



**POL – 4 Conflict of Interest Policy** *(extracted from Policies and Procedures Manual dated June 2013)*

It is the policy of NACE to conduct its affairs in strict compliance with the letter and spirit of the law and to adhere to the highest principles of business ethics. Accordingly, all officers, employees, and independent contractors must avoid activities which are in conflict, or give the appearance of being in conflict, with these principles and with the interests of NACE.

4.1 The following are potentially compromising or harmful situations which must be avoided. Any exceptions must be reported to the Executive Director and written approval for continuation must be obtained from the Board of Directors.

**1. Confidential Information.**

Revealing confidential information to outsiders or misusing confidential information. Unauthorized divulging of information is a violation of this policy whether or not for personal gain and whether or not harm to NACE is intended or occurs.

**2. Gifts.**

Accepting or offering gifts, entertainment, favors, or payments which may be deemed to constitute undue influence or otherwise be improper or embarrassing to NACE. Determination of what exceeds this policy shall be made by the Executive Director and may be appealed first to the Executive Committee and subsequently to the Board of Directors.

**3. Personal Relationships.**

Initiating or approving personnel actions affecting reward or punishment of employees, applicants or members where there is a family relationship or is, or appears to be, a close personal or social involvement.

**4. Harassment.**

Initiating or approving any form of personal, sexual, or social harassment of employees, members, customers, suppliers or anyone else.

**5. Borrowing and Lending.**

Borrowing from or lending to employees, members, customers or suppliers.

**6. Property.**

Improperly using or authorizing the use of any property of NACE, or any property that is owned by another person or entity.

#### **7. General Conduct.**

Engaging in conduct which is not in the best interest of NACE.

#### **8. Foreign Payments.**

Making any unlawful agreement, with or without payment, to any domestic or foreign government official or corporate representative.

#### 4.2 Requirements that apply to Association Fund Expenditures

Members responsible for fiduciary responsibility or oversight (i.e. knowledge of budgets) are prohibited from submitting contractual work bids on behalf of:

- a. Themselves;
- b. Immediate family members or their relatives;
- c. Their employer;
- d. Their own company which they may own or have any ownership interest; or
- e. Any arms-length company or affiliation of related business interests relative to the contract in question.

#### 4.3 Requirements that apply to the Board of Directors of the Association.

- a. Board members shall not hold supply contracts (employment) with NACE during their term of office.
- b. Board members shall not use their position to apply undue influence or create a conflict of interest when acting as an officer or a voting member of a committee or participating in activities of committees in which they are not members.