



GoodWeave International-Certification Division (GWI-CD) Ethics Programme - Anti-Bribery and Anti-Corruption

Basis for Programme

This programme is inspired by GoodWeave International's values of ethics and International Bribery laws.

Policy Statement

GWI-CD takes a zero tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all dealings and relationships wherever we operate and enforcing effective systems to prevent bribery and corruption.

What is the GWI-CD Ethics Programme?

GWI-CD stands for ethical behavior in business; the GoodWeave inspection, monitoring and certification programme certifies ethical behavior of licensees, and support to children and families in weaving communities aims to ensure fair opportunities to the children in need. Naturally, ethical behavior is the cornerstone of the work we do and any form of compromise to the integrity in the behavior in the GoodWeave system cannot be tolerated.

This programme aims to ensure that GWI-CD communicates a consistent message to all of its internal stakeholders, setting out responsibilities in observing and upholding the GWI-CD position, as well as to empower GWI-CD personnel to report or handle any actions from various stakeholders that constitute unethical behavior or otherwise pose a risk to the integrity of the GWI-CD programme.

Who are GoodWeave stakeholders?

Internal Stakeholders:

All individuals working in the GWI-CD system at all levels and grades, including directors, employees (permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff, volunteers, interns, sponsors, or any other person associated with the organisation, or any of its subsidiaries, national initiatives or their employees, wherever located (collectively referred to as **personnel** in this document).

External Stakeholders:

All individuals or organisations that come into contact with GoodWeave, including current and potential licensees, vendors, funding or sponsoring agencies, and government and public bodies, including their advisors, representatives, officials, politicians and political parties.



What is 'bribery and corruption'?

Bribery and corruption means giving, offering or receiving an undue reward in order to gain any commercial, contractual, regulatory or personal advantage. As stated, an individual can be either offering or receiving bribes and either amounts to corrupt practice as this constitutes illegitimate action. The attached GWI-CD Code of Ethics describes in more detail what constitutes unethical behaviour, bribery and corruption.

What are the Risks in the GWI system?

Working with licensees: There are potential risks when new applicants for license or current licensees seeking renewal of the license have conditions in the supply chain that conflict with GoodWeave standards, in which case they may try to influence the process.

Culture of offering and receiving gifts: At times cultural traditions such as offering and receiving gifts during festivals can be seen or used as a mechanism to influence the objectivity of individuals involved in managing the programme or in the decision making process in the GoodWeave system.

Dealing with government officials: To operate in different countries there are necessary requirements of obtaining legal permits or licenses in which case contact with government officials may be necessary.

Recruitment: the offering or seeking of bribes or other inducements to obtain employment or a consultancy with the GoodWeave organisation.

Dealing with vendors and service providers: During general administration of the office, responsible GoodWeave personnel will contract out office purchases and other services, such as furniture, computer goods, transport services, etc. Awarding such contracts under the influence of bribery is another risk.

Dealing with local partners: Services of local partners such as local NGOs or informal education institutes are often taken to support and implement social programmes. The potential risk is in how the local partners are selected and funds granted.

Maintaining financial books: 'off-the books' payments and fraudulent accounting practices, even if they may have originated from locally acceptable practices, that are either done for official purposes or for vested interests is considered a corrupt practice .



Gifts and Hospitality as Forms of Bribery and Corruption

While gifts and hospitality may be legitimate and appropriate forms of cultural practices, it is important to note the circumstances in which extending or receiving of gifts and hospitality will be considered as bribery & corruption.

- It is made with the intention of influencing objectivity of an individual or an organization to obtain or retain business or business advantage, explicitly or implicitly in exchange of favors or benefits;
- It does not comply with the relevant laws;
- It includes cash or cash equivalent such as gift certificates or vouchers for which official receipt from the recipients office cannot be given;
- It is of a value that a person would normally not be able to afford to give or receive;
- It is given or received at an inappropriate time that matches timings of decisions on tenders or contracts;
- It is of high value even if it is given or received during customary events such as Christmas, Diwali and Eid;
- It is given or received secretly;
- Where it is against the policy of the employer of an external stakeholder;
- When it is given to a government official in exchange for a routine function as a personal favour, and where the office of government official prohibits it;
- Travel, meals and accommodation arrangements which are not officially sponsored and/or prohibited by the recipient's office/employer;
- It is regarded as a commission and facilitation fees but cannot be put under a legitimate accounting heading without misrepresenting.

GWI-CD position on key risk areas:

In the GWI-CD system, receiving of gifts or hospitality in the contexts described above is strictly prohibited. It is critical to maintain the highest standards of ethical behavior even if the gift or hospitality extended to GWI personnel by an external stakeholder may not be considered bribery and corruption as per the intents described above. At the same time, GWI-CD understands that a form of giving small gifts or hospitality from a GWI-CD office as a customary practice may be useful for building business relationships and would be allowed as long as it is given with due recognition of the intent described above and it is declared and approved by the relevant supervisor or management team representative.



Procedures for Implementation:

Signing the Code of Ethics: GWI-CD has a 'Code of Ethics' under this programme (see Appendix), which is required to be signed by each internal stakeholder as a part of their appointment contract.

Communication of this ethics programme: Through channels such as trainings, e-mails, intranet, etc., this programme will be communicated to all the internal stakeholders so they are fully understand the GWI-CD position.

Communication of the Code of Ethics to licensees and local partners of social programmes: As part of the application stage and agreement signing stage, this document along with the 'Code of Ethics' will be sent to the licensees and local partners respectively.

Reporting unethical behavior: All current employees, licensees, and local partners should report to the GWI Executive Board when they hear or witness a GWI employee soliciting bribery. Considering the overall circumstances, concealment of such information by an individual or group of individuals may be considered as being party to the corrupt behavior. However, the information shared must be substantiated to the fullest extent possible. The identity of the reporter will be kept anonymous considering that establishing unethical behavior may be complex. Misrepresenting behavior as unethical out of retaliatory or unprofessional attitudes will be dealt with strictly.

Investigations: Upon receiving substantial information on bribery or corruption by GWI personnel, GWI may initiate an investigation and reserves the right to establish or refute the allegation through all available means.

Discipline and legal action: In most cases of corruption the disciplinary action will be immediate termination of a person's employment contract unless it is established that the nature of the action (e.g. gift given) was not known about by the alleged recipient; such as bank transfers, gifts sent to a person's home through couriers, etc. In addition, considering the magnitude of corruption, legal action may be taken for recovery of loss or damage to the reputation.



APPENDIX 1: CODE OF ETHICS

Ethical practice is the cornerstone of the business of GoodWeave International-Certification Division (GWI-CD). While mistakes may be forgiven, violations of our ethical code are not tolerated. GWI-CD stands for absolute honesty, integrity and fair play. As a GWI-CD employee and/or representative, you must ensure GWI's reputation is not tarnished by dishonest, disloyal or corrupt behavior.

ILLEGAL PAYMENTS AND GIFTS

Any employee soliciting or accepting any commission, payment, gift, service, favor or any other advantage in connection with his/her work will be immediately terminated within the confines of the law. The policy of GWI-CD is to commence criminal and/or civil proceedings in any such cases as appropriate. That the employee did not know or recognize that receipt of a benefit was in violation of GWI-CD Code of Ethics is not an acceptable excuse. If, after reading and acknowledging this Code of Ethics, an employee remains in doubt, it is the responsibility of the employee to ask for clarification from his/her superior.

GUIDELINES – EXTERNAL INTERACTION

Who is offering the gift? Any gift or benefit received from a vendor, supplier, or any other party doing business with GWI or any of its clients is immediately suspect. Any questionable gift must be immediately reported to the appropriate supervisor.

What is the nature of the benefit or gift? Benefits take many forms, some not always obvious. Acceptance of any of the following is **always** strictly forbidden.

- Money.
- Any ownership or other beneficial interest in any vendor, supplier, or entity that receives compensation from GWI or its clients. Said ownership restriction extends to any family member.
- Gambling tokens
- Loans of any kind, including loans to family members.
- Entertainment involving nightclubs, hostess clubs, or gambling.
- Paid lodging of any kind, including vacations.
- Paid transport including air-tickets, railway tickets, boat tickets. Except where these are for attendance as a GoodWeave representative at an event that has been approved in advance by GoodWeave management.
- Merchandise
- An employee entering into any other paid employment without the express written authorization of GWI.

The following benefits may at times be accepted subject to GWI approval:

- Employees should pay for their own meals when on GWI-CD business and claim in accordance with their expense allowances. Meals may only be taken, if offered by worksite management and come from the factory cafeteria. If 'take-away' is ordered by worksite management for the GWI employees, employees should pay for their portion.



- Ground transportation provided by vendors/factories to visit remote and/or inaccessible worksite locations or locations to which the use of public transport is not deemed prudent for reasons of safety may be accepted. However, if possible pre-approval from the appropriate supervisor must be sought.

For the avoidance of doubt these provisions are not supposed to prevent employees from accepting normal offers of hospitality such as cups of tea or a short lift to the local station.

GUIDELINES – INTERNAL INTERACTION

The personnel of GWI are a team. Ethical behavior toward one's co-workers is as vital to the operations of GWI as is external behavior. Honesty, loyalty, care, and support are vital attributes that not only will allow GWI to prosper, but are attributes that promote individual happiness, harmony, and growth. GWI values its personnel above all else and empowers these personnel with the tools and support to conduct their respective jobs effectively. The personnel are thus placed in positions of trust and power which may not be abused. The following are guidelines for internal ethical practice.

- Honesty must be practiced at all times.
- No confidential GWI information must ever be revealed to third parties.
- All employees must respect the workplace and private property of their fellows.
- No employee may enter the private working domain of another employee (desktop, desk drawers, email, and computer documents) without express permission from GWI
- No employee may withhold knowledge where the withholding of that knowledge will allow another employee to fail or otherwise suffer.
- GWI property must never be taken for personal use.

REPORTING OF UNETHICAL PRACTICES

If any GWI personnel solicits any payments, gifts, fees or compensation of any kind, please report this, in the strictest of confidence to an appropriate supervisor or a member of the management team of the GWI Executive Board. Any person may report any possible illegal, unethical or improper conduct and have the right to remain anonymous or to have their identity protected to the extent provided by law.

CONFLICT OF INTEREST

No personnel or any of their immediate family members, may have any financial interest, direct or indirect, in any businesses which competes with GWI, compromises their integrity, or with which GWI has business dealings; unless that interest and/or relationship has been declared to GWI and a waiver received.

EMPLOYEE ACCEPTANCE:

Employee Name:

Signature:

Date: