



CARE Österreich
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CARE Österreich Anti-Corruption Policy

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Introduction

CARE Österreich and those who work for or on behalf of CARE Österreich (personnel), either paid (employees, consultants) or on a voluntary basis (board members, interns), are bound by values of integrity, responsibility and accountability, and we do not tolerate bribery and corruption domestically and abroad. Our internal and external stakeholders have a right to expect that we conduct all our activities to the highest ethical standards.

This Policy is an integral part of CARE Österreich's Quality and Accountability Framework.

Definition of Corruption

The most widely used definition for corruption is "abuse of power for private gain", as defined by the United Nations' Global Programme against Corruption (www.unodc.org); this definition is also used by the EU.

Transparency International (www.transparency.org) operationally defines corruption almost identically as "the misuse of entrusted power for private gain."

For private sector entities, the EU further defines as follows:

- 1) Corrupting a person: by promising, offering or giving directly or through an intermediary to a person who in any capacity directs or works for a private sector entity, an undue advantage of any kind, for that person or for a third party in order that that person should perform or refrain from performing any act in breach of that person's duties.
- 2) Demanding an undue advantage: a person requests or receives, directly or through an intermediary, an undue advantage of any kind, or accepts the promise of such an advantage, for him or herself or for a third party, while in any capacity directing or

working for a private sector entity, in order to perform or refrain from performing any act in breach of one's duties.

The EU Member States are required to penalise above described acts intentionally carried out as part of business activities. This applies to both profit and non-profit making entities (Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM:l33308>).

CARE Österreich Anti-Corruption Standard

It is always unacceptable to promise, offer or accept bribes or other improper payments and favours which can include e.g. gifts, entertainment and travel. Improper payments or gifts promised or offered constitute bribery and corruption:

- 1) If it is illegal;
- 2) If it creates an obligation or perception of obligation for either party;
- 3) If it cannot be transacted transparently;
- 4) If it is unreasonable in terms of value and/or frequency;
- 5) If the intention of the payment or favour is (a) to obtain or retain undue personal or business advantage; (b) to encourage others to refrain from acting in relation to performance of their duties; (c) to willingly refrain from performing our own duties;
- 6) If exposure is likely to cause embarrassment to the individual concerned or to CARE Österreich.

Accordingly:

Bribery and Corruption

- 1) We will not promise, offer or accept improper payments. We will not seek to influence other parties to offer or accept improper payments whether on our behalf or otherwise. This includes but is not restricted to private, corporate and institutional donors, government and regulatory authority officials, contractors, suppliers, media, partners, supporters and allies.
- 2) Other than directly for our developmental and humanitarian activities, we will not promise, offer or accept financial or philanthropic donations, investments or political contributions to try to obtain or retain undue personal or business advantages or to refrain or encourage others to refrain from acting in relation to the performance of his or her duty.

Gifts & Entertainment

- 1) We will not promise, accept or offer any gifts or favours not directly linkable to CARE Österreich's developmental and humanitarian activities of more than € 100,-- nominal value. The following limits apply:
 - a) We will not offer or accept for personal consumption gifts or tangible and intangible goods such as entertainment or travel of value greater than € 100,--.
 - b) We will not offer or accept gifts or tangible and intangible goods of an amount lesser than € 100,-- on a continuing basis, such as frequent restaurant invitations.
 - c) Gifts received of value less than € 100,-- may be retained for personal consumption.

All goods given or received pursuant to a) and b) above must be properly accounted for by the management and shall be subject to audit.

Extortion

- 1) We will actively resist extortion and all other demands for improper payments made under duress. In exceptional circumstances e.g. if minor payments must be made in order to secure short term personal safety and/or immediate business continuity, such payments must be reported to line management, accounted for and shall be subject to audit.

Fraud

We will not engage in any fraudulent acts, neither for our own benefit nor for the benefit of any third parties, nor for the assumed benefit of CARE Österreich. This includes, but is not restricted to:

- 1) Forgery or misappropriation of any document with a legal character or accounting belonging to CARE Österreich, such as payrolls, timesheets, travel expense reports, procurement documents, inventories etc., including their destruction with a fraudulent intent;
- 2) Misappropriation of funds and related forgery and misappropriation of financial records;
- 3) Misappropriation of assets and equipment, including their destruction with a fraudulent intent;
- 4) Embezzlement, i.e. theft of CARE Österreich resources for own or third party use.

Conflict of Interest

A "conflict of interest" occurs when an individual's private interest interferes or appears to interfere with the interests of CARE Österreich. As a matter of this Policy, those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, must not leave conflicts of interest unresolved unless approved by CARE Österreich's Senior Management Team (SMT). In particular, those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, must never use or attempt to use their position at CARE Österreich to obtain any improper personal benefit for themselves, for their families, or for any other person. More specifically:

- 1) Those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, may not privately use or offer to others access to or use of company resources including assets, funds or intellectual property without advance authorization from their line manager.
- 2) Those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, must declare and disclose to the CARE Österreich SMT any personal conflict of interest. It is deemed to be a conflict of interest where (i) an individual's duties involve transactions and interactions with another undertaking and (ii) the individual has an interest, financial or otherwise in the undertaking concerned (with the exception of shareholdings worth less than € 20,000.-- in a publicly listed company).
- 3) Those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, shall not take advantage of their influence as a representative of CARE Österreich in order to accept favourable terms and conditions including discounts

and other incentives, for personal transactions and interactions with an outside entity if he/she (i) is currently involved in transacting on behalf of CARE Österreich with this entity, (ii) has been involved in transactions on behalf of CARE Österreich in the past or (iii) is likely to transact on behalf of CARE Österreich in the future.

Implementation and Compliance Standards

- 1) Those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, will not be penalised in any way for business advantages lost due to adherence to this Policy.
- 2) Any actual or perceived threat or security risk to CARE Österreich or to those who work for or on behalf of CARE Österreich, either paid or on a voluntary basis, as a result of a refusal to engage in bribery, corruption or extortion or to make inappropriate payments must be immediately reported to CARE Österreich's SMT.
- 3) The CARE Österreich SMT is responsible for implementation of this Policy including regular monitoring, ensuring staff and Board is fully aware of this Policy, and orienting new staff and board members. This Policy shall be included in the standard package for new staff, referenced to in appropriate CARE Österreich Manuals and Guidelines, and shall be annexed to employee contracts, contracts with consultants and volunteers.
- 4) Any questions relating to how this Policy should be interpreted or applied shall be addressed to the CARE Österreich SMT. Anyone unsure whether a particular situation violates this Policy shall discuss the situation with line management and with the CARE Österreich SMT to prevent possible misunderstandings and embarrassment at a later stage.
- 5) Breach of this Policy may lead to disciplinary action for CARE Österreich employees. For non-employees, a breach of this Policy may lead to termination of the relationship with CARE Österreich.
- 6) Anyone working for or on behalf of CARE Österreich, either paid or on a voluntary basis, shall notify existing or potential violations of this Policy, whether intentional or unintentional, to the CARE Österreich SMT. Failure to do so is itself a violation of this Policy. It is recognized, however, that reporting alleged violations is extremely sensitive and might render the reporting individual in a very difficult personal and/or professional situation which will be duly taken into consideration. To encourage reporting alleged violations, a complainant's identity will be kept strictly confidential to the fullest extent possible.
- 7) It is inadmissible for anyone to discharge, demote, suspend, threaten, harass, or discriminate against any individual for making a report in good faith under this Policy. Any such retaliation or harassment may subject anyone working for or on behalf of CARE Österreich on a voluntary basis or being paid to disciplinary action up to and including discharge.
- 8) Reports shall be deemed made in good faith if the individual had reasonable grounds to believe or suspect misconduct, even if the belief or suspicion later proves to be unsubstantiated. Who knowingly wrongly indicates someone on the basis of this policy has to be aware of disciplinary actions up to discharge.

- 9) In case the CARE Österreich SMT or parts thereof are subject to violations of this Policy, reporting of such issues shall be addressed to the CARE Österreich Board.
- 10) The CARE Österreich SMT will review this Policy and monitor performance and compliance to this Policy, and will report to the Board quarterly about this Policy and its implications and might introduce modifications to this Policy as warranted. Any modifications of this Policy and any reporting or supervision systems introduced as a consequence of this Policy require prior approval of the CARE Österreich Works Council.