

**Peer Organization for Youth Development
Anti-Corruption Policy**



Introduction

The Peer Organization for Youth Development is a non-governmental civil society organization that operates in all Iraqi governorates, and therefore it is obligated to comply with a number of laws and regulations in order to carry out its activities legally. Among these important laws and regulations are those governing bribery and corruption between governmental and non-governmental and private institutions and between private companies and government agencies. In addition, our clear intention and commitment to act with integrity and ethics is always evident in all our dealings.

In recognition of these requirements, and to underscore this commitment, the organization has established this Anti-Corruption Policy (the "Policy") that applies to the organization and its members or is subject to its oversight (in all of Iraq). To govern our behavior in order to comply with the stringent anti-bribery and corruption laws applicable around the world.

There are anti-bribery or anti-corruption laws now in all countries in which the organization operates. Among the laws and regulations governing this subject are the US Foreign Corrupt Practices Act, the British Bribery Act, and the Chinese Penal Code. Although there are some differences between these laws, they have all been adopted to eliminate corruption in global markets, restore public confidence in the integrity of the global market, and promote a fair, competitive commercial environment in which business can be conducted.

Commitment

The essence of this policy is reflected in the Anti-Corruption Section of the Organization's Code of Ethics: The organization's institution prohibits bribery and corruption in all its dealings. This Policy applies to all transactions between the organization's organization and any other party, regardless of whether such transactions are between the organization's organization and a private entity or the organization's organization and a government official. Particularly strict prohibitions apply to any attempt to improperly influence government officials—including employees of government-owned or controlled entities engaged in normal business activities.

Our very clear commitment with respect to payments made under this Anti-Corruption Policy is as follows:

Organization employees and intermediaries are prohibited from offering, offering or accepting bribes, payments, or anything of value in order to properly obtain or retain contracts, business, government approvals, favorable tax, or customs provisions, or to gain any other undue commercial advantage together for an entity or individual. Bribery, kickbacks, and other illegal or immoral payments or benefits are prohibited even if they are common practice by others within the country or in the field of services in which the organization operates

In addition, many of these laws and regulations impose equally important obligations on organizations to establish internal controls and accounting practices that prevent funds from being used to pay bribes or an illegal amounts. It is critical that the Company's accounts are maintained in a manner that will reveal any discrepancies so that appropriate remedial action can be taken.

In recognition of these requirements, our policy is to:

The organization maintains books and records that accurately and fairly reflect the organization's transactions, and maintains the application of an appropriate system of internal accounting controls. Books and records shall be maintained in reasonable detail so as to accurately reflect the transactions of the organization and the use of its assets. If any dealings relating to our partners, brokers, private sector companies, foreign governments or their agents are not recorded in the books, it is considered a violation of this policy. Our internal accounting controls are specified in detail in the Financial Controller's Manual for the organization's institution.

Guidance

- ***The amount paid.*** The expression “anything of value” includes a very wide range of items. Common examples include cash, gifts, meals, hospitality, goods, personal property, incurring and forgiving debts, charitable gifts, and services. Even if the 'value' of this element is small, this is still a potential violation and should be avoided.
- ***Presentation efficacy.*** According to the laws of the Republic of Iraq and many countries, the organization has committed a violation even when the offer of the payment or the bribe is refused. It also doesn't matter whether the amount was actually paid or the recipient actually did anything for you. The infringement occurs the moment an offer is made or an undue payment is made.
- ***Government officials/private companies.*** Our policy prohibits bribery and corruption between the organization and its partners, as well as between the organization's institution and government officials. However, there are certain laws that deal only with payments and bribes to local and foreign government officials. These laws impose very large fines and penalties for violations. In many countries, the government may have partial ownership of an interest in a company the organization chooses to do business with. Since it will not always be clear whether the organization is a privately owned organization or is partly owned by the government, it is argued that the organization's partners never make offers or pay bribes or undue sums to any entities.
- ***Use of clients and other intermediaries.*** The organization relies on staff (sometimes referred to as activity coordinators) in many governorates to help carry out its activities and services. It is important to understand that the prohibition on bribery and payments applies to these types of intermediaries. The organization is liable if one of its agents, Likewise, undue payments or bribes shall not be made to the friends or relatives of a person employed by the client, or a government official, if the organization knows or strongly believes that the amount paid will return Interest to the customer or government official for an incorrect purpose.

When choosing to use agents and intermediaries, it is essential to clearly define the purpose that the agent or intermediary serves. We must always know with whom we do business and ensure that, when those parties act on behalf of the organization, they do so ethically and in accordance with this Policy and applicable laws and regulations. We have established internal procedures that must be used to verify the initial selection of these clients and intermediaries and their continued integrity throughout the life of our interrelationships. We must also apply the same level of care when selecting joint venture partners, partnership candidates, their agents and representatives. The organization may be held accountable for improper activities of the acquired company, or its joint venture partners, if it fails to: (1) conduct a careful review of potential areas of risk in a timely manner; or) (2) Implement an effective compliance program in those entities; or (3) to stop that improper activity in any other way

- **Prevent bribery.** An organization can be convicted of a criminal offense in some areas if, for example, we fail to prevent bribery by an employee on our behalf. In the case of representatives and branch managers, we may be liable regardless of whether anyone in the organization is actually aware of the bribery.
- **Gifts, meals, travel, hospitality and entertainment.** In practice, it is understood that the reasonable and appropriate provision of gifts, meals, hospitality and entertainment to employees, suppliers and other business partners is beneficial in demonstrating goodwill and consolidating a positive business relationship.

However, the provision of goods or services of this nature at excessive or inappropriate costs is not permitted. The hospitality, travel, gifts, entertainment, and meals provided by the organization must be proportionate to the event, consistent with the organization's policies and local laws and regulations in the recipient's country. For example, although it is appropriate and acceptable to cover the costs of an employee's trip to visit an organization's service, research, or other facility for the purpose of a future activity or partnership, caution should be exercised in this as well. The duration of the visit must be proportional to the time required to fulfill the purpose, and the cost of the trip must be reasonable and cover only the actual costs related to the trip. Any unrelated costs, such as extending the trip, shopping, getting services, etc., must be paid by the employee.

In addition, there must be transparency about costs incurred and activities carried out as part of hospitality, travel, gifts, entertainment and meals, which means that accounts showing these costs and activities should indicate the individuals involved, specify a clear running purpose, describe the activity and specify How much money is spent, etc.

- **Charitable contributions.** Being a viable and socially responsible organization, the organization makes regular and generous contributions to qualified charitable organizations across Iraq through the organization. However, many employees are surprised to learn that charitable contributions can pose a risk of violating anti-bribery or anti-corruption laws and regulations.

The risk arises if contributions are made to a charity at the direct request, suggestion, or recommendation of a government official or business partner. Payment of money to such an entity is an indirect bribe offered in order to "obtain or retain contracts, business, government approvals, favorable tax or customs provisions, or otherwise gain an undue commercial advantage." Therefore, donations made in the name of the organization must be issued in consultation with the Executive Director, and the legal department of the organization if appropriate.

Consequences of the violation

Violations of this Policy and of anti-corruption and anti-bribery laws and regulations can result in severe criminal and/or civil penalties both against the Company and the individuals involved. It is therefore always important to act in a way that avoids any manifestation of potential violation of these restrictions. Financial penalties in some laws are unlimited and often exceed several million dollars. As for criminal penalties against individuals, it can be up to ten years in prison or more, in addition to personal fines that the organization cannot pay on your behalf. Any violation of this policy or such laws and regulations may result in the organization taking disciplinary action up to and including termination of the person's employment.

Monitoring and auditing

The small business unit is responsible for establishing controls to ensure that its business in all parts of the organization is carried out in accordance with the organization's policies and all applicable laws and regulations. The audit services of the organization's organization regularly monitor and review the compliance of employees with this policy and related procedures and the laws and regulations referred to.

Reporting

Any director, officer, or employee of the organization who suspects or knows that there has been a violation of this policy or these laws and regulations must report the information they know to the organization's Chief Compliance Officer or other entities identified below, or through confidential, anonymous "ethics hotlines" in the organization. Where to turn if you have any questions regarding this policy or the laws and regulations referred to, please contact the following:

- The head of the organization.
- Responsible for the legal department in the organization.
- Adviser to the organization for legal affairs.