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| Innovations for Poverty Action                   | Anti-Bribery Policy     |                  |
| Owner: General Counsel/ Chief Compliance Officer | Revision Date: 05/24/17 | Revision No.: V1 |

## **Purpose**

The purpose of this policy is to ensure that Innovation for Poverty Action (IPA) business is conducted in accordance with our Code of Conduct, and with applicable local, national, and international anti-bribery and anti-corruption standards and laws.

## **Background**

In virtually every country in which IPA does business, it is unlawful to make or promise to make a corrupt payment to a government official for the purpose of obtaining or retaining business or for a competitive business advantage. In many countries, private commercial bribery is also prohibited. Numerous transnational laws and treaties have been adopted that prohibit a variety of corrupt practices, including transnational bribery.

These include the following:

- United States Foreign Corrupt Practices Act (FCPA)
- United Kingdom Bribery Act 2010
- Organization of Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- Organization of American States (OAS) Inter-American Convention Against Corruption
- Council of Europe Criminal Law Convention Against Corruption

## **Company Expectations**

In addition to being a legal requirement, conducting business without engaging in bribery or other corrupt practices is a fundamental component of the Code of Conduct and our overarching corporate values. Any violation of this policy may provide reasonable grounds for employee discipline, up to and including termination of employment.

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### 1.0 Definitions

1.1 Business Unit: A **Business Unit** is a department within the U.S. Headquarters office (e.g., Human Resources, Finance, Global Programs, Office of the Executive Director, Policy and Research), a branch office outside the U.S., or a local entity, which is under the **Control** of IPA.

1.2 Control: **Control** means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of an entity, whether through ownership, directorship or membership, or by contract or agency or other similar arrangement.

1.3 Corrupt Payment: A **Corrupt Payment** means the offering, authorization, commitment or provision of anything of value (e.g. cash, travel, gifts, scholarships for family members, future jobs for government officials and/or family members, etc.), either directly or indirectly to a government official or to an officer, director, employee, agent, representative, or consultant of a commercial entity, in an attempt to induce the recipient:

- to misuse his or her position to grant action favorable to IPA's interest;
- to refrain from official action contrary to IPA's interests;
- to use her or her influence to secure action or inaction of a third party to advance IPA's interests; or
- otherwise to obtain improper business advantage.

1.4 Government Official: **Government Official** or official means any employee, officer, director, agent, consultant or board member of any body or branch of national, regional, provincial, state, or local government, whether legislative, executive or judicial, or any person

acting in an official capacity on behalf of a government entity. It also includes an officer, director, employee, agent, consultant, or official of a public international organization, such as the United Nations, officials or political parties, candidates for political office, political parties, and officers, directors, employees, agents, consultants, or officials of business entities owned, operated or controlled by, or otherwise under the dominant influence of a government.

NOTE: Business entities may be considered controlled by a government even though government ownership is less than 50%. The determination of government control should be made on a case-by-case basis, and requestors should err on the side of including business with substantial direct or indirect government ownership or funding in this process.

- 1.5 Third-Party Representative: A **Third-Party Representative** means any third party that provides goods or services to or on IPA's behalf (e.g., vendor/service provider, sub grantee/subcontractor, consultant, local counsel, etc.), and receives a fee, or other type of compensation from IPA for such services.

## 2.0 Policy

### 2.1 Corrupt Payments

It is the policy of IPA not to make or receive a corrupt payment under any circumstances, directly or indirectly, unless failure to make a requested payment would put the health or safety of its employees or their family members at risk. IPA **does not** permit "facilitation payments<sup>1</sup>."

### 2.2 Gifts, Entertainment and Travel

Many alleged acts of corruption arise in the context of gifts, entertainment, and travel. Prior to providing any gifts to any government official or to an officer, director, employee, agent, representative, or consultant of a commercial entity or donor, please ensure that such gift complies with the applicable law, commercial entity's policies, donor's policies, and IPA's Gift and Entertainment Policy. If there are any questions regarding such compliance, please contact IPA's General Counsel/ Chief Compliance Officer.

### 2.3 Political Contributions

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<sup>1</sup> Facilitation payments are small payments to government officials to expedite the performance of routine actions (e.g. obtaining licenses, work permits, clearing customs, or other needed government documents).

Contributions to political parties, party officials, candidates for political office, and persons closely related to them can also raise issues under anti-corruption laws. No IPA employee, consultant, volunteer consultant, director, or officer, may make any political contribution, either monetary or in-kind, on behalf of IPA or use IPA's name, funds, property, equipment or services for the support of any political party, initiative, committee or candidate.

#### 2.4 Third Party Representatives

IPA does not do business with third party representatives known to make corrupt payments. It is also a violation of this policy to use or induce any third party to perform any act prohibited by this policy, or by any applicable anti-bribery and anti-corruption law.

#### 2.5 Controlled Entities and Other Affiliates

IPA's prohibition on corrupt payments extends to all controlled entities. In addition, IPA's policy is to strongly discourage any such payments by entities outside our control.

IPA employee's involved in the formation, investment in, operation or oversight of an **entity under our control**, are responsible for the following anti-corruption measures:

- Prior to the formation, investment, operation or oversight, conduct a due diligence review of the parties to the transaction, to include, among other things, confirmation of the reputation(s) of the parties relative to integrity and lawful conduct. In addition to the entity itself, such parties include, without limitation, the other significant shareholders of the entity, as well as the senior management and directors of the entity.
- If due diligence reveals that one of such parties is, or is controlled by a government official, or any beneficial or financial interest of a government official, or reveals any conflict of interest, the General Counsel/ Chief Compliance Officer must be contacted immediately.
- Ensure that the entity under our control adopts our Code of Conduct and confirms compliance with this and related policies.

IPA employees involved in the formation, investment in, operation, or oversight of an **entity not under our control** are responsible for the following anti-corruption measures:

- Include contract/grant provisions approved by the Legal Department that confirm compliance with applicable anti-bribery and anti-corruption laws by such entity.
- Exercise reasonable efforts to cause the entity to implement an effective anti-bribery and anti-corruption compliance program, including systems of internal controls.

## 2.6 Monitoring Compliance and Seeking Assistance

IPA employees must vigilantly comply with anti-bribery and anti-corruption laws, the Code of Conduct and this policy. If any IPA employee becomes aware of or suspects a bribe or other corrupt act, he/she must report it in conformance with IPA's Whistleblower Policy.

If an employee has a question about anti-bribery or anti-corruption compliance, he or she should contact the General Counsel/ Chief Compliance Officer.

IPA will not tolerate any retaliation against an employee who in good faith reports an issue or concern regarding compliance in accordance with the IPA Whistleblower Policy.

## 2.7 Conflicts of Law

The expansion of anti-bribery and anti-corruption laws in countries where IPA does business, and particularly transnational bribery laws similar to the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010, makes it possible that IPA employees will encounter situations where local law may be inconsistent with the U.S. Foreign Corrupt Practices Act or other applicable national laws. If such potential conflicts of law occur, contact the General Counsel/ Chief Compliance Officer before proceeding.

## **3.0 Responsibilities**

### 3.1 All IPA Employees

All IPA employees have the responsibility to report any actual or suspected violations of this policy in accordance with the IPA Whistleblower Policy. Willful blindness, ignorance or conscious disregard for suspicious violations may be viewed as a violation of this policy and treated accordingly.

### 3.2 Business Unit Management

Business Unit Management have an affirmative obligation to be familiar with the requirements of this policy, and to be familiar with the

anti-corruption and/or anti-bribery laws of the local countries in which they operate. In addition, Business Unit Management will communicate clearly the requirements of this policy to employees and business partners and ensure compliance with this policy.

### 3.3 The Legal Department will:

- monitor legal developments of relevance to IPA;
- support/guide due diligence;
- coordinate with other compliance functions, e.g., Finance, Programs and Human Resources;
- periodically review this policy;
- support the General Counsel/ Chief Compliance Officer in conducting investigations of allegations involving bribery and other corrupt acts;
- coordinate with local counsel and subject matter experts on questions involving bribery and other corrupt acts; and
- aid management on anti-bribery and anti-corruption training, activities and issues.

### 4.0 References

- The text of the Foreign Corrupt Practices Act can be found at: <http://www.justice.gov/criminal/fraud/fcpa>
- The text of the UK Bribery Act 2010 can be found at: <http://www.legislation.gov.uk/ukpga/2010/23/contents>
- IPA's Code of Conduct can be found on Box
- IPA's Whistleblowing Policy can be found on Box
- IPA's Gift and Entertainment Policy can be found on Box
- IPA's Whistleblower Hotline is [www.lighthouse-services.com/poverty-action](http://www.lighthouse-services.com/poverty-action) or +1-844-837-5445