



Anti-Corruption Policy

1. Human Practice Foundation

Human Practice Foundation (“HPF”) focuses on building schools, creating, and implementing quality education and entrepreneurial projects that give children and their communities the power to create a better future. We see schools as our starting point for making a positive impact on the entire community, both creating local jobs and better education, and long-term development projects.

2. Purpose

This policy document describes how HPF works to prevent corruption or financial irregularities.

3. Corruption definition, financial irregularities, and conflict of interest

HPF defines corruption as any form of fraud or serious misconduct in accordance with our Code of Conduct. This definition is not limited to interactions with public officials and covers both active and passive corruption, as well as monetary and non-monetary corruption. This definition includes, but is not limited to, forms of corruption such as: facilitation payments, bribery, gifts constituting an undue influence, kickbacks, favoritism, cronyism, nepotism, extortion, embezzlement, misuse of confidential information, theft, and various forms of procurement fraud.

Financial irregularities refer to all kinds of:

- misappropriation of cash, inventory, and all other kinds of assets
- financial and non-financial fraudulent statements
- all other use of entrusted means which is not in accordance with the respective implementation plan, budget, and contract terms.

Conflicts of interest arise from situations in which a person has a private interest that could potentially influence, or appear to influence, the impartial and objective performance of their functions and/or decision making.



4. Zero tolerance for corruption

HPF takes a zero-tolerance approach to corruption and other financial irregularities. HPF does not tolerate corruption in relation to any of our work and the work of organizations we cooperate with and requires that all suspicions of corruption thought to be in breach of this policy are reported to HPF.

HPF takes suspicions of corruption seriously, and will assess, act upon, investigate, and discipline all such cases as appropriate in a professional, transparent, and fair manner. In cases where criminal offences are detected, HPF will report them to the police.

Compliance with this policy is mandatory for staff, implementing partners, contractors and related third parties. Failure to comply will result in disciplinary action up to and including the possibility of termination of employment or termination of the violating party's contract and/or business relationship with HPF.

Civil proceedings to claim reimbursement and, if appropriate, compensation could be instituted if the partner concerned refuses to settle. The steps to be taken will be considered on a case-to-case basis, depending on the type of non-compliance, the amount involved, the wording of the agreement and the likelihood of recovering the funds.

5. Upholding HPF's values and principles

At HPF, we believe in conducting our work ethically and honestly. We adhere to the values and principles set forth in the Code of Conduct for HPF, and we are in full compliance with all laws and regulations applicable to the respective contexts in which we work. Our work is grounded on the principles of transparency and accountability, respect and equality, impartiality, and independence. Please refer to the Code of Conduct for HPF.

HPF works with "entrusted means" – funds and other resources entrusted to the organization by donors for efficient, accountable, and transparent use in our national and international operations. We have an obligation to these donors to ensure that these funds and resources and our activities are not subject to corruption.

In some of the environments in which HPF operates, corruption exist. Any direct or indirect involvement in corruption poses a serious threat to the integrity and credibility of HPF and organizations in HPFs, endangering our ability to maintain our values and to work according to our principles.

Preventing corruption in our work is a priority for HPF and a requirement for all staff, implementing partners, contractors and related third parties. Through this Anti-



Corruption Policy and our strict zero-tolerance approach to corruption, HPF aims to eliminate corruption from our work.

6. Anti-corruption culture and practices

HPF is committed to ensuring that everyone subject to this Anti-Corruption Policy understands the following:

- The consequences of violating the policy as it applies to them
- Their duty to report all suspicions of corruption and/or financial irregularities thought to be in breach of this policy and Code of Conduct to HPF
- How to report suspicions via HPF's Reporting Mechanisms for internal and external whistleblowers.

All staff members are obliged to familiarize themselves with our Code of Conduct and principles of work and have a duty to report evidence or suspicions of a breach of the Code of Conduct.

HPF ensures that external stakeholders – implementing partners, contractors, other third parties and beneficiaries – understand the standards and behavior required of HPF staff. Failure to comply will result in termination of the violating party's contract/grant agreement/or business relationship with HPF.

Staff members are committed to staying accountable and transparent, upholding HPF's values and integrity, following internal formal procedures and policies, and safeguarding HPF's entrusted means. Staff members are prohibited from engaging in corrupt activities that would compromise HPF's image and integrity, both in their work and in their private life. Failure to comply will result in disciplinary action up to, including the possibility of termination of employment. Every employee has an obligation to raise any related issues, questions, doubts, or concerns to HPF management, according to the Employee Handbook.

HPF is committed to using transparent, straightforward, and clear procedures, an internal control system, and documentation in order to avoid corruption in our work and the work of organizations in HPF.

Internally, HPF ensures that all staff are familiar with:

- Code of Conduct for HPF
- Donor, Supplier and Partnership policies
- Anti-Corruption Policy
- Employee handbooks
- Procurement processes

HPF is committed to avoiding conflicts of interest – real or potential – between personal interests and the interests of HPF. This includes ensuring that any representation or hospitality promised, given, or received is modest, occurs within a standard business framework, and aligns with donor regulations. Staff members are prohibited from promising, offering, giving, seeking or accepting personal gifts or other advantages representing more than token value to or from persons of concern, donors, implementing partners, suppliers, authorities or other third parties. All cash gifts are strictly prohibited. Staff involved in the procurement process will exert enhanced caution in this regard.

When faced with a potential or actual conflict of interest, staff are required to promptly inform HPF’s management. HPF will, without delay, take all necessary measures to resolve the conflict.

HPF is committed to promoting awareness and use of its complaints and reporting mechanisms and to ensuring that all subjects of the policy, including people of concern, staff, implementing partners, contractors, and related third parties, have safe, easy, and trusted access to report suspected corruption in confidence. All reported suspicions of corruption will be taken seriously and investigated as appropriate in accordance with professional, transparent, and fair procedures. HPF is committed to protecting reporting persons’ confidentiality and rights and does not tolerate retaliation against reporting persons.

HPF is committed to meeting its obligations to report instances of corruption and/or financial irregularities to relevant donors and to external authorities as appropriate.

HPF will seek to recover any assets lost due to corruption.

7. Compliance and corruption risk management

HPF’s corruption risk-management approach is based on high standards of personal and organizational integrity, accountability, and transparency. The corruption risk management system is implemented through several instruments. These range from individual project documents and contracts that reflect on corruption risks and mitigation measures, to internal policies and operational manuals that provide details on HPF’s financial and risk-management mechanisms.

HPF is committed to knowing and understanding the anti-corruption laws and regulations applicable to its projects and the areas in which it operates. HPF staff comply with the laws of the countries in which they are located as well as the rules and regulations of HPF’s donors and applicable international anti-corruption legislation and conventions.



HPF management will review this Anti-Corruption Policy and related reporting procedures annually, with respect to legal and regulatory developments and to the actual project framework to ensure compliance and best practice. HPF is committed to systematically assessing and reviewing corruption risks in its work.