



HATOF Foundation
(An Environment NGO)

ANTI-CORRUPTION, BRIBERY, & WHISTLE- BLOWER, AND WITNESS POLICY

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1. Introduction

The Executive Council and Senior Management are committed to and oversee the implementation of a policy of zero-tolerance, recognizing that bribery is contrary to fundamental values of integrity, transparency, and accountability and undermines organizational effectiveness. This policy has been approved by the Executive Council of HATOF Foundation and is incorporated in all HATOF's contracts of employment and consultant or partner contracts. HATOF has a zero-tolerance policy towards the giving and receipt of bribes, and of bribery and corruption in any form. We aspire to operate to best practice standards and comply with all relevant laws in all the jurisdictions in which it operates. Corruption is recognized to be one of the world's greatest challenges. It is a major hindrance to sustainable development, with a disproportionate impact on poor communities and is corrosive on the very fabric of society.

Corruption has played a major part in undermining the world's social, economic, and environmental development. Resources have been diverted to improper use and the quality of services and materials used for development seriously compromised. The impact on poorer communities struggling to improve their lives has been devastating, in many cases undermining the very fabric of society. It has led to environmental mismanagement, undermining labour standards, and restricted access to basic human rights. It is important to recognize that corruption diverts resources from their proper use. Financial resources that were intended for local development may, because of corruption, end up in foreign bank accounts instead of being used for local purchasing and the stimulation of local economies. At the same time, it distorts competition and creates gross inefficiencies in both the public and private sectors. (Source UN Global Compact).

As an Environment and Sustainable Development Non-Governmental Organization, HATOF Foundation has adopted the principles outlined in the UN Global Compact Initiative (www.unglobalcompact.org), where the purpose is to contribute to a more sustainable and inclusive global economy. The tenth principle of UN Global Compacts reads: Businesses should work against corruption in all its forms, including extortion and bribery. UN Global Compact recommends that organizations as a first step introduce anti-corruption policies and programs within their organizations and this document should be seen as a first step. By introducing an anti-

corruption and anti-bribery policy, HATOF Foundation sends a clear signal to partners, employees, and donors of HATOFs' commitment to fighting bribery and corruption both in its programme work and by keeping its own house in order.

1.1. Objectives

The objective of this anti-corruption and anti-bribery policy is to ensure that HATOF Foundation activities, financial support, and staff behavior is not influenced by bribery and corruption thereby ensuring the maximum beneficial use of available resources to the benefit of the poor and disadvantaged. The anti-corruption and anti-bribery policy is considered an important tool in realizing the HATOF Foundations' vision.

When HATOF Foundation co-operates with government institutions, academia, and public authorities, the support should always promote environmental management, and sustainable development and benefit all fabric of society. HATOF Foundation finds that the state should lay down the overall framework for the development of society, and be responsible for environmental management, good governance based on openness, popular participation, devolution of powers to local authorities, transparent decision-making, and efficient administration.

Nepotism, abuse of power, bribery, and corruption, and decision-making shrouded in secrecy are contrary to the fundamental principles of democracy and exclude underprivileged communities from influence.

A strong civil society is an important means of keeping up the momentum of democratization and of the necessary political and administrative reforms. This policy is based on HATOF's values and staff are guided by the three basic values of being committed, critical, and responsible.

2. Guiding Principles to Promote Anti-Corruption and Anti-Bribery

At the institutional level:

- HATOF has a zero-tolerance policy towards bribery and corruption. The policy extends to all HATOF activities in all countries.

- Anti-corruption and anti-bribery is an integral part of all HATOF’ strategies, programmes, information, advocacy work and personnel policies.
- HATOF will ensure that adequate resources, including staff training, are available to develop, implement and maintain anti-corruption anti-bribery policies and procedures.
- HATOF commits itself to create and maintain an enabling environment that promotes and facilitates anti-corrupt and anti-bribery behavior.
- HATOF strategy for partnership reduce the risk of bribery and corruption by pointing out the importance of transparency and accountability
- The partnership strategy declares that HATOF Foundation will take immediate action if identifying any kind of bribery and corruption.
- Partner Assessment and partner development plan should include a dialogue on corruption and how to avoid it.

3. Public Image, Information and Advocacy:

- Information, campaign, and advocacy initiatives reflect HATOF Foundation’s commitment to promoting good governance including non-corrupt behavior in line with the UN Global Compact initiative.
- HATOF Foundation respects the different donors’ anti-bribery and anti-corruption policies and procedures in order to ensure maximum use of entrusted funds for the benefit of the poor and disadvantaged.

Definitions

Corruption	Is understood as the misuse of entrusted power for personal gain.
Bribery	Is understood as the offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of HATOF Foundation activities.
Fraud	Is defined as economic crime involving deceit, trickery or false pretenses, by which someone gains unlawfully.

Embezzlement	Is defined as the misappropriation of property or funds legally entrusted to someone in their formal position as an agent or guardian.
Gifts	Are understood as presents such as – but not limited to- flowers, hampers, confectionary and wine. Tickets to events which are given to an individual are also gifts.
Hospitality	Is understood as invitations to receptions, dinners, lunch etc. hosted in a work related context. Kickback is the return of a part of a contractual payment.
Nepotism	Is favoritism toward relatives and friends, based upon that relationship, rather than on an objective evaluation of ability or suitability.

4. HATOF Foundation Anti-Bribery and Anti-Corruption Code of Conduct Principles

1. Conflict of interest.

We will avoid any conflict - real or potential - between our personal interests and the interests of HATOF Foundation.

2. Misuse of official position.

We will not seek to influence for personal gain any person or institution by using our official position or offering them personal advantages.

3. Respect for laws.

We respect the laws of the countries in which we work, unless we by respecting national laws violate, directly or indirectly, international law or human rights conventions.

4. Proper personal conduct.

We will ensure that our private conduct does not compromise our role as HATOF employee. We will not engage in activities involving fraud and embezzlement.

5. Nepotism and favoritism.

We will not favor friends, family or other personal relations in recruitment, procurement, aid delivery or other situations.

6. Active and passive bribery.

We will not give, solicit or receive directly or indirectly any gift, kickback or other favor that may influence the exercise of our function, performance of duty or judgement.

7. Gifts and hospitality.

Gifts and hospitality must be reasonable, not excessive and not exceed nominal value. When dealing with Government, hospitality and gifts must be within the norms and regulations of the country. Hospitality and gifts which are excessive or could be seen to influence judgements is not acceptable. Gifts received must whenever possible be shared among HATOF employees. If in doubt the immediate superior should be consulted.

8. Anti-corruption.

In accordance with the principle of “zero tolerance,” we are obliged to report instances of wellfounded suspicion or evidence of corruption observed or experienced in any part of HATOF Foundation activities. The responsible superiors will ensure the legal rights and due protection of the informant and the accused before, during and after any investigation.

9. Dissemination of the Code.

We will make our Code of Conduct known to our partners and suppliers. As employee of HATOF Foundation I hereby declare that I will respect the principles of this code of conduct.

5. Whistleblowers and Witness Protection

The HATOF Foundation recognizes the difficulty in ensuring a system where employees within the Orgainsation freely volunteer information for fear of retaliation especially when it involves a superior. The HATOF Foundation is committed to maintaining the highest possible standards of ethical and legal conduct within the HATOF Foundation and therefore committed to the protection of whistle-blowers.

HATOF Foundation recognizes that for this policy to be successful and well implemented it depends in part on the conscience and professional ethics of the Whistleblower or Complainant and the attendant assurance of confidentiality. Nonetheless, perceived ostracism by peers, harassment, or victimization by Management can be disincentives to whistleblowing. To avoid the psychological pressures such conflicts can cause whistleblowers and complainants, the HATOF Foundation shall protect whistleblowers and complainants. It should be noted that whistleblowers and complainants are reporting parties. They are neither investigators nor finders of fact; they do not determine if corrective measures are necessary; and they do not determine the appropriate corrective or remedial action that may be warranted.

6. Protection of and Remedies for Whistle Blowers and Complainants

The HATOF Foundation will protect the Whistleblower's or Complainant's identity and person. For the whistleblowing and complaint-handling mechanism to be effective, the concerned parties must be adequately assured that the information given will be treated confidential and that they will be protected against Retaliation from within or outside HATOF Foundation. The Bank will maintain as confidential the Whistleblower or Complainant's identity unless (i) such person agrees to be identified, (ii) identification is necessary to allow the HATOF Foundation or the appropriate law enforcement officials to investigate or respond effectively to the disclosure, (iii) identification is required by law or under the HATOF Foundation's rules and regulations, where a false accusation has been maliciously made, or (iv) the person accused is entitled to the information as a matter of legal right or under the HATOF Foundation's rules and regulations in the disciplinary proceedings. In such an eventuality, the HATOF Foundation shall inform the Whistleblower or Complainant prior to revealing his or her identity.

7.1. Retaliation shall not be permissible against any Whistleblower or Complainant. "Retaliation" means any act of discrimination, reprisal, harassment, or vengeance, direct or indirect, recommended, threatened, or taken against a Whistleblower or Complainant by any Person because the Whistleblower or Complainant has made a disclosure pursuant to this Policy.

7.2. The following protection and sanctions can be among those employed by the HATOF Foundation depending on the circumstances:

7.3. To the extent possible, the Risk Manager/AMLRO shall guarantee the confidentiality of the identities of Whistleblowers and Complainants. An individual who submits a complaint or is a witness in the course of an investigation shall, subject to the HATOF Foundation's rules and regulations, have his or her identity protected;

7.4. In instances where an individual makes or is in the process of making a report in the reasonable belief that the contents of the report are true on a matter subject to the authority of the Anti-Corruption and Fraud Investigation Division, that individual's identity is to be fully protected from unauthorized disclosure, even when making referrals to national authorities; The HATOF Foundation shall guarantee employment protection.

7.5. Staff of the HATOF Foundation who submit a complaint or information indicating Fraud, Corruption, or any other Misconduct knowing or reasonably believing the complaint or information submitted to be true, shall be protected from Retaliation. Employment remedies available to a Whistleblower against whom there has been Retaliation shall be determined by the Chief Executive Officer based upon the findings of a constituted committee and recommendations of the Risk Manager and shall include but not be limited to:

7.6. Reinstatement to the same or comparable position in salary, responsibility, the opportunity for advancement and job security;

7.7. Back benefits and pay, with consideration of the likely advancement and salary increases that a staff member would have received;

7.8. Compensatory damages, including financial losses linked to the retaliatory action by the HATOF Foundation and significant emotional distress, including any physical ailments suffered as a result of that distress and related medical costs;

7.9. Adjudication expenses, including representation fees, costs of expert witnesses, travel, and other costs associated with the claim of Retaliation.

7.9.1 Intangible benefits, including public recognition of the vindication of the Whistleblower, and in appropriate circumstances public recognition of the contributions of the Whistleblower to the HATOF Foundation. In addition to the remedies enumerated in paragraph 13.9:1 above, the Risk

Manager in consultation with the Head of Human Resources shall recommend further relief as the case may be, as follows:

7.9.2. Where there is a reasonable concern that the staff may suffer personal injury or that the safety and well-being of the staff's family may be at risk, the Risk Manager shall accord the staff with whistleblower status and take available measures to secure his or her personal and family safety and security, as an interim relief recommendation;

7.9.3 Where the Risk Manager determines that the Whistleblower is in a life-threatening situation, immediate necessary action to protect the Whistleblower shall be taken and the Chief Executive Officer promptly informed, who shall, in turn, notify the Board of Directors of the circumstances and actions taken to protect the Whistleblower;

7.9:4 Where the staff has suffered Retaliation or is threatened with Retaliation because of assistance he or she gave in an investigation or audit, on the recommendations of the Risk Manager, the Chief Executive Officer shall take steps to prevent such actions from taking effect or otherwise causing harm to the staff.

7.9.5. Where there is no case of a claim raised by a Whistleblower or a Complainant, but it is clear that the staff making such claim acted in good faith, the Risk Manager shall ensure that the staff suffers no Retaliation. When established, Retaliation for a disclosure made in good faith shall be by itself Misconduct.

7.9.6. Staff of the HATOF Foundation not making allegations in good faith or without reasonable belief that what is being reported is true may be subjected to disciplinary action in keeping with the HATOF Foundation's rules;

7.9.7. Where the alleged Retaliation is by the Risk Manager or threatened by him or her, the report should be made to the Chief Executive Officer who shall inform the Chairperson of the Board's Risk and Compliance Committee; and

7.9.8. Where the alleged Retaliation is by the Chief Executive Officer, or threatened by him or her, the Risk Manager shall inform the Chairman of the Board Risk and Compliance Committee.

Date: 31st January 2013

A handwritten signature in black ink, appearing to be 'A. P. H.', written in a cursive style.

Chief Executive Officer