



Taiwan Fund for Children and Families Anti-Corruption Policy

1. Scope of Policy

This policy applies to:

- 1.1. Taiwan Fund for Children and Families, their subsidiaries and affiliate organizations (collectively "**TFCF**");
- 1.2. Members of Taiwan Fund for Children and Families' Boards of Directors, officers, management, employees, seconded employees, interns and volunteers (collectively "**Employees**"); and
- 1.3. partner organizations, contractors, outside experts, consultants, agents and representatives that acts on TFCF' behalf (collectively "**Partners**").

2. Policy Statements

- 2.1. TFCF expects all Employees and Partners to adhere to the highest standards of accountability, which requires honest and ethical conduct. TFCF expects management to cultivate a culture that supports and strengthens commitment to these high standards.
- 2.2. TFCF prohibits and takes a zero tolerance stance towards all forms of Corruption, including fraud, theft, embezzlement, unapproved conflicts of interest, false claims, and bribery. Employees who engage in or assist any form of corruption will be subject to discipline, up to termination, and may be subject to criminal prosecution. Partners will be in breach of their agreement with TFCF and may have their agreements terminated, be prohibited from working with TFCF in the future and/or be subject to criminal prosecution.
- 2.3. TFCF requires all Employees and Partners and encourages all beneficiaries to immediately report incidents of corruption. TFCF will review all such reports to determine credibility and will investigate any credible evidence of corruption and ensure appropriate resolution. TFCF will not tolerate any form of retaliation against Employees, Partners or beneficiaries who report suspected incidents of corruption in good faith. TFCF will not tolerate abuse of the reporting systems. For example, TFCF will not tolerate reports brought with knowledge that they are false and in bad faith.





- 2.4. TFCF will report credible evidence of corruption to the appropriate authorities by law, or, if not required, as TFCF determines appropriate. TFCF will cooperate with investigators and law enforcement in ensuring those responsible are held accountable.

3. Required Processes and Procedures to Ensure Compliance

TFCF ensures compliance with this policy through appropriate processes and procedures, including:

- 3.1. Communicating this policy to Employees and making this policy part of its employment codes of conduct;
- 3.2. Maintaining a comprehensive financial control system, which ensures that all expenses are properly accounted for;
- 3.3. Maintaining a Corruption reporting hotline, which allows Employees to report incidents of Corruption anonymously, and ensuring Employees are aware of the hotline and how to use it;
- 3.4. Maintaining a process detailing how incidents of corruption are to be reported, investigated and resolved in a systematic manner;
- 3.5. Maintaining a corruption incident register to identify and monitor trends and ensure incidents are reported to the Audit Committee;
- 3.6. Audit Committee constitute of CEO, Deputy CEO, Head of Department of Finance and head of department that is relevant to;
- 3.7. Conducting training on this policy for all Employees and requiring all Employees to certify that they have understood this policy and are compliant with it;
- 3.8. Requiring its Partners to commit in writing to act in accordance with the Policy Statements in this policy and to report to TFCF any incidents of corruption that (1) involve or are related to resources provided by TFCF' resources or (2) TFCF' Employees;
- 3.9. Conducting appropriate due diligence and monitoring of Partners to ensure they are not violating their commitments under this policy; and
- 3.10. Continually reviewing its policies and procedures related to corruption prevention and financial controls to ensure they are improved when necessary.





4. Definitions

- 4.1. "**Conflict of Interest**" refers to a situation where a person, or their immediate family, has a personal, professional or business interest that conflicts with, or may give the appearance of conflicting with, the best interests of TFCF.
- 4.2. "**Corruption**" means any act meeting the definition of Fraud, Theft, Embezzlement, unapproved Conflicts of Interest, False Claims, or Bribery.
- 4.3. "**Credible Evidence**" means evidence that a reasonable person would believe reliable under the circumstances.
- 4.4. "**Embezzlement**" means an intentional and unauthorized keeping of any form of property or funds by a person whose initial possession of the property or funds was authorized but who was not authorized to keep such property or funds for personal purposes.
- 4.5. "**False Claim**" means knowingly presenting, or causing to be presented, a false or Fraudulent claim for payment or required approval.
- 4.6. "**Fraud**" means knowingly providing a false fact that deceives and is intended to deceive another so that the individual will act upon it to the individual (or the individual's employer's) detriment.
- 4.7. "**Theft**" means the unauthorized taking of any form of property or money.

5. Policy Administration

Responsibility for ensuring this policy remains up-to-date and compliant and is monitored and enforced rests with TFCF CEO and TFCF Head of Department of Finance.

6. Approved Policy

This policy was approved by the TFCF Board of Directors on September 29th, 2017. This policy may only be amended or changed with the approval of the Board(s).

