

Samaritan's Fellowship Foundation Pakistan (SFFP)

CONFLICT OF INTEREST POLICY

(Last amended July 2023)

1. PURPOSE

Samaritan's Fellowship Foundation Pakistan (SFFP) is committed to conducting its work with integrity, transparency, impartiality and accountability.

This Conflict-of-Interest Policy establishes standards for identifying, disclosing, managing and resolving actual, potential or perceived conflicts of interest that may affect, or appear to affect, the independent and objective judgment of SFFP personnel.

The purpose of this policy is to protect:

- SFFP's mission and public-interest purpose;
- The integrity of organizational decisions;
- Donor and partner confidence;
- Beneficiary interests;
- Responsible stewardship of financial and other resources;
- Fair and transparent procurement and contracting;
- The independence of Board and management decisions;
- The credibility of SFFP's human-rights and advocacy work.

SFFP recognizes that having a conflict of interest does not necessarily constitute wrongdoing. A conflict becomes a governance concern when it is not appropriately disclosed, assessed and managed.

2. POLICY STATEMENT

SFFP expects all individuals acting on behalf of the organization to place the organization's mission and legitimate interests above personal, financial or other private interests when making organizational decisions. All covered people must:

1. Act honestly and in good faith;
2. Avoid using their position for personal benefit;
3. Disclose actual, potential or perceived conflicts;
4. Refrain from participating in decisions where they have an unmanaged conflict;
5. Protect confidential organizational information;
6. Avoid using organizational resources for unauthorized personal benefit;
7. Comply with applicable laws, donor requirements and SFFP policies.

SFFP will manage conflicts in a fair, proportionate and transparent manner.

3. SCOPE

This policy applies to:

- Board members;
- Founders and organizational leadership;
- Directors and senior management;
- Employees;
- Consultants;
- Volunteers and interns;
- Committee members;
- Procurement or grant-selection committee members;
- Individuals are authorized to make financial or programme decisions;
- Any other person acting on behalf of SFFP where a conflict may arise.

The policy applies to conflicts involving:

- Financial interests;
- Family or close personal relationships;
- Employment or business interests;
- Procurement and contracting;
- Grants and beneficiary selection;
- Recruitment;
- Partnerships;
- Donor or vendor relationships;
- Gifts and hospitality;
- Advocacy and policy engagement;
- Research and publications;
- Use of organizational information or assets;
- Digital platforms and technology procurement;
- AI-assisted or automated decision-making.

4. DEFINITIONS

4.1. Conflict of Interest

A conflict of interest exists when a person's personal, financial, professional, family or other private interests could improperly influence, or reasonably appear capable of influencing, their responsibilities or decisions on behalf of SFFP.

4.2. Actual Conflict

An actual conflict exists when a person's private interest directly conflicts with their organizational responsibility.

4.3. Potential Conflict

A potential conflict exists when circumstances could reasonably develop into an actual conflict.

4.4. Perceived Conflict

A perceived conflict exists when a reasonable person could believe that private interests may influence an individual's organizational judgment, even where no actual improper influence has occurred.

4.5. Related Party

A related party may include a person's immediate family member, close relative, household member, close personal associate, or an entity in which the person or such individual has significant financial, ownership, management or other relevant interest.

4.6. Material Interest

Material interest is an interest sufficiently significant that could reasonably affect a person's judgment or decision-making.

5. EXAMPLES OF CONFLICTS OF INTEREST

Examples may include, but are not limited to:

- A staff member participating in procurement involving a company owned by a close family member;
- A Board member influencing the selection of a supplier in which they have a financial interest;
- An employee participating in recruitment of a close relative;
- A decisionmaker influencing a grant, scholarship or beneficiary selection that directly benefits themselves or a related person;
- An individual using confidential SFFP information for personal or commercial benefit;
- A person receiving a personal financial benefit because of an organizational contract;
- An individual steering an organizational opportunity toward a business in which they have an undisclosed interest;
- A decisionmaker participating in an agreement involving an organization with which they have a significant personal or professional relationship;
- An employee using SFFP resources, systems or data for an unauthorized private purpose;
- A person influencing the selection of a technology provider while holding an undisclosed financial interest in that provider.

A conflict may exist even where the person has not received an actual financial benefit.

6. FAMILY AND PERSONAL RELATIONSHIPS

Personal or family relationships do not automatically prohibit employment, volunteering, contracting or participation in SFFP activities. However, where a person has responsibility for a decision involving a related person, the relationship must be disclosed and the individual should normally:

- Not participate in the decision;
- Not influence other decision makers;
- Not access confidential information unnecessarily;
- Not supervise the related person where an appropriate alternative exists;
- Ensure that the decision is made through an objective and documented process.

SFFP will seek to avoid situations in which personal relationships compromise fair employment, procurement or program decisions.

7. FINANCIAL INTERESTS

Covered persons must disclose any material financial interest that could conflict with their SFFP responsibilities. This may include:

- Ownership of a company;
- Significant shareholding;
- Partnership interest;
- Consultancy relationship;
- Paid advisory role;
- Investment that may be materially affected by an SFFP decision;
- Financial relationship with a vendor, contractor or partner;
- Other financial arrangements that could reasonably affect independent judgment.

Disclosure does not automatically prohibit the relationship. SFFP will determine appropriate management measures.

8. PROCUREMENT AND VENDOR SELECTION

Procurement decisions must be based on legitimate organizational criteria such as:

- Quality;
- Price and value for money;
- Technical suitability;
- Reliability;
- Experience;
- Compliance;
- Ethical standards;
- Program requirements.

A person with an actual or perceived conflict must disclose it before participating in the relevant procurement process.

Where appropriate, the individual must recuse themselves from:

- Vendor selection;
- Bid evaluation;
- Negotiation;
- Approval;
- Contract management;
- Payment authorization.

SFFP will maintain appropriate procurement documentation to support transparency and accountability.

9. RELATED-PARTY TRANSACTIONS

Transactions involving a related party must be disclosed and independently reviewed. Where a related-party transaction is considered necessary and appropriate, SFFP will seek to ensure that:

- The relationship is disclosed;
- The transaction serves a legitimate organizational purpose;
- Terms are reasonable and comparable to market conditions where practicable;
- The conflicted individual does not control or improperly influence the decision;
- Appropriate approval is obtained;
- The transaction is appropriately documented.

SFFP will not use related-party arrangements as a mechanism for providing improper personal benefit.

10. RECRUITMENT AND EMPLOYMENT

Recruitment and appointment decisions should be based on objective criteria including:

- Qualifications;
- Skills;
- Experience;
- Competence;
- Role requirements;
- Organizational needs.

Where a candidate is a family member, close personal associate or other related party of a decision-maker, the relationship must be disclosed.

The conflicted decision-maker must not improperly influence the recruitment decision.

Where a related person is hired, SFFP should establish appropriate reporting and supervision arrangements.

11. GRANTS, BENEFICIARY SELECTION AND PROGRAM DECISIONS

SFFP seeks to ensure that program resources are allocated according to transparent and legitimate criteria.

Personnel must disclose conflicts involving:

- Grant applicants;
- Beneficiary selection;
- Scholarship recipients;
- Community organizations;
- Partner organizations;
- Contractors;
- Individuals receiving program support.

A person must not influence a decision primarily for the benefit of themselves, their family, close associates or another person with whom they have an undisclosed conflict.

12. GIFTS, HOSPITALITY AND BENEFITS

SFFP personnel must not accept gifts, hospitality, payments, favors or other benefits that could improperly influence, or reasonably appear to influence, organizational decisions.

Reasonable and customary low-value hospitality may be accepted where it:

- Is lawful;
- Is not excessive;
- Is not intended to influence a decision;
- Does not create an obligation;
- Would not reasonably damage SFFP's reputation if disclosed.

Cash or cash-equivalent gifts must not be accepted in connection with organizational decision-making. Where there is uncertainty, the recipient should disclose the gift or benefit to their supervisor or appropriate organizational authority.

13. DONORS, PARTNERS AND EXTERNAL RELATIONSHIPS

SFFP values strong relationships with donors, partners, institutions and stakeholders while maintaining organizational independence.

Personnel must disclose any personal or financial relationship with a donor, partner or external stakeholder where that relationship could affect an organizational decision.

SFFP will not allow personal relationships to improperly determine:

- Funding decisions;
- Partnerships;
- Procurement;
- Recruitment;
- Program selection;
- Advocacy positions;
- Public statements;
- Research conclusions.

14. HUMAN-RIGHTS AND ADVOCACY INDEPENDENCE

Because SFFP works in human rights, civic participation, democratic empowerment and related areas, conflicts may arise through political, institutional, professional or personal relationships.

SFFP personnel must ensure that personal relationships or interests do not improperly determine organizational positions or advocacy priorities. SFFP's human-rights and public-interest positions should be based on:

- Organizational mission;
- Evidence;
- Human-rights principles;
- Applicable law;
- Program objectives;
- Legitimate stakeholder consultation.

No individual may use SFFP's institutional platform to advance an undisclosed private political, commercial or personal interest.

15. RESEARCH AND PUBLICATIONS

Individuals involved in research, assessments, publications or policy analysis must disclose relevant conflicts that could affect the objectivity or credibility of the work. Where appropriate, SFFP may:

- Require disclosure statements;
- Use independent review;
- Separate research from interested parties;
- Require additional evidence or verification;
- Reassign responsibility for the relevant analysis.

Research findings must not be altered or suppressed to serve an undisclosed personal or commercial interest.

16. TECHNOLOGY, DIGITAL PLATFORMS AND AI

SFFP recognizes that technology procurement and AI-assisted decision-making can create new forms of conflict of interest. A covered person must disclose any relevant personal, financial or professional interest involving:

- Software providers;
- Technology companies;
- AI platforms;
- Digital-service providers;
- Data-management systems;
- Consultants;
- Technology vendors;
- Organizations providing digital services to SFFP.

AI or automated systems must not be used to conceal or bypass conflict-of-interest controls. Where AI-assisted analysis or recommendations influence an organizational decision, the responsible human decision-maker remains accountable for the final decision and must consider:

- Relevant conflicts of interest;
- Data quality;
- Bias or discriminatory effects;
- Transparency;
- Reliability;
- Privacy and confidentiality;
- Whether independent human review is required.

No confidential SFFP information should be entered into external AI systems without appropriate authorization and safeguards.

17. USE OF ORGANIZATIONAL INFORMATION AND ASSETS

SFFP information, data, intellectual property, equipment, funds, systems, accounts and other resources must be used for legitimate organizational purposes. Personnel must not use:

- Confidential information;
- Beneficiary information;
- Donor information;
- Internal research;
- Procurement information;
- Passwords or system access;
- Organizational contacts;
- Digital assets;
- Equipment or funds for unauthorized personal, commercial or other private benefit.

18. DISCLOSURE REQUIREMENT

All covered persons have an ongoing responsibility to disclose actual, potential or perceived conflicts. A conflict should be disclosed:

- At the time of appointment or engagement;
- Annually where applicable;
- When circumstances change;
- Before participating in a relevant decision;
- Whenever a reasonable person could consider the individual's independence to be affected.

Disclosure should be made to the person's supervisor, designated authority, Board or another appropriate organizational body depending on the individual's position.

19. CONFLICT OF INTEREST DECLARATION

SFFP may require Board members, senior staff, committee members and other relevant personnel to complete an annual Conflict of Interest Declaration. The declaration may require disclosure of:

- Business interests;
- Significant financial interests;
- Relevant employment or consultancy;
- Board or advisory positions;
- Family or related-party interests;
- Relevant relationships with suppliers, partners or applicants;
- Other circumstances that could reasonably create a conflict.

Individuals must update their declaration when a material change occurs.

20. REVIEW AND MANAGEMENT OF DISCLOSED CONFLICTS

When a conflict is disclosed, SFFP will assess its nature and significance. Possible management measures include:

1. No further action where the conflict is immaterial;
2. Disclosure to relevant decision-makers;
3. Recusal from a specific decision;
4. Restriction of access to relevant information;
5. Independent review;
6. Reassignment of responsibilities;
7. Competitive procurement or independent selection;
8. Additional approval requirements;
9. Termination or restructuring of the conflicting arrangement where necessary.

The objective is to manage the conflict while protecting organizational integrity.

21. RECUSAL

A person with a material conflict should not participate in the relevant decision unless an authorized body determines that participation is appropriate and adequately managed.

Recusal may include:

- Leaving a meeting during discussion;
- Not voting;
- Not signing an approval;
- Not evaluating bids or applications;
- Not accessing confidential decision materials;
- Not influencing other decision-makers.

Where practical, the conflict and recusal should be recorded in the relevant meeting or decision record.

22. BOARD AND GOVERNANCE RESPONSIBILITY

Board members have a particular responsibility to identify and manage conflicts because of their governance role. A Board member must disclose any conflict that could affect their independent judgment. Where a Board member has a material conflict, the Board may require the member to:

- Declare the conflict;
- Abstain from voting;
- Leave the discussion;
- Leave the meeting;
- Refrain from accessing relevant confidential information.

The Board should ensure that conflict-of-interest matters are handled objectively and documented appropriately.

23. CONFIDENTIALITY

Information disclosed under this policy will be handled sensitively and confidentially. SFFP will seek to limit disclosure to persons who have a legitimate need to know. Conflict-of-interest records should be protected against unauthorized access and handled in accordance with SFFP's Privacy and Data Protection Policy.

24. RECORD KEEPING

SFFP will maintain appropriate records of:

- Conflict-of-interest declarations;
- Disclosures;
- Decisions regarding conflicts;
- Recusals;
- Related-party transactions;
- Relevant approvals;
- Corrective measures.

Records should be retained securely and for an appropriate period consistent with SFFP's record-retention requirements and applicable law.

25. NON-RETALIATION

No person should suffer retaliation for making a good-faith conflict-of-interest disclosure. SFFP encourages early disclosure because transparent identification of a conflict allows it to be managed before it affects organizational decisions.

26. NON-COMPLIANCE

Failure to disclose a material conflict or deliberate concealment of a conflict may constitute misconduct. Depending on the circumstances, SFFP may take appropriate action, including:

- Corrective measures;
- Removal from a decision-making process;

- Written warning;
- Suspension of responsibilities;
- Termination of employment or engagement;
- Cancellation or review of a transaction;
- Recovery of improperly obtained benefits;
- Termination of a contractual or partnership relationship;
- Referral to relevant authorities where appropriate.

Actions will be proportionate to the circumstances and consistent with applicable law and organizational procedures.

27. GOOD-FAITH DISCLOSURE

SFFP recognizes that conflicts can arise unintentionally. A person who promptly discloses a conflict and cooperates in managing it will generally not be treated as having committed misconduct merely because the conflict existed. SFFP encourages a culture of early disclosure rather than concealment.

28. RESPONSIBILITY FOR IMPLEMENTATION

Overall responsibility for this policy rests with SFFP leadership and the governing body. Managers and supervisors are responsible for ensuring that relevant personnel understand and comply with the policy.

Every covered person has an individual responsibility to:

- Recognize potential conflicts;
- Disclose them promptly;
- Avoid improper influence;
- Recuse themselves where required;
- Protect organizational integrity.

29. TRAINING AND AWARENESS

SFFP will provide appropriate orientation or awareness on conflict-of-interest requirements to relevant Board members, staff, volunteers and decision-makers. Training may include:

- Identifying actual, potential and perceived conflicts;
- Disclosure requirements;
- Procurement conflicts;
- Related-party transactions;
- Gifts and hospitality;
- Recruitment conflicts;
- Human-rights and advocacy independence;
- Digital and technology-related conflicts;
- AI-assisted decision-making;
- Confidentiality and information management.

30. POLICY REVIEW

This policy will be reviewed periodically and may be updated in response to:

- Changes in applicable law;
- Donor or partner requirements;
- Organizational growth;
- New procurement or partnership models;
- Emerging technology and AI-related risks;
- Governance experience;
- Audit or compliance recommendations.

The policy should be reviewed at least every two years, or earlier where circumstances require.

31. COMMITMENT

Samaritan's Fellowship Pakistan is committed to maintaining an organizational culture based on integrity, transparency, accountability and responsible stewardship. Conflicts of interest will be addressed openly and proportionately so that personal interests do not improperly influence SFFP's mission, resources, programs, partnerships or decisions. Transparency in identifying and managing conflicts is a fundamental part of SFFP's commitment to human rights, good governance and public trust