

Anticorruption Policy

**(Including fraud, bribery, financial malpractice &
other serious incidents)**

1. Corruption – definitions and examples

HelpAge Deutschland (hereafter HAD) defines corruption as the abuse of entrusted power and/or entrusted funds for private gain or advantage. HAD thus follows the definition of Transparency International.

Corruption occurs in various ways and forms. It can consist, for example, of offering, giving, demanding, or accepting gifts, loans, rewards, commissions, or similar benefits that are intended to induce the corrupted person to engage in conduct that is dishonest, illegal, or constitutes a breach of trust. Fraud, special forms of bribery like kick-backs and gratuities, embezzlement, and extortion, as well as the misuse of funds, also constitute corrupt behavior. Nepotism (favouritism based on familiar relationships) and Cronyism (favouring of friends and associates) are corrupt, too, but they are not necessarily fraud. However, they can create a culture and environment where fraud and bribery can thrive.

The list long. Transparency International provides detailed information under:
<https://www.transparency.org/en/corruptionary>

2. Purpose of this policy

At HAD, we have a zero-tolerance policy toward corrupt behavior. We respond to reports and tips with an internal investigation and follow up on any reasonable suspicion. We are committed to consistent clarification, taking into account the interests of the persons involved. Before the association makes a public statement, there is always an internal clarification and a hearing of the persons concerned.

Corruption, Fraud, Bribery are criminal offences that are an ever-present threat to the assets, resources and reputation of HAD. They have the potential to undermine the achievement of the aims and objectives of HAD and the partner organisation. Consequently, they must be of concern to all members of staff. It is HAD's policy to combat all forms of fraud, bribery and corruption, and to foster a culture in which they are never acceptable.

3. Scope

This policy and related procedures apply to all partner organisations of HAD, all staff, trustees, volunteers, interns, contracted consultants, supporting members, affiliates and partners (hereafter collectively referred to as associated persons) for any activities they undertake, or purport to undertake, for or on behalf of HAD. The partner organisation will ensure that it implements this policy either by referencing it directly, or by adopting its own local policy in accordance with this policy. This policy is considered a minimum standard and is not intended to replace existing fraud and corruption reporting or management processes as long as they are consistent with this policy. Any conflict shall be superseded by this policy.

4. Key principles

The key principles underlying HAD's approach to corruption, fraud and bribery are to

- Encourage a culture of awareness and have measures in place to recognize and minimise the risk of fraud and bribery;
- Have procedures in place for the prevention, detection, investigation, reporting and management of fraud and bribery;
- Make available confidential and appropriate reporting mechanisms so that anyone, in good faith, can report genuine concerns;

- Protect those who in good faith report instances of suspected fraud or bribery; Investigate with appropriate urgency cases of suspected fraud and bribery in accordance with HAD procedures and, fully respecting the principles of due process and natural justice, pursue perpetrators to the fullest extent of the law;
- Maintain the principles of confidentiality in any reporting or investigation of fraud or act of bribery;
- Cooperate fully when an investigation of fraud or act of bribery is carried out;
- Maintain appropriate documentation of suspected and actual frauds and acts of bribery;
- Report frauds and acts of bribery to the police, and donors as appropriate;
- Learn from any occurrence of fraud or bribery to prevent it being repeated.

5. Procedures

5.1. Prevention and Awareness:

5.1.1. Maintaining an environment that discourages corruption

Employees and contributors of the partner organisations combat corruption by creating and maintaining an environment that discourages corruption. This includes, among other things:

- With regard to transactions, decision-making processes, and the use of resources, the greatest possible transparency must be maintained so that decisions and actions can be traced.
- All transactions must be documented in writing; in particular, services and the use of any funds must be documented transparently. The falsification, alteration, destruction, or removal of documents and/or records, as well as the billing of services that cannot be verified, are prohibited. Upon request, HAD or an independent auditor will be provided with transparent and open documentation of receipts, transactions, and award processes.
- Informing project participants about the content of this policy, their rights, and the channels they can use to report violations of this policy. Carefully reviewing potential new partner organizations before agreeing to collaborations or signing contracts, including with regard to their anti-corruption measures.
- refuse any material or immaterial benefits offered or requested, or refuse to grant any benefits, and explicitly point out that the proposed business practice contradicts HAD's self-image.

5.1.2. Respect for and compliance with the law

All staff of the partner organization (including trustees, consultants and volunteers) are obliged to comply with the laws of the country in which they work. HAD expects and demands that all staff sign the Organisation's Code of Conduct. If there is no code of conduct in hand HAD's Code of Conduct shall be signed. All staff members act honestly and with integrity. They safeguard HAD funded assets and resources for which they are responsible.

5.1.3. Distribution of relief supplies and services

Employees and contributors shall ensure that the distribution of relief supplies and services to beneficiaries is always free of conditions. Those involved in the project must therefore be adequately and transparently informed about the criteria for selecting beneficiaries, the type

and quantity of relief supplies and services, and details of distribution (time, place, method, etc.). Situations in which individual employees/contributors are regarded as the sole responsible authority for the distribution of relief supplies and services must be avoided.

5.1.4. Awarding contracts

When awarding contracts, employees and contributors must ensure that decisions are made solely on the basis of objectively verifiable criteria such as price, quality, or performance and that no exclusive information is made available to individual tenderers. The process must be documented in a comprehensible manner.

5.1.5. Payments/Presents to/from public officials and business partners

Acceleration payments, such as bribes or “facilitation payments,” to public officials in order to expedite routine official acts to which there is a legal entitlement are prohibited. This does not apply to fees for expediting procedures that are specified in official catalogues. Employees and contributors are permitted to use these, provided that payment is made against a proper invoice/receipt.

Employees and contributors must refuse gifts, hospitality, or expense allowances or refrain from offering them if they could give the impression of inappropriately influencing the recipient's freedom of decision in the context of their work. Guest or courtesy gifts may only be of symbolic value; promotional items may be given or accepted as gifts for guests or courtesy gifts.

Invitations to working lunches may only be extended or accepted if their financial value is moderate, they are based on a legitimate work-related occasion, and the setting is socially appropriate. If stricter rules apply locally, these must be observed.

5.1.6. Use for private purposes

The personal use of assets bought with HAD's funds is not permitted unless such use is expressly authorized. The theft of funds or other property belonging to the organization is prohibited.

5.1.7. Acting in dangerous situations

Staff members (or other person that the partner organisation is legally or morally responsible for) may find themselves in situations where payments must be made to protect themselves and/or others from an immediate threat to life, health, safety, or freedom. Employees and contributors who have made a payment under such extreme pressure must report this to HAD, but will not face any sanctions.

5.2. Reporting obligation and consequences of violations

Anyone who has reasonable suspicion of violations of this policy or who is aware of such violations is obligated to report them within 24 hours to HAD (hadconcerns@helpage.de) or the responsible contact person within HAD. More details on the reporting mechanism can be found in the SERIOUS INCIDENTS REPORTING POLICY.

If such reports are received by the HAD-Compliance-Team they are guaranteed to be treated confidentially. The identity of the reporting person remains anonymous, except for a few individuals who require further details for the investigation process, and the protection of whistleblowers will be ensured. No one who reports violations in good faith needs to fear any disadvantages or other consequences, even if the report later turns out to be unfounded. It is not

the responsibility of employees, contributors, or whistleblowers to conduct investigations, provide evidence, or determine whether a violation of this policy has occurred. Employees and partners must be protected from allegations of corruption and should be able to respond to allegations. They are given the opportunity to comment on allegations within an agreed period of time.

Knowingly making false accusations and failing to report violations of this policy violate HAD's Code of Conduct and this policy. Violations of this policy may result in disciplinary measures, including termination without notice and/or cancellation of the cooperation. HAD reserves the right to report criminal offenses in accordance with the applicable law.

6. Related policies:

- Code of Conduct
- Serious Incidents Reporting Policy (incl. Serious Incident Report Form)
- Related internet-site: How to report a complaint