

THE GBVF RESPONSE FUND1

NPC Reg. No. 2021/359277/08

Contact Details: info@gbvresponsefund1.org

Ethics and Conflict of Interest Policy

July 2021

SIGN OFF AND REVIEW

		Date
Reviewed by	Audit and Risk Committee	21 June 2021
Approved by	Board of Directors	09 July 2021

THE GENDER-BASED VIOLENCE AND FEMICIDE (GBVF) RESPONSE FUND1:

ETHICS AND CONFLICT OF INTEREST POLICY

1. INTRODUCTION

1.1 The GBVF Response Fund1 (Fund) was established as part of the national response to the scourge of gender-based violence in South Africa. The Fund exists to coordinate financial resources to support relevant programmes and campaigns to eradicate GBVF as articulated in the South African National Government National Strategic Plan (NSP), by serving as a vehicle through which individuals and organisations are able to pledge their support, by making donations to the Fund and / or specific initiatives which are supported by the Fund.

1.2 The Board is committed to doing business in an honest and ethical manner. The Board recognises the need to ensure that all business relationships are founded on professional principles and that relationships are kept at arm's length, meaning that the parties in the relationship are independent and otherwise unrelated.

2. PURPOSE AND SCOPE

2.1 The purpose of this Policy is to provide a framework for the prevention of conflicts of interest as far as reasonably possible. Where conflicts are unavoidable, the policy provides guidelines on how to deal with the conflicts in an ethical and responsible manner and mitigate potential risks.

2.2 In addition the policy is intended to ensure fairness and a high standard of conduct and performance in the Fund's decision-making processes to protect the reputation and integrity of the Fund and its interests, and to ensure broad public trust and confidence in the Fund's ability to properly manage its activities.

- 2.3 This policy applies to all directors, officers, employees, intermediaries, third parties and business partners of the Fund (when engaging in activities for and on behalf of the Fund).

3. DEFINITIONS

- 3.1 A potential conflict arises whenever a director, officer, employee, intermediary, third party and / or business partner has an interest in, or connection with, an organisation with which the Fund transacted or might transact (or with individuals associated with such organisation) or has an interest in an unrelated business that does not necessarily transact or intends transacting with the Fund and where that interest is of such a nature that it might influence the independent judgement of the person or detract the person from devoting his/her full time efforts during business hours towards the business of the Fund.
- 3.2 A conflict of interest may be actual/direct, potential, perceived or indirect, defined as follows:
- 3.2.1 **Actual/direct conflict of interest** – where a person is in a position to be influenced by their private interests when doing their job or performing their duties and faces a real and existing conflict of interest.
- 3.2.2 **Potential conflict of interest** – Where a person is in a position where they may be influenced in the future by their private interests when executing their roles and responsibilities.
- 3.2.3 **Perceived conflict of interest** – where a person is in a position to appear to a neutral third-party observer to be influenced by their interests in executing their job or duties, even if it is not an actual or potential conflict of interest.
- 3.2.4 **Indirect conflict of interest.** The interest may be that of another person such as

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a relative or friend of the official or employee, or that of an organisation in which the official or employee or such other person as an interest.

3.3 Conflicts of interest are not limited to direct financial interests. They extend to accepting business courtesies and having private business interests in organisations that might do business with the Fund, and affiliations with non-profit organisations.

3.4 It is not possible to enumerate all situations which could constitute a conflict. The fact of each situation will determine whether the interest in question is such to bring it within the area of potential conflict.

4. EXAMPLES OF CONFLICT OF INTEREST

4.1 Although not exhaustive, employees must refrain from the following which the Fund deems to be likely to result in an unacceptable conflict of interest:

4.1.1 Officials or employees giving preferential or unfair treatment to any person or organisation in the exercise of their roles and functions. Giving preferential or unfair treatment contravenes or distorts relevant impartial administrative processes underlying initiatives financed by the Fund.

4.1.2 Officials or employees do not use the information they obtain in their roles and functions, if that information is not already available to the public, to further, or seek to further, their own private interests or those of associated persons or organisation, or to improperly further, or to seek to improperly further, another person's private interests.

4.1.3 Officials or employees do not use their roles and functions to seek to influence a decision of another person to further their own private interests or those of associated persons or organisations, or to improperly further another person's private interests.

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- 4.1.4 Close relationships with people in organisations with which the Fund does business and in reporting structures within the Fund (for example family members or friends reporting to one another). It therefore follows that an employee must recuse himself/herself and should not be involved in the hiring decision, supervision, management or career planning of an employee's spouse, family member or close friends.
- 4.1.5 Activities that compete significantly for resources such as time and facilities. This could include non-Fund work (for gain or not for gain) positions and memberships outside the Fund. All other activities should be declared in writing and approved by the Board.
- 4.1.6 Provision of direct or indirect services or services to the Fund by employees on a commercial basis is regarded as a significant conflict of interest. As such, no Fund employee or together with family members, partners or other business associates will be allowed on the Funds vendor list.
- 4.1.7 Holding investments or financial interests, directly or indirectly in businesses contracting or seeking to do business with the Fund.
- 4.1.8 Undue privilege derived by Fund employees and officials, family members or close friends as a result of being party to valuable information, receiving or giving gifts or entertainment that might place the employees and officials under an obligation to reciprocate or being offered business or other opportunities.

5. DECLARATION OF CONFLICT OF INTEREST

- 5.1 Officers and employees may not put themselves in a position where their personal interests' conflict or could in future conflict with the Fund's interests. Where conflicts of interest or potential conflict of interests cannot be avoided, or the officer or employee wants to make a case for working within a situation that represents a conflict of interest the following procedure applies:

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- 5.1.1 Any case that could represent a conflict of interest must be declared in writing.
- 5.1.2 Officers or employees must obtain prior written consent from the CEO or the Board (in respect of Board members).
- 5.2 Consent pertaining to an actual or potential conflict of interest should only be granted if:
 - 5.2.1 It is declared in writing and supported by a written risk mitigation plan and relevant controls;
 - 5.2.2 It can be responsibly managed without prejudice to the Fund; and
 - 5.2.3 It is not in conflict with a material Fund interest.
- 5.3 Any approval granted must be resubmitted and reviewed annually. Furthermore, employees will be required to confirm once a year that they have fully declared all interests during the year or augmented their declarations as part of the annual declaration.
- 5.4 Directors and other officers required to do so by law must record the required matters annually in writing; at relevant meetings and when contracting in writing to the Board and/or Board Committee on which they serve. Declarations required by law must be recorded in the format required in terms of the applicable legislation and entered into the register managed by the Company Secretary.
- 5.5 In addition to obtaining approval for and declaring a conflict of interest, the officer or employee is expected to declare this conflict in every instance where it has relevance. They are also expected to refrain from participating in business activities related to the declared conflict of interest.
- 5.6 Officers and employees should demonstrate that they have taken all reasonable steps

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to observe relevant standards and good practices of impartiality, procedural fairness and transparency applicable to their roles and functions.

6. MANAGING CONFLICT OF INTEREST AT THE BOARD LEVEL

- 6.1 At the beginning of each Board or sub-committee meeting, all members have to declare whether any of them has any conflict of interest in respect of a matter on the agenda. Subject to legal provisions, any such conflicts should be managed proactively, as determined by the Board.
- 6.2 If a director of the Fund has a personal financial interest in a matter to be considered at a board meeting, or knows that a related person has a personal financial interest in the matter, the director must, among other things, disclose the interest and its general nature to the board before the matter is considered at the meeting. If the director is present at the meeting, he or she must then leave the meeting immediately after making the required disclosures. The director may not vote on the matter in question.
- 6.3 Where the Chairperson of a board or board committee has a conflict of interest or a perceived conflict of interest that may impact on that chairperson's independent decision making, a lead independent director must be appointed by the remainder of the board or board committee to chair that specific meeting.
- 6.4 Directors must be particularly careful to avoid representing the Fund in any transaction with any party with whom there is any outside business affiliation or relationship. They must also avoid using their Fund contacts to advance their private business or personal interests at the expense of Fund.
- 6.5 The minutes of any Board meeting at which a matter involving a conflict of interest or

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potential conflict of interest was discussed or voted upon shall include:

- 6.5.1 the name of the interested party and the nature of the interest;
- 6.5.2 the decision as to whether the interest presented a conflict of interest;
- 6.5.3 any alternatives to a proposed contract or transaction considered by the board;
and
- 6.5.4 if the transaction was approved, the basis for the approval.

7. GIVING AND RECEIVING OF GIFTS AND ENTERTAINMENT

- 7.1 The Fund will ensure objectivity in all business transactions and decision-making. Therefore, employees and officials must not give or accept gifts or entertainment or any other personal benefit or privilege that could influence or appear to influence their objectivity in carrying out their duties in the best interest of the Fund.
- 7.2 The exchange of gifts and entertainment is not inherently unethical. It can be an effective way to build goodwill in business relationships. However, some gifts and entertainment can exert improper influence if they are or can be seen to be, undue attempts to influence decisions and behaviour or bribes. Any gift or entertainment that has the potential or intention to influence objectivity regarding business judgement and business decisions is deemed to present a conflict of interest.
- 7.3 Whilst conducting business for or on behalf of the Fund, employees and vendors may not offer to, or accept from any supplier or donor any gift, entertainment or hospitality.
- 7.4 No gift, entertainment or hospitality may be given or received from any public officials.
- 7.5 No gift, entertainment or hospitality may be given or received which could influence or appear to influence their objectivity in carrying out their duties in the best interest of the

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Fund.

- 7.6 Furthermore, the Fund shall not provide any gifts, entertainment or hospitality to any third parties. The Fund shall only provide support or benefit to third parties through its established processes to do so.
- 7.7 Where the exchange of gifts is deemed not to impact on objectivity and is part of normal business courtesy then officers and employees may give and accept gifts of nominal value (less than R350) that are an expression of appreciation or courtesy and that might be given in the course of business.
- 7.8 Approval from both the COO and CFO should be obtained prior to providing or receiving any gift.
- 7.9 All gifts and invitations have to be disclosed in the relevant Gifts and Entertainment Register, even in cases where the gifts and entertainment were offered but not accepted.
- 7.10 The Company Secretariat will maintain the Gift and Entertainment Register and submit reports to the Audit and Risk Committee (or appropriate Board Committee) every quarter.
- 7.11 Where a decision was made regarding the acceptance of a gift or entertainment, the nature of the decision must be communicated in writing as soon as possible. This applies regardless of whether the decision was made to decline or accept the gift or entertainment. This is important for the preservation of Fund's corporate integrity and ethical standards.

8 PROCUREMENT

8.1 Persons who are involved in procuring goods and services on behalf of Fund may not directly or indirectly accept any reward from any person. This applies whether the reward is for themselves or for any other person. The persons may also not provide, offer or make available any gift or invitation to an event that will, or can be perceived to:

8.1.1 Influence the recipient's judgement on a specific matter;

8.1.2 Cause the recipient to favour one client, supplier or trading partner over another;

8.1.3 Expect the recipient to take certain actions or expect the recipient not to take any action; and

8.1.4 Influence the recipient to conduct himself or herself in a certain manner.

8.2 When on-boarding suppliers through procurement procedures, the Fund must avoid any conflicts of interest between the Fund, the interest of its stakeholders and the business of the person performing the outsourced activity. If this is not possible, the Fund must mitigate these conflicts of interest.

8.3 It is the responsibility of the CFO to collect annual declarations from all person involved in procurement confirming that no reward was or will be collected.

9 ADDRESSING RELATED PARTY TRANSACTIONS

9.1 The Fund may not enter into a related party transaction unless, after good faith disclosure of the material facts by the director, officer or key person, the Board determines that the transaction is fair, reasonable and in the Fund's best interest at the time of such determination.

9.2 If the related party has a substantial financial interest, the Board shall:

9.2.1 prior to entering into the transaction, consider alternative transactions to the

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extent available;

9.2.2 approve the transaction by a vote of 50% + 1 of the director's present at the meeting; and

9.2.3 contemporaneously document in writing the basis for its approval, including its consideration of any alternative transactions.

10 AWARENESS-RAISING GUIDANCE

10.1 The Secretariat will raise the awareness of and provide training about this policy as required and provide guidance and support to facilitate compliance with requirements, to the extent applicable.

10.2 Awareness-raising activities will be conducted and may include public campaigns, workshops, technical training, posters and other activities. This policy will be made available on the Fund website.

11 ACCOUNTABILITIES FOR OVERSEEING AND IMPLEMENTING THE POLICY

11.1 The Board has ultimate ownership of this Policy, arising from the greater responsibility of the Board and its Committees to embody the highest standards of integrity.

11.2 The CEO will be primarily responsible for the implementation of this Policy.

12 DUTY TO REPORT

12.1 All officials and employees have a duty to report suspicion or knowledge of actual, potential or perceived conflicts of interest.

12.2 Reporting can be done via the CEO, Company Secretariat, and the Chairman of the Board or anonymously through the independent whistleblowing hotline on 0800 203 598.

13 NON-COMPLIANCE WITH THE POLICY

- 13.1 Non-compliance with this policy and the procedures associated with it may result in disciplinary action and even dismissal. Non-compliance may also contravene corruption laws, which may result in imprisonment, fines or both. Management must ensure that all employees are aware of and understand the Funds ethics and conflict of interest policy.

14 REVIEW OF THE POLICY

- 14.1 The Ethics and Conflict of Interest Policy will be fully reviewed every two years or more frequently should legislative requirements change.

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ANNEXURE A – Conflict of Interest Declaration form

The Chairman and Directors

GBVF Response Fund1 NPC

C/O PwC

4 Lisbon Avenue

Waterfall City

Jukskei View

2090

8 June 2021

Dear Sirs

SECTION A: PERSONAL DETAILS

In compliance with section 24(5) of the Companies Act, Act 71 of 2008 as amended (the “Act”) and IAS 24 Related Party disclosure requirements, I hereby provide you with my personal details and disclose the following companies I have an interest in as a director as well as the trust(s) that I have an interest in as trustee. I undertake to inform you of any changes thereto as and when they occur.

DIRECTOR PERSONAL DETAILS

SURNAME	
FORENAMES	
ANY FORMER NAMES	
I D NUMBER (PASSPORT NO)	

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DATE OF BIRTH	
NATIONALITY	
OCCUPATION	
CONTACT TEL NO	
EMAIL ADDRESS	
RESIDENTIAL ADDRESS	
BUSINESS ADDRESS	
POSTAL ADDRESS	

SECTION B: DIRECTORSHIPS

In compliance with section 24(5) of the Act, I hereby provide you with my directorships as per the attached CIPC Disclosure downloaded on *[DATE]*.

DIRECTORSHIPS - COMPANIES IN SOUTH AFRICA			
(For completion only if the appointment does not appear on the CIPC disclosure that accompanies this form)			
Company Name: Registered address: Registration Number:	Present capacity	Date of appointment or most recent re- election to the Board	Nature and Extent of Interest (Ordinary shares) <u>Unless otherwise Stated</u>)

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DIRECTORSHIPS – FOREIGN COMPANIES			
Company Name: Registered Office Address: Registration No.: Nationality:	Present capacity	Date of appointment or most recent re- election to the Board	Nature and Extent of Interest (Ordinary shares <u>Unless otherwise Stated</u>)

SECTION C: TRUSTEESHIPS

TRUSTEESHIPS AND INTERESTS IN TRUSTS		
Name of trust	Trust number	Relationship: Trustee / Independent trustee or Beneficiary

SECTION D - DECLARATION OF PERSONAL FINANCIAL INTERESTS / RELATED PARTY

DISCLOSURES

What is a related party transaction?

A related party transaction is a transfer of resources, services or obligations between the GBVF Response Fund1 NPC (reporting entity) and a related party (as defined below - entities and persons), regardless of whether a price is charged.

Related persons definition

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control of the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel

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Close members of the family of a person

Family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

Related entities definition

An entity is related to a reporting entity if any of the following conditions applies:

- (a) The entity is controlled or jointly controlled by a person identified as a related person above.
- (b) A related person has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

In terms of section 75 of the Act and the IAS 24 related party disclosure requirements, I hereby disclose my personal financial interests that I hold in any matter as well as that of related and inter-related persons (should I know of any) that may have an interest in any matter, as follows:

1. The following companies, in which I have substantial direct or indirect interest, have **business dealings** within GBVF Response Fund1 NPC:

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2. My related and Inter-related persons listed below have **business dealings** with GBVF Response Fund1 NPC:

Related or Inter-related persons (Name)	Relationship	Nature of interest

I undertake to disclose in writing to the company and the chairman of the board any information that is material to me, my family or companies in which we have an interest, or which may be material to GBVF Response Fund1 NPC: and/or its subsidiaries within seven days of becoming aware of such information.

NAME

Signed: _____

Capacity: _____

Date: _____ 2021