

Conflict of Interest Policy

1.0 Purpose

The foundation is committed to the highest levels of integrity. Employees of the foundation are expected to conduct their relationships with each other, the foundation, and outside organizations with objectivity and honesty. The purpose of this policy is to identify, prevent and manage potential and actual conflicts of interest involving the foundation.

2.0 Scope

This policy applies to all foundation employees.

3.0 Policy

The general rule is that you must avoid and disclose ethical, legal, financial, personal, or other conflicts of interest involving the foundation, and remove yourself from a position of decision-making authority with respect to any conflict situation involving the foundation. In most instances, potential and actual conflicts of interest can be avoided simply by exercising good judgment.

3.1 Identification and Management of Conflict Situations

a. Basic Definition

A conflict of interest may occur if a relationship or activity influences or appears to influence the ability of an individual to exercise objectivity or impairs the individual's ability to perform his or her employment responsibilities in the best interests of the foundation. You are considered to have a potential conflict of interest when:

- You or any Family Member receive a financial or other significant benefit as a result of your position at the foundation;
- You have the opportunity to influence the foundation's granting, business, administrative, or other material decisions in a manner that leads to personal gain or advantage; or
- You have an existing or potential financial or other significant interest which impairs or might appear to impair your judgment in carrying out your responsibilities to the foundation.

b. Specific Relationships that May Create Conflicts of Interest

A variety of situations, affiliations and relationships may create potential conflicts of interest. An employee's **former employment** with a prospective or actual grantee, contractor, PRI recipient, vendor or supplier, could raise an allegation of an apparent or actual conflict of interest. For that reason, if the former employment relationship is within the last 6 months, you must disclose the relationship and recuse yourself from approving or managing the investment. In addition, if the former employment relationship is more than 6 months ago, but is still recent (within the past 12

months), you should disclose the relationship and be sensitive to the potential for an appearance of a conflict of interest or other impropriety.

Financial or other business relationships (*i.e.*, significant investor, governing board member, trustee, advisory board/committee member, advisor, officer, independent consultant, independent contractor, employee or other position of influence) of an employee or Family Member with a prospective or actual grantee, contractor, PRI-recipient, vendor or supplier could create the appearance of impropriety or interfere with an employee's ability to perform their responsibilities in the best interests of the foundation and should be disclosed.

Additionally, certain types of **relationships between co-workers** may create impermissible conflicts of interest. For example, a Personal/Romantic Relationship in the workplace may raise perceptions of bias and favoritism as well as increase the risk of a sexual harassment claim. For purposes of this policy, a Personal/Romantic Relationship is a relationship of a romantic or intimate nature or of a character that could result in an allegation of conflict of interest or inappropriate behavior. For these reasons, family, personal/romantic or financial/business relationships between co-workers that could create the appearance of impropriety or interfere with an employee's ability to perform their responsibilities on behalf of and in the best interests of the foundation must be promptly disclosed to the Chief Business Operations Officer or Human Resources. For Personal/Romantic Relationships, this disclosure is particularly important if you are engaged in a Personal/Romantic Relationship with another employee with whom you share either a direct or indirect supervisory relationship. The foundation will work with you and the other employee to determine whether it is appropriate and possible to adjust reporting or working relationships or whether other changes or actions are necessary.

Similarly, there are restrictions on the foundation's ability to engage with individuals **pre- and post-employment**, which are described in the Pre- & Post Employment- Engagement Policy. For example, a former foundation employee may not be engaged as a consultant without a waiting period of at least 6 months.

c. Disclosure and Management of Conflicts of Interest

Disclose all positions of influence, financial benefits, financial interests, and other potential conflicts of interest in the foundation's Conflict of Interest certification (<https://coi.gatesfoundation.org>). When deciding which relationships should be disclosed, consider the situation from the perspective of an outsider and whether the relationship is of a nature that it could raise an allegation of an apparent or actual conflict of interest, and then err on the side of transparency. Full disclosure helps to alleviate or avoid future misunderstandings.

If an appearance of impropriety or actual conflict of interest exists, take appropriate actions, which will vary depending upon the particular facts, and work cooperatively with your manager to achieve a resolution of the conflict issues in the best interests of the foundation. Depending upon the nature of the conflict, this may include you being removed from a position of decision-making authority with respect to the conflict situation or other more serious actions.

As discussed in Section 3.1(b), disclose a Personal/Romantic Relationship with another employee to the Chief Business Operations Officer or HR.

As described in Section 3.4, disclose any relevant outside business commitments with the Director for your team (or President, if you are a Director).

3.2 Gifts and Entertainment

You may not receive or offer gifts, entertainment or anything else of significant value (e.g., financial payments, cash or stock awards, loans, services, fees, tickets) for the purpose of influencing the action of the foundation or the recipient. Gifts and entertainment (except those generally valued at \$100 or less) received from vendors, suppliers, consultants, PRI recipients and grantees as part of normal business practice, must be declined, given to the foundation or shared with the foundation generally, and if acknowledgement is appropriate, acknowledged on behalf of the foundation. This rule is not intended to prohibit normal business practices, such as meetings over meals, corporate items given to participants in meetings and conferences, or token hosting gifts, as long as they are of nominal and reasonable value and promote the foundation's legitimate business interests. If you believe there is an appropriate reason to make an exception to this policy for an individual situation, contact Legal prior to giving or accepting the gift.

3.3 Director's Fees, Honorariums, Expense Reimbursements, and other Similar Payments

You are encouraged to undertake speaking engagements, write articles, and engage in similar endeavors, provided the time spent does not interfere with your foundation responsibilities. When participating in such activities as a **foundation representative or as a part of foundation-sponsored board service**, director's fees, author's royalties, honorariums, and payments for published articles or speaking engagements may not be accepted and travel costs and expenses should be paid by the foundation.

When participating in such activities as a member of a governing board or advisory board and as part of **professional development**, any director's fees may not be accepted and travel costs and expenses should be paid by the foundation.

When participating in such activities on a **personal basis**, director's fees, author's royalties, honorariums, and payments for published articles or speaking engagements should only be accepted if: (1) the materials and all activities undertaken in connection with these endeavors are prepared or conducted on personal time, (2) the issues addressed are not related to the foundation's work or mission, (3) foundation resources are not utilized, and (4) the organization making the payment is not a foundation grantee, PRI recipient or vendor. Travel costs and expenses incurred in connection with any activities that are not foundation related must be borne by you or the organization inviting you to participate, and must not be paid or reimbursed by the foundation. If you believe circumstances merit an exception to this policy, consult Legal for advice.

3.4 Accepting Compensated Work Outside the Foundation

In an effort to prevent potential conflicts, understanding the scope and nature of any outside business commitments of foundation management is necessary to ensure they do not infringe on work responsibilities required on behalf of the foundation. If you hold the position of Program Officer or higher, or are otherwise at the level of manager, you may not conduct outside business or other activities for which you receive payment if it is related to your expertise as a foundation employee or the business of the foundation, without prior approval from the Director of your group, or, in the case of a Director, from the President. The Director and/or President must consult with Legal before granting permission. In requesting permission, disclose the organization for which the work will be done, the nature of the work, the expected

time commitment and payment to be received, as well as an evaluation of any potential conflicts of interest that could arise with the foundation as a result of your engagement in the activity. All other foundation employees may accept compensated work outside the foundation provided that the work is performed solely on personal time, without the use of foundation resources, and the time commitment required for such outside work does not impact their ability to perform work for the foundation.

3.5 Foundation Matching Gift Program

You may request that the foundation make a donation in connection with the foundation's Employee Matching Gift Program to a charitable organization for which you or your family is involved in management and/or decision-making activities, provided that the donation funds are not earmarked by the organization to pay a salary to you or your Family Member.

3.6 Political Activities

The foundation is strictly prohibited from engaging in electoral politics or lobbying activities. You are free to engage in these types of political activities on a personal basis provided the activities do not conflict with your ability to carry out your foundation responsibilities or create confusion between positions or actions that are taken by you personally, versus as a foundation representative. Before you become actively involved in a political campaign or activity, discuss appropriate actions with Legal to avoid or minimize the risk of your personal actions being attributed to the foundation, and also review any other unintended potential impacts the activity could have on the foundation. Individual political activities should only occur during off-duty hours, at your own expense, and without use of the foundation's name, resources, facilities, or equipment. If you are asked to sign political advertisements or endorsements that include employment, use a generic description such as "foundation program officer" or "grant maker in education" rather than including the name of the foundation. Only the Co-Chairs of the foundation can authorize the taking of any position by the foundation on legislation, referenda, or the like.

3.7 Competing for Foundation Individual Scholarships, Fellowships, or Awards

You and your Family Members may not compete for foundation supported scholarships, fellowships, or awards.

3.8 Conflict of Interest Certification

When you begin working at the foundation, you must complete a [Conflict of Interest certification \(https://coi.gatesfoundation.org\)](https://coi.gatesfoundation.org) to disclose any affiliation that creates or could create the appearance of a conflict, and update the certification at least once a year during the foundation's annual compliance program. However, you should update your Conflict of Interest certification any time there is a change in your affiliations that require disclosure.

3.9 Interpretation

This policy cannot describe all conflicts of interest situations that may arise involving the foundation. The foundation relies on you to use good judgment to avoid any appearance of impropriety. The following list of activities, while not all inclusive, includes types of potential or actual conflicts of interest that you must avoid, manage and/or disclose in accordance with this policy.

- *Self-benefit*: Using your position or relationship within the foundation to promote your own interests or those of a Family Member, including use of confidential or privileged information acquired in the course of employment at the foundation for benefit or gain for you or a Family Member.
- *Influence peddling*: Soliciting benefits for yourself or a Family Member from outside organizations in exchange for using your influence to advance the interests of that organization within the foundation.
- *Other business relationships and dealings*: Approving a foundation investment (*i.e.*, grant, contract, purchase order, PRI) with an organization in which you or a Family Member have a significant financial or other interest or relationship, particularly if you are in a position to influence major decisions, are responsible for review, negotiation and approval of the investment, or otherwise direct the foundation's business dealings with that business or entity.
- *Outside commitments*: Participating in social or political activities is not restricted as long as you participate as an individual and not as a representative of the foundation.
- *Property transactions*: Directly or indirectly leasing, renting, trading, or selling real or personal property to or from the foundation.
- *Use of the foundation property for personal advantage*: Using or taking foundation resources, including facilities, equipment, personnel, and supplies, for private use or other unauthorized non-foundation activities.
- *Recording or reporting false information*: Misrepresenting, withholding, or falsifying relevant information required to be reported to external parties or used internally for decision-making purposes, in order to derive personal benefits.
- *Dealings with grantees*: Personally accepting anything of value from organizations or individuals that have grant proposals pending before the foundation or have received grants from the foundation.

Appropriate circumstances may justify exceptions to this policy. If you have any questions about this policy or its application, please err on the side of caution and transparency and seek advice from Legal prior to entering into a transaction or relationship that could create any appearance of impropriety.

4.0 Definitions

“Family Member” includes individuals residing in the same household (spouse, domestic partner, parent, sibling, child, or other person) and any other familial relationship that could create the appearance of a conflict.

“Personal/Romantic Relationship” means a relationship in the workplace of a romantic or intimate nature or of a character that could result in an allegation of conflict of interest or inappropriate behavior.

5.0 Responsibilities

Your compliance with this policy is a condition of your work with the foundation. Non-compliance may result in termination of your relationship with the foundation.

Legal is responsible to implement and manage this policy. If you have any questions regarding this policy please contact: [Legal](#).

6.0 Procedures, Standards, Guidelines and Other Related Documents

Board Service Policy

Certification Tracker (<https://coi.gatesfoundation.org>)

Conflict of Interest FAQ

EthicsPoint Reporting Site

Pre- and Post- Engagement Policy

Reporting of Unethical or Illegal Conduct Policy

7.0 Revision History

<i>Effective Date</i>	<i>Approved By</i>	<i>Modification</i>
01/01/2008	Connie Collingsworth, GC	New policy
04/01/2012	Connie Collingsworth, GC	Revised
04/08/2015	Connie Collingsworth, GC	Revised
04/13/2016	Connie Collingsworth, GC	Revised
07/29/2016	Connie Collingsworth, GC	Revised
05/01/2017	Connie Collingsworth, CBOO	Reformatted
04/15/2018	Connie Collingsworth, CBOO	Integration of Personal Relationships Policy