

CONFLICT OF INTERESTS POLICY

HWA CHONG FOUNDATION LIMITED

CONFLICT OF INTERESTS POLICY

1. Purpose

- 1.1 As an officer, board member, staff member, representative or volunteer of Hwa Chong Foundation Limited (the “**Foundation**”), one has an obligation to act in the best interest of the Foundation. Hence, they need to avoid situations where there may be real, potential, or perceived conflicts of interest that may arise where a member’s personal or family interests’ conflict with those of the Foundation.
- 1.2 Such conflicts may give rise to situations that may result in the following:
- a. cause damage to the Foundation’s reputation, which may lead to its inability to sustain operations;
 - b. influence the members’ judgment and compromise objectivity when conducting the Foundation’s affairs;
 - c. restrict free discussion, thus resulting in decisions or actions that are not in the interest of the Foundation; and
 - d. risk the impression that the Foundation has acted improperly.
- 1.3 This policy aims to protect both the Foundation and its members from any appearance of impropriety.

2. Definitions

- 2.1 “**Foundation**” refers to Hwa Chong Foundation Limited.
- 2.2 “**Member**” refers to an officer, board member, staff member, representative, or volunteer of the Charity.
- 2.3 “**Policy**” refers to this Conflict of Interests Policy.
- 2.4 “**Interest**” means any commitment, investment, relationship, obligation, or involvement, financial or otherwise, that may influence a person’s judgement. This would include:
- a. Direct interest: ownership in the name of the Member;
 - b. Indirect interest: ownership beneficially held through another investment, an estate, a trust, or other intermediary;
 - c. Vested interest: personal stake or involvement, which may or may not include an expectation of financial gain; and

- d. Deemed interest: a Member is deemed to have an interest in which his or her spouse or domestic partner has an interest.

2.5 **“Conflict of interests”** refers to any situation in which a Member is in a position to exploit or is at odds with a professional or official capacity in some way for his or her personal or corporate benefit, which impedes the best interest of the Foundation.

2.6 A conflict of interests arises when the personal interests of the Member may potentially interfere with the performance of his or her duties for the Charity. When an actual, potential, or perceived conflict of interest arises, the integrity, fairness, accountability, independence, and objectivity of the person in the discharge of his or her responsibilities and duties to the Foundation may be affected, which could impede the best interest of the Charity.

3. Declaration of Interests

3.1 Given the stated purpose of this Policy:

- a. The board members and management are required to declare their interests, and/or any gifts or hospitality received in connection with their roles in the Foundation.
- b. Staff, representatives and volunteers must declare if any transaction result in a conflict of interests.

3.2 A “declaration of interests” form is provided for this purpose. The types of interest to be declared will include, but not be limited to, the following:

- a. Members who have friends or other personal or business relationships must carefully consider whether those relationships create conflicts of interest with their entrusted role in the Foundation. Examples include:
 - i. hiring a relative or friend as an employee or vendor,
 - ii. buying or selling goods or services from / to a family business for which others might compete,
 - iii. having a personal relationship where there is an immediate reporting relationship,
 - iv. volunteering and/or having memberships in any other charities,
 - v. receiving goods/services as beneficiaries.
- b. Members must disclose any outside activities, financial interests, or relationships that may pose a real, potential, or perceived conflict of interest. Disclosures are to be made to the Board, or management, with the required approval obtained before any staff accepting any position as an officer or director of an outside business.

3.3 For the declaration of interests to be effective, it needs to be updated in written form at least annually and whenever any changes occur.

- 3.4 In situations where Members are not sure what to declare, or whether/when their declaration needs to be updated, they are strongly encouraged to err on the side of caution or seek advice from the Board or management.
- 3.5 All disclosures of interest made by Members and decisions made by the Board or management of the Charity on such matters must be recorded, updated, and filed.
- 3.6 A register of interests shall also be used to record all gifts received by Members in connection with their roles in the Foundation in excess of S\$200.

4. Operating Procedures

- 4.1 If the Board must make a decision on any issue where the Board member(s) has/have an interest:
 - a. The Board shall examine the actual, potential or perceived conflict of interests;
 - b. If there is a material conflict, the concerned Board member(s) should not participate in discussion of the program, topic, or motion being considered; and
 - c. If there is a material conflict, the concerned Board member(s) should not vote on the issue.
- 4.2 It is the responsibility of the Board to exercise its judgement independently and:
 - a. Only decide to hire or contract with the Board member if they are the best-qualified individuals available and willing to provide the goods or services needed at the best price. The Board must ensure that its decision is not influenced in any way by the fact that a Board member has an interest in the contract.
 - b. Record in the minutes of the Board meeting the potential conflict of interests and clearly indicate the decision-making process related to it.
- 4.3 It is the sole responsibility of the Member to report any possible real, potential, or perceived conflict of interest as and when the situation arises. If it is an oversight of the Foundation, the Member shall promptly inform the Foundation that he or she has been put in a position of conflict of interests.
- 4.4 No Member Foundation may participate in a decision for a matter where he or shall may stand to profit or gain personally, either directly or indirectly, by reason of his or her participation in the Foundation. Each individual shall disclose to the Foundation any personal interest that he or she may have in any matter pending before the organization and shall refrain from participation in any decision on such a matter.
- 4.5 Any Member who is affiliated with a client organization or vendor of the Foundation shall identify his or her affiliation with such agency or agencies; further, he shall not participate in the decision affecting that agency.

- 4.6 Any Member of the Foundation who is affiliated with its consultants or business partners shall refrain from obtaining any list of clients for personal or private solicitation purposes at any time during the term of their affiliation.
- 4.7 Any Member who is also a user of the Foundation's services or the caregiver of someone who uses the Charity's services shall not be involved in decisions that directly affect the service received by the person he or she cares for. He or she shall declare his or her interest at the earliest opportunity and withdraw from any subsequent discussion. The same applies if the conflict concerns any other reason(s).
- 4.8 A Member may, however, participate in discussions from which he or she may indirectly benefit, for example, if the benefits are universal to all users.
- 4.9 The Board shall have the right to suspend any involvement of any Member when it comes to the Board's attention that a potential, actual, or perceived conflict has arisen but has not been voluntarily disclosed by the relevant Member.

5. Violations

- 5.1 Any violation of the above-mentioned points may result in disciplinary action, up to and including termination from employment, removal from the Board, or expulsion from being a volunteer member of the Charity.

Sample

Hwa Chong Foundation Limited

Conflict of Interests Disclosure Statement

Period of Declaration: _____(DD MMM YYYY) to _____(DD MMM YYYY)

1. Board members, management, staff, representatives and volunteers (“**Members**”) have an obligation to act in the best interest of Hwa Chong Foundation Limited (“**HCF**”). Hence, they should avoid situations where a Member’s interest conflicts with those of HCF.

2. Declaration

With regard to my capacity as a Member of HCF, this is to certify that I, except as described below, am not now nor at any time during the financial year ended _____(DD MMM YYYY) have been:

- ☐ A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with HCF which has resulted or could result in personal benefit to me.
- ☐ A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with HCF.
- ☐ I do not know of any potential or actual conflict of interest situations between myself, including persons affiliated¹ to me and HCF.

Any exceptions to 1, 2 or 3 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the person or organisations that have transactions with HCF.

- ☐ I have the following potential conflict of interest to declare:

S/n	Area of Conflict	Details
1	Affiliation to another charity/organisation	

¹ Affiliated refers to the following:

- Spouse, domestic partner, child, mother, father, brother, or sister or close associates;
- any corporation, business, or non-profit organization of which you are a staff, officer, board member, partner, or participate in the management or are employed by;
- any trust or other estate in which you have substantial interest or as to which you serve as a trustee or in a similar capacity.

S/n	Area of Conflict	Details
2	Affiliation to any vendor, supplier, or any other party providing or bidding for providing services with HCF, having a direct or indirect interest in any business transaction(s), agreement, or investment	
3	Having any business dealings or transaction with a vendor, supplier or any other party which could result in benefit to me. I or person(s) I have affiliation with have interest in purchasing services from HCF.	
4	Affiliated to any staff or Board members of HCF.	
5	Affiliated to any person(s) who is involved in/is a party to or have an interest in any pending legal proceedings involving HCF.	
6	Other interests:	

**Please attach a separate sheet if space is insufficient*

Please elaborate on the potential conflict arising from the above situation with regards to the transaction concerned (e.g., nature of service/ transaction, if affiliated person involved, the identity of the affiliated person and your relationship with that person):

I hereby confirm that:

- ☐ The disclosure made above are complete and correct to the best of my knowledge and belief.
- ☐ I agree that, should any conflict of interests situation arise in the course of my service, will abstain from participating in the discussion, decision making and/or voting (where applicable) on the said matter.
- ☐ I will notify the Chairman of the Board or the Secretary promptly if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with HCF's conflict of interests policy.

Signature	Name and Designation	Date