

## DOCUMENT ADMINISTRATION

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2.0	Prepared by: Legal and Governance	
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	Next review:	At the request of the Board

## 1. Purpose

- 1.1. The Gavi Alliance ("**Gavi**") is structured as an open, collaborative organisation in order to ensure the meaningful involvement and participation of the main stakeholders to immunisation, including developing and donor countries, international organisations, pharmaceutical companies, individuals and philanthropic organisations. This fact is reflected in the composition of the Gavi Board (the "**Board**"), in which representative Board members ensure that institutions and constituencies can provide formal input into the development of all Gavi's policies and the management of its operations. Together with independent board members, whose experience in the private sector brings an innovative perspective to discussions, Board members engage in a process of balanced strategic decision-making, innovation and partner collaboration.
- 1.2. Given this collaborative structure, conflicts of interest – of varying degrees of significance or nature – are an unavoidable reality in the conduct of Gavi's operations. A conflict of interest in and of itself is not wrong and may not be unethical, but those involved in decision-making processes on behalf of Gavi must take appropriate action to ensure disclosure of any actual, perceived or potential conflict of interest. As a result, Gavi will be able to properly manage conflicts of interest and thus mitigate the operational and reputational risks inherent in such conflicts.
- 1.3. The purpose of this Conflict of Interest Policy (this "**Policy**") is therefore to protect the integrity and reputation of Gavi's decision-making processes, particularly in regard to the allocation and disbursement of resources, by establishing procedures to identify, evaluate and address any actual, perceived or potential conflicts that may arise. As a basic principle, such conflicts must be resolved in favor of Gavi. Taking into account the Statutes and By-Laws, those involved in decision-making processes on behalf of Gavi will be expected to abide by the provisions of this Policy.
- 1.4. This Policy should be read in conjunction with Gavi's Ethics Policy, which sets out the values and ethical framework within which this Policy should be applied.

## 2. Definitions

- 2.1. Terms found in this Policy have the same meaning as they do within the Gavi Statutes and By-Laws. Further, the following definitions apply:
  - 2.1.1. "**Gavi Person(s)**" – Any member of the Secretariat (including employees and consultants), Board (including alternate Board members and Committee delegates), or Advisory Bodies (as defined in Article 5 of the By-Laws).
  - 2.1.2. "**Family Member(s)**" – A Gavi Person's grandparents, parents/guardians, spouse/domestic partner, siblings, children or dependents and grandchildren.
  - 2.1.3. "**Conflict of Interest**" – A situation where a Gavi person has an actual, perceived, or potential Organisational or Financial/Personal interest, as defined below, that may:
    - affect the conduct of his/her duties and responsibilities with respect to Gavi;

- create the perception that the Gavi person is using his/her position in Gavi for organisational or personal financial gain at the expense of Gavi.

2.1.4. **“Organisational Interest”** – An organisational interest arises when a Gavi Person is an officer, director, trustee, partner or (negotiating to become) an employee of an entity that may benefit financially from a decision he or she would vote on.

2.1.5. **“Financial/Personal Interest”** - A Gavi Person has a financial/personal interest when (s)he or any Family Member may benefit financially or in any other significant way from a transaction or other financial arrangement between Gavi and an entity with which the person has:

- an ownership or investment interest;
- a senior leadership or Board member position (whether paid or unpaid);
- a direct or indirect compensation arrangement, including through a business, investment or Family Member, or in the form of substantial gifts or favours; or
- a potential of securing any of the above.

A person who possesses investments in independent non-discretionary managed accounts that may hold securities in entities that have a transaction or arrangement with Gavi will not be deemed to have a Financial/Personal Interest under this Policy.

### 3. Conflict of interest established

3.1. There are several possibilities for determining whether an actual, perceived, or potential Conflict of Interest exists:

- a Gavi Person discloses that (s)he has an actual, perceived or potential conflict;
- the Chair of a meeting determines an actual, perceived or potential conflict exists;
- the Board determines an actual, perceived or potential conflict exists;
- a Board Committee or Advisory Body determines an actual, perceived or potential conflict exists in the context of its own deliberation; or
- the CEO determines that a member of the Secretariat has an actual, perceived or potential conflict.

### 4. Categories of Interest

4.1. It is not always possible to identify easily either the type of interest that exists or the proper means by which to mitigate the effects of the resulting conflict. In order to structure the management of conflicts, which is the core of a conflict of interest policy, interests can generally be categorized according to the following types:

- **Direct** – A direct interest in any Board decision, policy or contract may be established when a Gavi Person directly benefits from such decision, policy or contract through an Organisational or Personal/Financial Interest.

*Example 1: The Board will discuss and vote on approval of funding for a contract/agreement with an organisation that employs a Board member. That Board member is thus connected directly to the relevant agenda item through*

*an Organisational Interest (i.e. a financial interest), and the Chair may take appropriate action, which in most circumstances will mean the Board member will be requested to leave the discussions and be excluded from voting on the issue.*

*Example 2: A Gavi Person who is a Secretariat employee is involved in a procurement decision-making process that potentially involves an organisation of which his or her spouse is the only employee. That Gavi Person is thus directly connected to the decision through a Financial/Personal Interest. He or she should declare this interest to their line manager, managing director, or the Managing Director, Law and Governance and should not play any role in the procurement process.*

- **Indirect** – An indirect interest in any Board decision, policy or contract may be established when a Gavi person indirectly benefits from such decision, policy or contract through an Organisational or Financial/Personal Interest.

*Example 1: The Board will discuss and vote on a strategy or policy that affects Gavi's general relationship with a group of organisations that are represented on the Board by a number of Gavi Persons and that may result in a future financial benefit for member(s) of this group. A Gavi Person representing any such organisation would thus be connected indirectly to the strategy through an Organisational Interest, and the Chair may take appropriate action, such as requesting recusal from discussion and voting on the issue.*

*Example 2: A member of an advisory committee to the Gavi Board is involved in a competitive selection process for which a firm with which he or she has a business contract has submitted a proposal. A perception could arise that the member of the committee's responsibilities to Gavi may be affected by his or her business relationship with one of the bidders. Taking into account all circumstance any appropriate mitigating steps may be identified.*

## **5. Transparency and duty to disclose**

- 5.1. A Gavi Person must disclose Organisational or Financial/Personal interests, including those that derive from Family Members, and the nature of such interest whenever (s)he becomes aware that a conflict exists, could be perceived to exist, or is reasonably likely to occur. Such interests should be disclosed to the Chair, the CEO, the Managing Director, Law and Governance or a managing director, as appropriate. Gavi Persons are encouraged to consult the Managing Director, Law and Governance, for guidance if they have questions about disclosure requirements.
- 5.2. Annually, each member of the Board (including alternate Board members and Committee delegates), members of Advisory Bodies, officers, and members of the Secretariat with signature authority shall complete and submit a conflict of interest form, to be distributed by the Managing Director, Law and Governance.

## **6. Board Committee and Advisory Body meetings**

- 6.1. Though Board members bring their experience and affiliations to bear for the benefit of Gavi, they recognise their fiduciary responsibility to put the interests of Gavi before other interests when taking decisions on behalf of Gavi. Concurrently, when discharging their duties, representative Board members are not required to take decisions that conflict with the constitution, regulations, rules

and policies of the organisation providing that member to the Board. Therefore, participation in and disclosure of any actual, perceived or potential Conflict of Interest relevant to a Board, Board Committee or Advisory Body decision should be guided by the provisions of this Policy, with any such conflict identified and declared, and more generally the Gavi Ethics Policy.

- 6.2. During the course of a Board or Board Committee meeting, a Gavi Person with an actual, perceived or potential Conflict of Interest shall disclose the conflict to the Chair of the meeting as soon as possible upon learning of a possible Conflict of Interest and in no event later than at the beginning of discussion of the pertinent agenda item.
- 6.3. It shall be the prerogative of the Chair of the meeting, in consultation with the Managing Director, Law and Governance, as appropriate, to determine the scope and level of a conflicted person's participation in the discussion and the necessity of recusal from voting given the type of interest disclosed. The minutes of the meeting shall reflect the conflicted member's disclosure and whether the conflicted member participated in the discussion and/or abstained from voting.
- 6.4. Board members and alternate Board members representing developing country governments are subject to the provisions above except that they shall be entitled to participate fully in discussions and to vote on decisions on the recommendation by the Independent Review Committee, unless the Board is considering a decision exclusively on programmes in the country of the representative Board member.

## **7. Procurement and contracting**

- 7.1. All Gavi Persons engaged in Gavi procurement processes and contracting activities that have, or may have, any direct or indirect outside interest, financial or otherwise, or relationship that might conflict, potentially conflict, or appear to conflict with the procurement interests or contracting of Gavi must disclose this conflict to the Chair, the CEO, the Managing Director, Law and Governance or a managing director, as appropriate, who will take mitigating measures, if necessary. A Gavi Person may consult with the Managing Director, Law and Governance in case of doubt as to whether an actual, perceived or potential Conflict of Interest arises in a particular situation.

## **8. Outside employment**

- 8.1. When negotiating for or entering into an arrangement concerning employment outside of Gavi for themselves or for a Family Member, Gavi Persons who are members of the Secretariat should not allow such circumstances to affect the performance of their duties. Any Conflict of Interest that arises in the course of negotiations for or entering into an arrangement concerning outside employment should be disclosed to the Chair, a line manager, a managing director, or the Managing Director, Law and Governance, as appropriate.

## **9. Special advisers**

- 9.1. From time to time, Gavi provides the Chair and Vice Chair of the Board, and other Board members (primarily developing country government Board members), staff support to aid them in their roles as Gavi directors. Board members receiving this support are asked to acknowledge on their annual

conflict of interest form that Special Advisers support only activities in furtherance of their service on the Board.

#### **10. Failure to disclose**

- 10.1. Should any Gavi Person have reasonable cause to believe that another Gavi Person has failed to disclose an actual, perceived or potential conflicts of interest, (s)he shall inform the relevant line manager, managing director, the Managing Director, Law and Governance, or the Chair of the meeting as appropriate of the basis for such belief so as to afford the Gavi Person an opportunity to explain the alleged failure to disclose. The reporting Gavi Person should have reasonable grounds for suspecting a violation and must do so in good faith. Knowingly reporting false or frivolous information is contrary to this Policy.
- 10.2. Failures to disclose or disputes over whether a conflict exists may be referred to the Governance Committee or, if necessary, the Board for resolution. Failures to disclose a personal interest by a representative Board or Committee member shall be addressed in consultation with the organisation providing that member.

#### **Secretariat**

- 10.3. It is Gavi's policy to protect all employees from reprisal, retaliation or other adverse action when reporting alleged failures to disclose if such reporting is done in good faith and with reasonable grounds for suspicion

#### **11. Effective date and review of policy**

- 11.1. This policy comes into effect as of 12 June 2012.
- 11.2. This policy will be reviewed and updated as and when required, and is subject to Gavi Board approval.