



## ANTI BRIBERY AND CORRUPTION POLICY

### 1. INTRODUCTION

#### 1.1. Purpose

This Policy consolidates **Fund for social and economic development of the regions "Treasury Creator RA"** (hereafter referred to as FUND RA) stance on bribery and corruption, it complements FUND RA's Core Values of integrity and the standards of behaviour expected from the fund's staff worldwide. It gives effect to the latest regulations and legislation. FUND RA's policy position is that any form of bribery and corruption is prohibited. This applies to accepting, offering, paying, giving, soliciting, or authorising bribes. This Policy sets FUND RA's minimum standards. Where local laws are stricter than the standards contained herein, the local laws prevail. If, in exceptional cases, deviation from this Policy is requested, such deviation must be discussed with business line management who should liaise with Compliance to determine whether the request is acceptable and for the purposes of recording any such deviation together with the rationale for allowing any deviation. This Policy should be read in conjunction with the associated policies. In particular FUND RA's Regulation Gifts policy, which set out the detailed policy requirements in relation to gifts and entertainment given to, or received from, clients and others.

#### 1.2. Scope

This Policy applies to all activities and operations of FUND RA, irrespective of their jurisdiction, country or business. The Policy applies to:

- Members of FUND RA's Managing Board
- Members of FUND RA's Supervisory Board
- All FUND RA permanent staff
- All FUND RA temporary staff (for example temporary workers, advisors and consultants).

Together, FUND RA permanent staff and temporary staff are known as "staff"

- The engagement of third-party service providers by FUND RA or any individual or corporate entity associated with FUND RA (for example suppliers, agents and sponsors).

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This Policy applies to all public and private sector transactions in which FUND RA is engaged.

### **1.3. Background**

The reputational and financial risks of the fund being involved in or becoming a vehicle for bribery and corruption are risks the fund takes seriously and wishes to mitigate. Corruption increases uncertainty in business and in the costs of transactions. It restricts international trade and reduces investment, and therefore growth, both within a region and globally. The international community has been aware of the negative effect corruption has on national economies and has enacted international agreements and domestic laws to help combat this. Bribery and corruption may among others be relevant for FUND RA in the following circumstances:

- Staff or third-party service providers accept or solicit bribes
- Staff or third-party service providers pay, offer or promise bribes
- Staff or third-party service providers authorise the actions above
- Clients misuse FUND RA's services and/or facilities (including, without limitation, financial), for example to deposit or transfer the proceeds of bribes

Although corruption is regarded as an increased risk in relation to public officials, it is also relevant in the private sector context.

### **1.4. Definitions Bribery**

This is the offering, suggesting, paying, or authorising of a payment to someone for their, or another's personal gain with the intention either to motivate active or passive deviation from a duty or to secure the performance of a duty.

#### **Bribe**

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

#### **Corruption**

Refers to the state or situation resulting from providing, soliciting, authorising or offering a bribe.

#### **Facilitation payments**

See paragraph 2.2. This is defined widely and need not be monetary in nature; it can be of any value, and include goods, services and information.

#### **Public official**

This is any official or employee of a state or its agencies, including those who have been selected, appointed, or elected to perform activities or functions in the name of a state or in the service of a state. It also includes any official or agent of a public international organisation, private individuals carrying out official state functions, and officials of state owned enterprises. This is a

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wide definition and (local) Compliance or, if necessary, (local) Legal will be able to provide further guidance.

## **2. POLICY**

### **2.1. Policy**

All FUND RA Staff and third-party service providers are prohibited from:

- Offering or suggesting a Bribe, or authorising the offer or suggestion of a Bribe
- Paying Bribes
- Soliciting or accepting a Bribe to influence a decision, to obtain unauthorised access to confidential information, or to commit or omit to do an act, whether or not the outcome would have been the same without the Bribe
- Making facilitation payments
- Using another party to conduct any of the above
- Using vendors or suppliers that do not have high standards on bribery and corruption
- Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption

FUND RA will carry out appropriate due diligence on its clients, agents, and suppliers to minimise the risk of being associated with acts of bribery or corruption. In addition, the bribery and corruption risks are monitored and managed effectively in order to maintain a strong control system. Advice can be obtained from business line management as the first line of defence, who can seek further guidance from Security & Intelligence Management (SIM) and (local) Legal or (local) Compliance to the extent required. Infringements of this Policy may result in disciplinary action by FUND RA, including dismissal, and may involve criminal or regulatory proceedings for individuals and FUND RA. This Policy should be read in conjunction with FUND RA's Regulation Gifts policy. As it has been widely acknowledged that corporate gifts and hospitality, whether lavish or not, can be used as a subterfuge for bribery and corruption, It is therefore important that compliance with this Policy includes adherence to the rules within FUND RA's Regulation Gifts policy as well as following the spirit of FUND RA's zero-tolerance approach to bribery and corruption.

### **2.2. Facilitation payments**

Facilitation payments are typically small unofficial payments paid to speed up an administrative process or secure a routine government action by an official. Examples of Facilitation payments include but are not limited to:

- Obtaining or expediting a permit, licence or other official document or approval
- Securing police protection for a site against risk of theft or arson
- Facilitating the collection and/or delivery of mail
- Securing safe or prompt entry or exit from a jurisdiction or with regard to border controls or crossing and
- The provision of utilities to a site, such as connection of water, electricity, gas or telephone services

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Facilitation payments should be contrasted with official, lawful, receipted payments (typically to an organisation rather than an individual) to expedite certain functions, e.g. where there is a choice of fast track services to obtain a passport. FUND RA's policy strictly prohibits any kind of Facilitation payments made by employees, agents or third parties acting on its behalf. If the safety or loss of liberty of staff or third-party service provider is at risk, the payment should not be refused. In all circumstances any demand for Facilitation payments must be reported to the local compliance officer immediately.

### **2.3. Indicators**

The following are examples of relationships and events that could lead to a higher risk of bribery and corruption.

#### **Fee payments**

Where an agent or intermediary is used to make introductions to officials of public or government bodies and agencies, steps must be taken to ensure that any fee paid by FUND RA is proportionate to the activity being performed and in accordance with local law. No such fee payments can be made without the express approval of business line management who may obtain advice from (local) Compliance or, if necessary, (local) Legal (as may be appropriate).

#### **Charitable donations**

When funds are donated in FUND RA's name for charitable purposes, appropriate due diligence must be conducted to ensure that, where a public official or public body is associated with the charity, written agreement is obtained from line management. Any charitable donation must always be made directly to a recognised charitable organisation and not via another party or individual. In case of doubt refer to line management who may obtain advice from (local) Compliance or, if necessary, (local) Legal.

#### **Sponsorship**

Special requirements exist concerning the Fund's provision of Sponsorship activities and these are set out in the Sponsorship Policy.

#### **Public officials**

Appropriate due diligence must be conducted when public officials, their relatives or their close associates are invited to any entertainment provided by FUND RA, or when payments are made to them by or on behalf of FUND RA. In assessing the amount of due diligence required, reference should be made to the Country Financial Crime Risk rating matrix of the level of corruption in a particular country and to FUND RA's Politically Exposed Person (PEP) screening process.

#### **Political donations**

No political contribution to a candidate for public office, an elected official, a political party or political action committee, can be made, on behalf of FUND RA without prior approval from a member of the Managing Board.

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## Offers of employment

Care must be taken when providing work experience or employment to people that are connected to, or are relatives of, senior public officials. Although it is not prohibited to employ such staff it is important to avoid any perception that any hiring is for an improper purpose. Where such a hiring is being considered, approval from business line management must be obtained.

### 2.4. Advice and reporting

Where a member of staff knows of an actual incident or breach of this Policy or any attempt to bribe or otherwise engage in corruption, he/she must report immediately, in accordance with the Reporting & Prevention of Security Incidents and Compliance Breaches policy or the Global Policy on Employee Whistleblowing. Where there is suspicion or knowledge that funds held by FUND RA are intended to be used for, or are the proceeds of bribery or corruption, the responsibility is on the individual immediately to notify business line management who should assist the individual in contacting SIM, (local) Compliance or (local) Legal.

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