



ACCEPTED
by the TBEC Board
on February 11, 2025

A handwritten signature in blue ink, which appears to be 'P. Sommerfeld', is written over a horizontal line.

Paul Sommerfeld,
Chair of TBEC Board

ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

OF STICHTING TB EUROPE COALITION



ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY OF STICHTING TB EUROPE COALITION

1. Introduction

Stichting TB Europe Coalition ("TBEC") acknowledges that any cases of improper practices specified in this Policy threaten its reputation and resources for which it is responsible. This Policy establishes a set of principles and rules used by TBEC for the purpose of managing the risk of corruption and bribery both in its internal relationships and its dealings with third parties.

2. Definition of Terms

- Benefit means money or other property, advantages, benefits, works and services, intangible assets that were requested, promised/offered, provided free of charge or at a price lower than the minimum market price;
- Coercive practice means impairing or harming, or threatening to impair or harm directly or indirectly, any party or the property of the party to influence improperly the actions of a party. Coercive practices involve threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. The term is not intended to cover hard bargaining, the exercise of legal or contractual remedies or litigation in such implementation;
- Collusive practice means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
- Corrupt practice means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party. The conduct in question must involve the use of improper means (such as bribery or kickbacks) by someone to induce another person to act or to refrain from acting in the exercise of his/her duties, in order to obtain an undue advantage;
- Fraudulent practices/fraud mean any action or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial benefit or to avoid an obligation. An action, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a fraudulent practice. A deception with no intention to receive unfair advantage or gain is also not covered by the term, it contradicts to the principle of integrity and constitutes the breach of TBEC's Code of Ethics and Conduct;
- Improper practices mean fraudulent, corrupt, coercive and collusive practices.

3. General provisions

- 3.1 TBEC adheres to a policy of zero tolerance for committing or concealing fraudulent, corrupt and other improper practices both within TBEC and among its partners. All members of governing bodies, staff, as well as consultants, contractors, partner organizations and any other parties with a financial or fiduciary relationship with TBEC are expected to share this TBEC's commitment.
- 3.2 TBEC does not allow any cases of fraudulent or other improper practices in the process of making and implementing decisions on spending TBEC's resources (including procedures for procurement and selection of beneficiaries, concluding contracts, making payments, etc.), as well as resources provided by TBEC to partners/beneficiaries, in other applicable cases.



3.3 TBEC will promote awareness among governance members, staff and consultants of the risk of improper practices, establish and maintain controls aimed at preventing and detecting fraud and other improper practices, and take effective action whenever fraud is discovered or suspected.

4. Responsibility

4.1 TBEC's Executive Director is responsible for identifying risks that threaten TBEC with regard to cases of improper practices, for ensuring that proper systems and controls designed to minimize the incidence of fraud and other improper practices are in place and duly maintained, as well as that, through a system of line management, all staff members are aware of the risks of improper practices and types of impropriety that might be expected to occur within their areas of responsibility.

4.2 Members of governing bodies, employees and consultants of TBEC are responsible for timely reporting on cases of possible fraudulent or other improper practices.

5. Procedure for Detection and Resolving of Improper Practices Cases

5.1 A person who has sufficient grounds to believe that there has been a case of fraudulent or other improper practice must immediately inform TBEC's Executive Director about the actions that caused suspicion. If the suspicion concerns the Executive Director, the Chair of the Board should be notified.

5.2 TBEC's Executive Director examines the issue of a possible case of fraudulent or other improper practice and, in case the suspicion is justified, makes an appropriate decision. The Executive Director, if necessary, interviews persons who are suspected of improper practice in order to clarify certain issues. In difficult cases, the Executive Director may appoint an investigation. The Executive Director records all received notifications (reports), including anonymous ones, in a separate log/file called Fraud Register.

5.3 Procedure of Investigation

5.3.1 An investigation is appointed by TBEC's Executive Director for the purpose of determining the causes and circumstances of the discovered case of improper practice and identifying the persons involved in it.

5.3.2 A commission of at least 3 (three) persons is appointed by TBEC's Executive Director to conduct the investigation. Persons suspected of improper practice cannot be members of the commission.

5.3.3 The investigation must be completed within the period determined by TBEC' Executive Director, but not more than one month from the date of its appointment.

5.3.4 The commission has the right to interview employees of TBEC, other relevant persons, to review all the documents necessary for the investigation, to carry out other actions necessary for the achievement of the purpose of the investigation, if this does not contradict the applicable legislation.

5.3.5 The commission is obliged to collect and consider the facts received by it within the prescribed period, and to decide whether there the case of improper practice took place, to determine the persons involved in it and the reasons that led to the possibility of the occurrence of the case of improper practice (for example, absence of appropriate control mechanisms, non-compliance with existing requirements, etc.), as well as to recommend measures to eliminate the causes of the occurrence of the case of improper practice and to respond to such a case. Upon completion of the investigation, the commission prepares a report, which it submits to TBEC's Executive Director for relevant decision-making.



6. Responsive Measures

6.1 Based on the results of the notification assessment by the Executive Director and/or the investigation, depending on the circumstances of the case (including the nature and circumstances of the case of improper practice, its consequences, as well as the relevant experience of work with the person involved in improper practice), the following decisions/actions may be taken by TBEC's Executive Director:

- warning about the possibility of applying the following measures in case of repeated violation;
- application of disciplinary measures and/or material responsibility (only for employees who are in employment relations with TBEC);
- decision on a fixed-term or indefinite exclusion from participation in procurement procedures, conclusion of contracts;
- application of measures of contractual responsibility, in particular with regard to partners/beneficiaries - recognition of relevant expenses as not eligible and return of relevant funds;
- initiating changes to the contract, in particular regarding additional control mechanisms for its implementation (disclosure of information, possibility of inspection, audit, operational and economic sanctions, etc.);
- contract termination, including contracts with TBEC's consultants;
- rejection of the application (offer);
- notification to other partner organizations about a case of improper practice, indicating the persons involved;
- other adequate decisions/actions corresponding to the circumstances of the case.

6.2. The measures specified above in sec. 6.1. can be applied individually or together, depending on the circumstances.

6.3. In certain circumstances, failure to comply with the requirements of this Policy may entail the application of liability measures established by civil, administrative or criminal legislation, other measures established by the internal regulations of TBEC.

