

**Voluntary commitment
of DIAKONIE KATASTROPHENHILFE
and BROT FÜR DIE WELT
for more transparency and good governance**

I. General

Through their work in the areas of survival aid, rehabilitation and disaster risk reduction, DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT seek to make a contribution to the alleviation of poverty, hunger and suffering, the realisation of human rights, the building of just societies, the non-violent resolution of conflicts, a caring stewardship of creation and the social and economic sustainability of the process of globalisation throughout the world.

To achieve these goals, DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT are reliant on the support and trust of donors in Germany, whose charitable generosity finance and make our work possible.

The role as institutional link between donors and recipients and as advocate of the poor and disadvantaged can only be carried out credibly by DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT, when they demonstrate openness and transparency across all levels of their operations and influence and meet each of the increasing requirements of this.

That is why DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT are committed to compliance with the already applicable principles and rules laid out in point II below and – in terms of their understanding of quality as a permanent process of improvement – to their continuous development. The measures for further development outlined in point III are currently at the planning stage.

II. Principles

1. Respecting human dignity

The inviolability of human dignity is a guiding principle of our undertakings. We assume that people in all continents are the subjects of their actions and not objects of support and we design our support as well as our public relations activities accordingly.

2. Governing bodies and executive board

The members of the bodies that determine the orientation and oversee the work of DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT discharge the tasks assigned to them in a highly competent and serious way.

There is a clear and unambiguous delimitation of the tasks and functions within the management and supervisory bodies serving on an honorary basis and between them and the executive board.

These conventions are laid out in the CORPORATE GOVERNANCE CODE of the Social Service Agency of the Protestant Church in Germany (Diakonisches Werk der EKD), which is publicly known. Compliance with the Corporate Governance Code is inspected by external auditors.

The salaries and expense allowances of the executive board members of the Diakonisches Werk der EKD are disclosed in full. The members of the various bodies serve in an honorary capacity and receive no salary or expense allowances.

3. Financial prudence and cost-effectiveness

DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT disburse all the funds entrusted to them in a responsible, financially prudent and cost-effective manner. In doing so, DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT act with foresight and systematically. There are clear rules and set procedural standards for all members of staff with regard to the disbursement of funds. This also includes clear, comprehensible rules covering the inviting of tenders for, and the contracting of, services as well as acquisitions.

To prevent abuse and corruption, internal guidelines are in place for management and all other personnel.

Through continual capacity building of management and all other personnel, the implementation of existing rules and procedures - including the anti-corruption guidelines - is continuously fostered and the performance of personnel enhanced.

4. Internal organisation

DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT have a well-functioning, professional organisational structure with a clear and unambiguous regulation of internal competences and responsibilities as well as of signing authorisation. To safeguard and develop the internal organisation and working procedures, a system of controls covering all working areas has been introduced, compliance with which is overseen by the controlling department.

5. Financial reporting

DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT commit themselves to be transparent about the source and use of funds and to make this information publicly available.

The accounting and financial reporting are carried out in accordance with legal requirements and the applicable guidelines of the Institute of Auditors (Institut der Wirtschaftsprüfer e. V. (IDW)) and the German Central Institute for Social Issues (DZI).

This involves compliance with the following guiding principles:

- correctness and absence of arbitrariness
- clarity and lucidity
- comprehensiveness
- prudent evaluation of assets and liabilities

DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT disclose all advertising and administrative costs in accordance with DZI guidelines. In their annual reports, they also disclose when donations received are passed on to other charitable organisations.

In addition to complying with statutory requirements, the Diakonisches Werk der EKD produces and publishes a status report, which informs the public about current assets, financial position and performance and, hence, constitutes an effective contribution to transparency. This also includes a realistic representation of the risks for future development.

6. External Auditing

The annual external audit includes the following aspects:

- compliance of the bookkeeping and the financial statement - comprising the balance sheet, profit and loss account, notes and voluntary status report - with legal and regulatory requirements
- fulfilment of the seal of approval criteria of the German Central Institute for Social Issues (DZI)
- compliance of corporate governance with legal and regulatory requirements (in accordance with § 53 HGG) and
- financially prudent and cost-effective use of funds.

The result of the audit is made available to the public in the form of an auditor's report (attestation), which is also published in the annual report.

The auditors report on the result of their audit in person to the executive board and the non-remunerated management and supervisory bodies.

7. Development-related public relations ¹

We are diligent in providing a truthful and factual presentation, which respects the human dignity of each individual and are transparent about our own intrinsic values, motives and actions. We help people make their own decisions between various courses of action and to reflect critically on their own standpoints. The basis of this is respect for

other cultural orientations and tolerance of other viewpoints, insofar as these do not violate human rights and dignity.

Development-related public relations is to be based on the established principles of journalistic and ethical integrity. It is based on the guidelines established in the "Code d'Athène" at the international level and the Press Code at the national level.

8. Advertising

DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT commit themselves to uphold Christian and ethical values in communications with donors. Guidelines covering the corporate sponsorship of activities are contained in the "Ethics-Sponsoring Code", which is available to the public.

The free choice of donors is respected. Any semblance of pressure on donors' choice will be eschewed.

The purpose of donations is described truthfully and the use of donations in line with these purposes guaranteed.

No commission or other performance bonuses are paid in association with the procurement of donations.

The "International Statement on Ethical Principles in Fundraising"ⁱⁱ from the German Fundraising Association is recognised.

III. Planned measures to further enhance transparency

1. Status report

In addition to the status report of the Diakonisches Werk der EKD, DIAKONIE KATASTROPHENHILFE and BROT FÜR DIE WELT will produce and publish their own status report, which informs the public about current assets, financial position and performance and, hence, constitutes an effective contribution to transparency. This also includes a realistic representation of the risks for future development.

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ⁱ VENRO-EBÖ-Code

ⁱⁱ www.sozialmarketing.de/fileadmin/pdf_upload/Ethische_Prinzipien_IF.pdf