises – during the course of my association with Terre des Hommes Netherlands or its related entities.

**Signature**

**Date:**

D	D	M	M	Y	Y	Y	Y
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# Annex II - Sample Conflict of Interest Statement - Supplier

I, \_\_\_\_\_ hereby declare that I have read and understood the Conflict of Interest Policy. I declare that neither I nor my close family have any personal or business interest in, or potential for personal gain from Terre des Hommes Netherlands projects and that the disclosed information is correct and that no other situation of real, potential or apparent conflict of interest is known to me. I undertake to inform you of any change in these circumstances, including – if an issue arises – during the course of my association with Terre des Hommes Netherlands or its related entities.

## Signature

## Date:

D	D	M	M	Y	Y	Y	Y
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# Annex III - Sample Conflict of Interest Statement - Partners

On behalf of my organisation, \_\_\_\_\_, I declare that I am not aware of any personal or business relationships with any staff or board member of Terre des Hommes Netherlands or its related entities. I also commit to informing the Manager of Integrity & Compliance at Terre des Hommes Netherlands if this situation changes.

## Signature

## Date:

D	D	M	M	Y	Y	Y	Y
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