

**Ethics Policy of**  
**the Happy Childhood Global Network**

## **SECTION 1 – PURPOSE**

### **Art .1.1**

The strength of the Happy Childhood Global Network (“HCGN”) which comprises the Philippe Hatem Foundation for a Happy Childhood (PHF) and a network of affiliated foundations (Happy Childhood Foundations, HCFs, lies in the involvement and participation of the main stakeholders to bring happiness to children worldwide. It is essential to the continued successful operation and development of the Happy Childhood mission that HCGN operates in an ethical, transparent and open manner.

### **Art. 1.2**

The purpose of this Ethics Policy (the "Ethics Policy" or the "Policy") is to ensure a clear, achievable and relevant standard of ethical conduct for the activities and decision-making of any member of the Foundation Board and of any Bodies of PHF or HCFs, involved on a voluntary or remunerated basis (“HC Person(s)”), to protect HCGN’s reputation and integrity, and to ensure broad public trust and confidence in HCGN's operations.

Any individual or company collaborating with PHF or HCFs, on a voluntary or remunerated basis, shall share the same values and standard of ethical conduct for any activities done for PHF or HCFs.

### **Art. 1.3**

HC Persons are therefore expected to conduct themselves according to both the language and spirit of this Policy, and seek to avoid even the appearance of unethical behavior.

### **Art. 1.4**

This Policy should be interpreted to be consistent with other HCGN policies and applicable laws and regulations.

## **SECTION 2 - SCOPE**

### **Art. 2.1**

This Policy is not designed to be an all-inclusive set of rules for ethical behaviour, but instead provides a framework of policies that serves to structure the understanding and increase the awareness of all HC Persons regarding the potential ethical dilemmas with which they might be confronted while working at or in the service of HCGN.

### **Art. 2.2**

Ethical behaviour requires making determinations as to the correct course of action, often without clearly established rules or laws. Ethics is thus not about following a strict set of guidelines, but rather about doing more generally the right thing. In this respect, a successful ethics policy facilitates behaviour that by example leads to the development of an ethics-focused organisational culture and environment. The responsibility to behave ethically and in a manner that enhances HCGN's

reputation and supports the achievement of its mission and goals is therefore shared by all HC Persons.

## **SECTION 3 - DEFINITIONS**

### **Art. 3.1**

Terms found in this Policy have the same meaning as they do within other HCGN Bylaws and Regulations. Further, the following definitions apply:

#### **Art. 3.1.1.**

**"Family Member(s)"** – A HC Person's grandparents, parents/guardians, spouse/domestic partner, siblings, children or dependents and grandchildren.

#### **Art. 3.1.2.**

**"Conflict of Interest"** – A situation where a HC 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 HCGN;
- create the perception that the person is using his/her position in HCGN for organisational or personal financial gain at the expense of HCGN.

#### **Art. 3.1.3**

**"Organisational Interest"** – An organisational interest arises when a HC 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.

#### **Art. 3.1.4**

**"Financial/Personal Interest"** – A HC 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 HCGN 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 HCGN will not be deemed to have a Financial/Personal Interest under this Policy.

## **SECTION 4 - CONFLICT OF INTEREST**

### **Art. 4.1**

The reputational risks inherent in a conflict of interest are of particular importance to HCGN given its reliance on the cooperation and support of its stakeholders and donors.

### **Art. 4.2**

A conflict of interest in and of itself is not wrong and may not be unethical, but HC Persons must take appropriate action to ensure disclosure of any actual, perceived or potential conflict of interest in order to comply with this Policy.

## **SECTION 5 - DONATIONS AND CONTRIBUTIONS**

### **Art. 5.1**

HCGN may accept donations (in-kind gifts) or contributions (cash gifts) only for programs, services, investments and purposes consistent with its charitable mission, purposes and priorities.

### **Art. 5.2**

HCGN will not accept donations or contributions that inhibit it from seeking donations or contributions from other donors or donations if they involve unlawful discrimination.

### **Art. 5.3**

HCGN will not accept donations or contributions from companies or organisations that exploit child labour or are involved in or connected to the manufacture of tobacco, weapons of any kind, including land mines, or drugs (excluding pharmaceutical companies).

### **Art. 5.4**

HCGN will not accept donations or contributions which have no clean and transparent source of funds.

## **SECTION 6 - GIFTS**

### **Art. 6.1**

HC Persons or any Family Member may not solicit or accept, directly or indirectly, any cash or monetary equivalents (i.e., stock or other marketable securities), object of value or preferential treatment or seek or accept loans (other than conventional loans at market rates from lending institutions) from any person or entity that has done business with, or is seeking to do business with, HCGN.

**Art. 6.2**

Unsolicited gifts may be accepted on behalf of HCGN when refusal to do so would not be in the best interest of HCGN. Business-related meals, entertainment, token gifts or favours may be accepted only when the value involved is low and will not place the recipient under any obligation, either real or perceived, to the donor.

**Art. 6.3**

HC Persons or any Family Member may not offer gifts or entertainment to persons or entities whose support or business HCGN may be seeking.

**Art. 6.4**

Many countries in which HCGN conducts operations have laws that forbid the making, offering or promising of any payment or anything of value (directly or indirectly) to private individuals or government official (which may include the employees of public universities and medical centers, and foreign political parties and candidates), particularly when the payment is intended to influence an official act or decision. HCGN strictly prohibits payments of any kind to any person to influence or advance HCGN's interests with private individuals or governmental officials as defined above. Any such payment violates HCGN's policies and procedures.

**SECTION 7 – CULTURAL COMPETENCE****Art. 7.1**

HCGN believes that cultural competence and humility are vital to success. HCGN promotes practices and procedures that encourage respect for diverse cultures and establish a global perspective.

HCGN's development efforts are effective and sustainable when they are accepted by the local community and by its international nonprofit partners. Its cultural diversity and understanding is reflected in its volunteers, programs, and partners.

**SECTION 8 - EQUAL OPPORTUNITY, NON-DISCRIMINATION, AND HARASSMENT****Art. 8.1**

HCGN values a work environment where diversity is embraced and differences are accepted, and where employees are treated, and treat each other, fairly and with respect and dignity. HCGN prohibits discrimination on the basis of any criteria protected by law, including, but not limited to, race, colour, religion, sex, gender, marital status, national origin, age, disability or sexual orientation, whether committed by or against an employee, vendor, visitor or otherwise in the work-place. Conduct involving discrimination or harassment by HC Persons will not be tolerated.

## **SECTION 9 - CONFIDENTIALITY**

### **Art. 9.1**

All HC Persons have the responsibility to protect the confidentiality of information reasonably understood to be confidential obtained or created in connection with their activities at HCGN. Proprietary information about HCGN or its employees, or confidential information about a company, organisation or any individual having a relationship with HCGN, must not be disclosed unless disclosure is authorized or legally mandated. In addition, confidential information provided by a partner organisation under a confidentiality agreement must also be protected from disclosure and must not be used except for its intended purpose.

### **Art. 9.2**

Paperwork and documents (electronic and paper) related to HCGN operations should be produced, copied, faxed, stored and discarded by means designed to minimize the risk that unauthorized persons might obtain access to proprietary or confidential information. Access to work areas and computers must also be properly controlled. Additionally, discussion of sensitive matters or confidential information in public places where others might overhear should be avoided.

### **Art. 9.3**

Any unauthorised use or disclosure of proprietary information violates HCGN policy. The obligation to safeguard confidential information continues after employment or service with HCGN ends.

## **SECTION 10 – ENVIRONMENT, HEALTH, AND SAFETY**

### **Art. 10.1**

HCGN is committed to conducting its business in compliance with all relevant environmental and workplace health and safety laws and regulations. HCGN strives to provide a safe and healthy work environment and to avoid adverse impact and injury to the environment.

## **SECTION 11 – COMPLIANCE AND FEEDBACK**

### **Art. 11.1**

Every HC person must comply with this Code and with all Company policies. If a HC person fails to do so, he/she may face disciplinary action, possibly including termination.

### **Art. 11.2**

HCGN will evaluate how it is living up to this Ethics Policy by requesting feedback on a regular basis from its employees, volunteers and beneficiaries. HCGN will provide all of its stakeholders a mechanism to report unethical conduct. HCGN will begin with employee orientation and regularly communicate all of these expectations to employees and volunteers.

**Art. 11.3**

HCGN's volunteers, employees, contractors and suppliers are expected to report any practices or actions believed to be inappropriate to their supervisor or another director of the HCGN. Likewise, any supervisor, manager, officer or director who is aware of any violation and does not promptly report and correct it may be subject to disciplinary action, possibly including termination.

**SECTION 11 – EFFECTIVE DATE AND REVIEW OF POLICY****Art. 11.1**

This policy comes into effect as of 1 July 2016.

**Art. 11.2**

This policy will be reviewed and updated as and when required, and is subject to PHF Board approval.