



PLAN INTERNATIONAL, INC.

CONFLICT OF INTEREST POLICY

Functional Owner:	Governance and Executive (Company Secretary)
Approved by:	International Board
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Language:	English – No translation
Applicable to:	Plan International Inc.

1 PURPOSE

- 1.1 This policy provides for the identification, disclosure and resolution of conflicts of interest.

2 INTRODUCTION

- 2.1 Plan International, Inc. (“PII”) is committed to upholding the highest ethical standards in all of its activities. This commitment underpins our Purpose, as follows:

We strive for a just world that advances children’s rights and equality for girls.

We engage people and partners to:

- Empower children, young people and communities to make vital changes that tackle the root causes of discrimination against girls, exclusion and vulnerability.
- Drive change in practice and policy at local, national and global levels through our reach, experience and knowledge of the realities children face.
- Work with children and communities to prepare for and respond to crises and to overcome adversity.
- Support the safe and successful progression of children from birth to adulthood.

It also sustains the integrity of our relationships with our stakeholders and safeguards our reputation. Fulfilling this commitment starts with setting the tone at the top.

- 2.2 The International Board (“IB”) of PII is adopting and overseeing the implementation of, and compliance with this Conflicts of Interest Policy (“Policy”) in line with good corporate governance practice to ensure its directors, officers, and key persons act in the best interest of PII and comply with all legal requirements and those of its subsidiaries, including, but not limited to the prohibition of entering into any related party transactions unless the transaction is determined to be fair, reasonable and in PII’s best interest at the time of such determination.

3 SCOPE OF POLICY

- 3.1 In line with good governance practice and the requirements of applicable law, this Policy applies to delegates to the PII Members’ Assembly (“MA”), PII’s highest decision-making body, members of the IB, who have a legal duty of loyalty requiring them to act in the best interests of PII, and other PII officers and key persons, as set out below.

- 3.2 **Covered Individuals**, as defined below, are required by this Policy to avoid and disclose their own conflicts of interest as well as those of their **Related Parties**, and to abide by this Policy’s conflicts resolution procedures.

- 3.3 **Covered Individuals** are:

- a. Delegates to the Members Assembly of PII
- b. Members of the Board of Directors of PII (known as the International Board or “IB”), and candidates for election to the IB;
- c. Members of the boards of Subsidiaries of PII
- d. Members of committees of the boards of PII and its Subsidiaries
- e. Chief Executive Officer of PII
- f. other members of the Leadership Team of PII and the Director of Treasury Services
- g. Any other “**key person**”, defined as a person:
 - who has responsibilities or the power to influence PII in a similar way to IB members, regardless of whether s/he is an employee; or
 - who manages PII or a segment thereof that represents a substantial portion of the activities, assets, income or expenses of PII; or

- who, either alone or with others controls or determines a substantial portion of PII's capital expenditure or operating budget.
- 3.4 **Subsidiaries** are entities over which PII exercises effective control, or as would otherwise be classified as subsidiaries under International Financial Reporting Standards or U.S. Generally Accepted Accounting Standards.
- 3.5 **Related Parties** are:
- a. any relative of a Covered Individual; a "relative" is:
 1. a spouse or domestic partner;
 2. an ancestor (parent, grandparent) a child (whether natural or adopted), grandchild, great-grandchild, sibling (whether whole- or half-blood); or
 3. a spouse or domestic partner of a child (whether natural or adopted), grandchild, great-grandchild or sibling (whether whole- or half-blood).
 - b. any entity in which a Covered Individual or any of his/her relatives have
 - a legal or beneficial interest of 35% or greater or,
 - in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%.

4 DEFINITION OF CONFLICTS OF INTEREST

- 4.1 A conflict of interest arises whenever the interests of PII come into conflict with a competing interest, loyalty or obligation of a Covered Individual or their Related Parties. Such conflicts could arise in many ways. For example, a Covered Individual or their Related Parties may have a pecuniary or financial interest that could be affected by the outcome of a PII decision over which he/she has influence; the (potential) conflict arises between taking the PII decision objectively in the best interests of PII, and being improperly influenced to decide instead on the basis of the personal gain that may arise, whether in the form of money, gifts, favours, gratuities, or other special considerations.

Similarly, Covered Individuals or their Related Parties may have other business, professional or personal affairs entailing interests, commitments and relationships that could compete or conflict with those of PII.

- 4.2 Covered Individuals are entrusted with the authority to influence the affairs of PII substantially. Stemming from the corporate legal duty of loyalty to PII, Covered Individuals must always act, and make decisions objectively, in the best interests of PII. Conflicting interests may also arise where a competing loyalty of a Covered Individual or their Related Parties unduly influences a Covered Individual to affect PII decision-making in a way that inequitably favours particular groups of people or organizations over others (including, in the cases of Covered Individuals who also sit on governing bodies of National Organisations, those National Organisations), in violation of PII's commitment to equitable engagement with its diverse stakeholder community.
- 4.3 A conflict of interest may be actual, potential or apparent/perceived:
- a. An actual conflict of interest exists when a Covered Individual or their Related Parties has a personal interest that is sufficiently connected to the Covered Individual's duties and responsibilities to PII that it impairs the independent exercise of these duties and responsibilities;
 - b. A potential conflict of interest exists when a Covered Individual or their Related Parties has a personal interest that could influence the performance of the Covered Individual's duties and responsibilities, provided that he or she has not yet exercised that duty or responsibility. For instance, a Covered Individual may use information relating to PII obtained through his involvement on the IB to the advantage of the business in which he holds a position and has a financial interest. There is also the possibility that the individual's ability to act in the best interest of PII may be compromised by a competing interest.

- c. An apparent/perceived conflict of interest exists where a reasonable and informed person, having thought the situation through, would reasonably think that an individual's decision-making may be adversely influenced by his or her other interests, even when there is no conflict of interest in fact. In other words, a Covered Individual must not only be objective and unbiased in his or her decision-making, but should also be seen to be objective and unbiased.

Recognising this reputational risk as well as the risk of actual conflict, this Policy applies to actual, potential and apparent/perceived conflicts of interest.

- 4.4 A conflict of interest may be specific to an individual matter, or may be systemic to the interest, role or status of an individual. A systemic conflict shall be considered prior to an individual's appointment or hire or when such appointment or hire arises, and may preclude him/her from taking up or remaining in the respective position.

5 EXAMPLES OF CONFLICTS OF INTEREST

- 5.1 Some examples of scenarios giving rise to conflicts of interest are set out below:

- a. PII transactions with an entity, e.g., a supplier, consultant, sub-contractor, program-implementing partner, external funding organization, in which a Covered Individual or Related Party has or obtains a direct financial interest, other benefit or position of influence.
- b. A Covered Individual or Related Party accepting commissions, personal discounts, or other benefits from outside parties with which PII competes or has a business relationship, and with regard to which the Covered Individual has PII business decision-making influence.
- c. The private transaction by a Covered Individual with PII suppliers, if improper influence could arise. Any such arrangements must be negotiated "at arm's length" and without reference to the PII-supplier relationship.
- d. A Covered Individual's involvement in any PII recruitment process regarding a relative or other person with whom the Covered Individual has a close personal relationship.
- e. A Covered Individual's participation in external employment, consulting and business engagements, board memberships, professional or charitable associations may represent a systemic conflict that may:
 - i. prevent him/her from devoting the necessary time and effort to PII duties,
 - ii. lead him/her to appropriate or divert opportunities or confidential information away from PII,
 - iii. give rise to a competing interest which in reality or perception compromises his/her loyalty or ability to act in the best interests of PII; or
 - iv. otherwise interfere with his/her PII duties or PII's interests.
- f. A Covered Individual uses information obtained in the course of his or her relationship with PII for a personal or private benefit unrelated to PII, either directly or indirectly and financial or otherwise.

- 5.2 PII values the expertise that may come from some such external engagements, but recognizes their potential to influence Covered Individuals' PII-related decision-making in certain circumstances. In general and following the specific procedures below, Covered Individuals must disclose and manage such engagements carefully, to avoid becoming caught between conflicting interests and obligations.

6 DUTIES - AVOIDANCE, DISCLOSURE AND RESOLUTION OF CONFLICTS

6.1 The effective implementation of this Policy relies on promoting a culture of awareness, openness and accountability. Such a culture sustains the right environment for the prompt identification, transparent disclosure, thorough investigation and fair resolution of conflicts of interest.

6.2 Covered Individuals have the following primary duties under this Policy:

Avoidance: to the full extent possible, do not enter into or pursue arrangements where it is reasonably foreseeable that they could give rise to conflicts of interest.

Disclosure: upon becoming aware of a possible conflict of interests - whether arising out of your own affairs, those of Related Parties, other Covered Individuals or otherwise – disclose it to the Company Secretary, Chair of the Financial Audit Committee (“FAC”) of the IB, or IB Chair, as applicable according to the procedures set out in section 7 below.

Refrain from any further action in the circumstances involving the conflict of interest issue, and from influencing any proceedings relating to its resolution - other than providing information upon request. This includes recusing his/herself from participating in an IB or MA discussion or vote on the matter giving rise to such conflict.

7 DISCLOSURE PROCEDURES

7.1 When a Covered Individual becomes aware of (potential) conflicts of interest, including during a meeting or discussion on a particular topic of which s/he is conflicted, he/she shall:

- a. promptly disclose them, using the form in Annex A, or if not feasible, verbally at a meeting in which a conflict is raised, in which case such disclosure, and any resolution of the conflict, shall be recorded in the minutes of the meeting,
- b. not participate in any related arrangements, including any discussion or voting at an IB or MA meeting, while the conflict is being resolved; and
- c. not attempt to influence improperly the deliberation or voting on the matter giving rise to the conflict.

The Chair of the relevant IB or MA meeting shall request that participants declare any interest at the start of each meeting.

7.2 Such disclosures shall be made as follows:

<i>If the Covered Individual to whom the conflict of interest relates is ...</i>	<i>disclose the conflict to the ...</i>
a) a member of staff of the PII Group other than the CEO	Company Secretary
b) the CEO, a delegate to the MA, IB, IB Committee, or a non-executive (i.e non-staff) member of a PII Subsidiary board or board committee	IB Chair, on behalf of the IB
c) the IB Chair	FAC Chair, on behalf of the FAC

7.3 The Company Secretary shall submit disclosures pursuant to s.7.2.a confidentially to the Chair of the IB, copied to the Chair of the Financial Audit Committee of the IB (“FAC”) and store them securely along with documentation of their resolution. All disclosures shall be available to the IB on request and disclosed to them not less than annually.

7.4 In order to promote active disclosure:

- a. the Chair of MA, IB and committee meetings shall remind participants of their obligations and request that participants declare any conflict of interest at the start of each meeting:
- b. If a Covered Individual has reason to believe that another Covered Individual has a conflict of interest that s/he has not disclosed, s/he should encourage the conflicted

person to report such potential conflict in accordance with the procedures set out in this section, and, failing that, should discuss the matter with the appropriate person as set out in paragraph 7.2 above.

8 INVESTIGATION PROCEDURES

- 8.1 If the conflict of interest relates to a member of staff of the PII group, other than the CEO, the CEO in consultation with the Company Secretary, shall investigate and come to a view as to how to resolve such disclosed circumstances and any appropriate alternatives, and recommend this to the IB Chair for decision.
- 8.2 If the conflict of interest relates to the CEO or a member of the IB or an IB Committee or a non-executive (i.e. non-staff) member of a subsidiary board or committee of PII, the IB Chair, in consultation with the FAC Chair, shall investigate and come to a view as to how to resolve such disclosed circumstances and any appropriate alternatives, and recommend this to the IB for decision.
- 8.3 If the conflict of interests relates to the FAC Chair, the IB Chair shall investigate and come to a view in consultation with the IB Vice-Chair; if it relates to the IB Chair, the FAC Chair shall investigate and come to a view in consultation with the IB Vice-Chair; in each case, recommending this to the IB for decision.
- 8.4 As noted above, other than to provide further information to the IB or FAC at its request, the Covered Individual shall not attend, participate in, or influence any related board or committee discussion or vote on the matter giving rise to the conflict.

9 RESOLUTION PROCEDURES

- 9.1 The CEO and Chair shall document their resolution of any conflict of interest relating to a member of staff other than the CEO, which record the Company Secretary shall store securely.
- 9.2 The IB shall document its resolution of any conflicts of interest issue relating to the CEO or the Board or any Board Committee in its meeting minutes, which the Company Secretary shall store securely.
- 9.3 The resolution of any conflict of interest may encompass a wide range of scenarios including the following:
 - a. The Covered Individual may be required to cease engaging in any arrangement that poses a risk of conflict with PII's interests, if he/she wants to continue his/her engagement with PII. If the Covered Individual does not terminate his/her involvement in the (potentially) conflicting arrangement, he/she may be required to relinquish his/her respective PII duties or role entirely.
 - b. Alternatively, it may be sufficient for the Covered Individual not to participate in or influence any PII decision-making that involves the conflicting interest. This may include prohibition from participating in deliberations relating to or voting on the matter at the IB, MA or committee thereof;
 - c. In some circumstances, it may not be feasible for the Covered Individual to terminate a (potentially) conflicting interest. The IB Chair or the IB as applicable may then consider whether PII could reasonably obtain an equivalent or better arrangement elsewhere that would not give rise to a conflict of interest.
 - d. Conflicts due to Covered Individuals' political affiliations or personal interests may be more difficult to resolve. In some cases, the lingering appearance of impropriety - even after recusal from an external organisation - may pose a reputational risk to PII requiring the IB

Chair or IB as applicable to decide to terminate the Covered Individual's engagement with PII.

- e. If a Covered Individual stands to benefit (financially) from a particular PII purchasing decision, the IB Chair or IB as applicable may require the obtaining of competitive written bids to ensure that the contemplated purchase's price / quality is comparable and reasonable.
- f. If an equivalent or better arrangement is not reasonably possible, the IB Chair or the IB, by a majority vote of its members who are not related to the conflicts issue, may authorise the Covered Individual and / or PII to enter / continue the arrangement at issue, *only if such majority determines after diligent inquiry, that all of the following requirements are satisfied:*
 - i. the arrangement is in PII's best interests, and furthers its mission and charitable objectives;
 - ii. the arrangement in its entirety is fair and reasonable to PII;
 - iii. the arrangement does not bear the risk of appearing improper or of impairing the reputation of, PII, or any Covered Individual's duty of loyalty;
 - iv. the arrangement is not prohibited under any applicable laws and does not result in benefits that are impermissible under any applicable tax-exemption provisions.
- g. If the IB Chair or the IB as applicable determines that there is no conflict of interests or appearance of impropriety, it may permit the disclosed circumstances to continue, subject to any appropriate conditions it may wish to impose.

10 INTERNATIONAL BOARD REPORTING

The IB Chair shall report on the handling of conflicts of interest to the PII Members' Assembly in the IB's annual report to the MA.

11 DISCLOSURE FORMS

- 11.1 Covered Individuals shall disclose (potential) conflicts of interests on the form in Annex A, at the following times:
 - a. As part of the nominations process for directors to the IB;
 - b. prior to appointment to any position within the section 1.2 definition of 'Covered Individuals', and on an annual basis thereafter; and
 - c. immediately when any potential or actual conflict of interest arises, or there is any material change in circumstances previously disclosed under this Policy.