


Policy Name Anti-bribery and anti-corruption	Version V. 01 - 2023	
Creation Date Aug 15, 2023	Last modified Sep 13, 2023	

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

PURPOSE AND OBJECTIVE

This Anti-bribery and anti-corruption Policy outlines the commitment of the LATIN AMERICAN LEADERSHIP FOUNDATION (LALF), LATIN AMERICAN LEADERSHIP ACADEMY (LALA COLOMBIA), and ASSOCIACAO ACADEMIA LATINOAMERICANA DE LIDERANCA (LALA BRAZIL), as well as other affiliated organizations within LALA, hereafter referred to as “LALA” in this document, to uphold the highest standards of ethical behavior and to prevent bribery, corruption, and terrorism-related activities actively. This policy aims to ensure transparency, integrity, and accountability in all our operations while promoting a safe and secure environment for our stakeholders.

LALA will not participate in or sanction any form of bribery, corruption, or tax evasion. Neither the Organization nor outside parties acting on its behalf will bribe another party to obtain any benefit. Similarly, LALA will not accept bribes or be used by any other party to facilitate bribery. These prohibitions extend to all types of corruption, including traditional monetary payments and kickbacks, inappropriate or lavish gifts, travel, and hospitality, or providing anything else of value with the intent to influence improperly. LALA has a zero-tolerance approach to bribery and corruption. Even the suggestion of corruption may damage the reputation of the Organization and affect its ability to do business and the importance of its community.

DEFINITIONS

- **Bribery:** Corresponds to the performance of any person of LALA Community in matters in which they have a particular and direct interest in its regulation, management, control, or decision, or that could be related to their spouse, permanent companion, or one of kinship, second of affinity or first civil, or its partner or partners of fact or law by the provisions of the local law in which it carries out its activities.
- **Corruption:** dishonest activity in which a member of the LALA community acts against the interests of the organization and abuses their position to obtain a personal benefit or advantage for themselves or a third party OR is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of another party improperly. It may reflect an abuse of power or improper use of resources for private gain.
- **Fraud:** any dishonest activity or intentional omission designed to deceive others, generate a loss for a third party, and/or make a profit for oneself. Some prominent frauds are accounting fraud, corruption, bribery, money laundering, and intellectual property infringement OR any act or omission, including any misrepresentation, that knowingly misleads or attempts to mislead a

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party to obtain any financial or other benefit or to avoid an obligation, whether for oneself or others.

- **LALA's Community:** Employees, consultants, contractors, volunteers, students, alumni (also called LALíderes), interns, board members, donors, founders, seasonal workers, partners, suppliers or vendors, and other interested parties that have contracts with LALA and/or provide services for the organization, and anyone with a direct relationship or organization representative.
- **Terrorism:** Acts of violence or intimidation intended to cause fear, disrupt social order, or promote political, ideological, or religious agendas.
- **Stakeholders:** Individuals, groups, organizations, or communities affected by or involved with LALA's activities.


SCOPE

The Scope of this Anti-Bribery and Anti-Corruption Policy encompasses all operations and activities undertaken by LALA. It applies to every member of the LALA Community, as defined above, including external parties who collaborate with us. This policy governs interactions with partners, donors, beneficiaries, government agencies, and any individuals or entities we engage with, irrespective of their location. This policy is all-encompassing, from financial transactions and decision-making processes to program implementation and resource allocation. Maintaining a broad scope demonstrates our persistent dedication to upholding the highest standards of integrity, transparency, and ethical conduct in every facet of our mission and operations.

COMPLIANCE WITH LAWS AND REGULATIONS

LALA is committed to upholding the highest standards of ethical conduct and complying with all applicable laws and regulations related to anti-corruption and anti-terrorism efforts. In Florida, we adhere to local, state, and federal laws that govern these matters, ensuring full compliance with the legal framework that guides our operations. This includes but is not limited to the Foreign Corrupt Practices Act (FCPA), the USA PATRIOT Act, and any other relevant legislation. Moreover, in our international engagements, particularly in Colombia and Brazil, we pledge to abide by these countries' anti-corruption and anti-terrorism regulations. In Colombia, we adhere to the Ley 1474 de 2011, also known as the "Anti Corruption Statute," which sets forth guidelines and measures to prevent, detect, and address corruption in both the public and private sectors.

Additionally, We comply with Colombia's laws against money laundering and corruption. In Brazil, we follow the Lei Anticorrupção (Law No. 12.846/2013), which imposes strict liability on legal entities for corrupt practices. This law emphasizes the importance of internal mechanisms for detecting and preventing corrupt activities. Additionally, we uphold the principles outlined in the *Lei de Acesso à Informação* (Law No. 12.527/2011), which ensures transparency and access to information held by public entities. Likewise, for purposes of applying this policy, we have implemented a personal data protection policy aimed at safeguarding your sensitive data for assured that we are fully committed to ensuring the security and confidentiality of your information.

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By integrating these legal requirements into our operations, we actively demonstrate our dedication to fostering transparent, accountable, and responsible practices across all jurisdictions in which we operate.

We understand that various applicable anti-corruption and anti-bribery laws make LALA Entities responsible for the acts of our Partners and others acting on our behalf. Therefore, no partner acting on behalf of LALA may engage in any action that could be construed as bribery or corruption – whether using LALA funds or their funds or working directly or through an intermediary. LALA expects all those acting on our behalf to abide by our standards of ethics and integrity and, where necessary and appropriate, to follow our procedures.

PROHIBITION OF BRIBERY AND CORRUPTION


LALA strictly prohibits all forms of bribery, corruption, and unethical practices. No member of LALA's Community or anyone with a direct relationship or organization representative shall offer, promise, give, request, or accept bribes or corrupt payments, whether in monetary or non-monetary forms.

Any action that influences or could be perceived as influencing business decisions through improper means is unacceptable. Our dedication to prohibiting bribery and corruption extends to every facet of our operations. Whether engaging with partners, donors, suppliers, or beneficiaries, we firmly uphold the principles of integrity and fairness. We understand that even the perception of corrupt behavior can tarnish our reputation, compromise the effectiveness of our projects, and betray the trust of those who rely on our assistance. We are committed to maintaining a culture where ethical decision-making is valued, our missions and beneficiaries' best interests are protected, and pursuing personal gain through dishonesty is never tolerated.

FINANCIAL TRANSPARENCY AND ACCOUNTABILITY

LALA maintains accurate financial records that reflect its proper financial position and transactions. Financial records are subject to regular audits to prevent and detect irregularities or misappropriation of funds. Our financial transparency practices extend to all levels of our organization. We ensure all financial transactions are documented, authorized, and properly recorded. We maintain a clear separation of duties to prevent individuals from having unchecked control over economic processes, reducing the risk of fraudulent activities. These practices ensure that our financial decisions are made with due diligence and that resources are allocated efficiently and effectively toward achieving our mission.

Furthermore, LALA is dedicated to providing stakeholders with accessible and understandable financial information. Open communication about our economic activities fosters trust and encourages transparency. Our financial reports are published regularly and made available to donors, partners, beneficiaries, and the general public. By doing so, we uphold the values of honesty, integrity, and

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accountability, reassuring all stakeholders that their support is being used effectively and in alignment with our organizational goals.

DUE DILIGENCE IN PARTNERSHIPS

Donations and Contributions

Our dedication to transparency and ethical conduct is particularly pronounced in our approach to accepting donations and contributions. We uphold the principle that any donation must be conducted openly and transparently, guided by fair and objective criteria. The process must be meticulously documented and consistent with our organization’s Code of Conduct and Anti-Corruption Policy. We are unwavering in our commitment to ensuring that our donations are utilized as intended and solely by recipients who uphold ethical standards. To this end, donations are accurately and comprehensively recorded in our books and records, reflecting our unwavering dedication to accountability.

Moreover, our commitment extends to ensuring our contributions are free from impropriety. We firmly maintain that donations should never disproportionately favor public officials or other recipients with regulatory oversight or influence over our operations. Upholding the integrity of our contributions is paramount, and any hint of undue influence is proactively avoided.

When considering contributions, we prioritize organizations and individuals within the LALA Community whose track record exemplifies integrity and a genuine commitment to our shared mission. Our contributions are strategic in generating positive publicity and goodwill for LALA and showcasing our dedication to the communities we serve.


Gifts, Hospitality, and Entertainment

Members of LALA may not, directly or through nominees, offer or grant, solicit or accept unjustified advantages or unjustified benefits that are indirectly or directly intended to obtain a benefit, whether present or future, for themselves, or a third party. In particular, they may not give or receive any type of bribe or commission from, or made by, any other party involved, such as government officials or personnel of other organizations, political parties, authorities, suppliers, or donors. Acts of bribery, which are expressly prohibited, include the offer or promise, whether direct or indirect, of any kind of improper advantage, any instrument designed to conceal them, and influence-peddling.

Political Activity

As a nonprofit organization with tax-exempt status, the Organization is prohibited from using any assets to endorse political candidates, mobilize supporters to elect or defeat candidates, or align itself with political parties.

This does not mean that LALA’s community members cannot be involved in political activity as private individuals. However, they may not use the Organization’s property or other assets (including the Organization’s name) on behalf of or against any candidate for office. They are aware that any political statements they make, such as an endorsement of a candidate, are made in their own capacity and not

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in their capacity as a representative of the Organization and that the statements should not be made at an event sponsored or hosted by the Organization or in one of its publications. Lobbying activity generally includes attempts to influence the passage or defeat of legislation and is distinguished from providing general information to educate the public. LALA's community members should not engage in any activities that could be considered lobbying without the express permission of the Board of Directors.

It is imperative to remember that we are prohibited from engaging in facilitation payments, political contributions, or charitable contributions that do not adhere to the laws governing such activities in each of the entity's countries of registration. Additionally, we must refrain from actions or charges for lobbying services and diverting funds from social investment activities or sponsorships towards political activities or other purposes not authorized by our organization. Violating these restrictions could lead to sanctions being imposed by both the law and our internal regulations. We must adhere to these guidelines to safeguard our integrity and reputation.

CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY


Failure to comply with this Policy may result in severe consequences, including internal disciplinary action up to termination of employment and/or contract. Violation of this Policy may also constitute a criminal offense under US, Colombian, or Brazilian laws. If it appears in the opinion of the Board that any member of the LALA Community may have violated such rules, then the Board team may refer the matter to the appropriate regulatory authorities, which could lead to civil or criminal penalties for the responsible person.

REPORTING AND WHISTLEBLOWER PROTECTION

Any member of the LALA community that becomes aware of actions that could violate this Policy is required to report it immediately in any of the following ways:

- a. Directly to boardchair@somoslala.org, which includes the two Co-Chairs of the Board of LALF.
- b. Directly to the C-level@somoslala.org email, which includes the Chief Executive Officer (CEO), Chief Operating Officer (COO), and Executive Director (ED);
- c. Directly to the legal@somoslala.org email, which includes the Director of Operations and the Legal Associate;
- d. To both group e-mails or just one, depending on the possible involvement of one of the members;
- e. Through a form available directly on the organization's [website](#), which will be redirected to the Legal team at LALA.

The person who raises concerns in good faith will not be subject to retribution or disciplinary action and will be protected by the [Whistleblower Policy of LALA](#). LALA will ensure that no one will suffer any detrimental treatment due to refusing to participate in bribery or corruption or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offense has occurred or may occur in the future.

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RESPONDING TO TERRORISM THREATS

At LALA, our commitment to ethical conduct and responsible practices extends to addressing potential terrorism threats. We recognize the importance of maintaining a safe and secure environment for our employees, volunteers, beneficiaries, and all stakeholders. In the event of a credible terrorism threat, we are steadfast in our commitment to cooperate fully with law enforcement agencies, relevant authorities, and security experts to ensure the safety and well-being of our community.

Our response to terrorism threats is characterized by swift action, transparency, and adherence to established protocols. We will work diligently to gather accurate information, assess the nature and credibility of the threat, and collaborate with appropriate authorities to formulate an effective response strategy. Throughout this process, we will communicate transparently with all relevant parties, ensuring they are informed of developments and preventive measures.

In the event of a credible terrorism threat, LALA will cooperate fully with law enforcement agencies and follow established protocols to ensure the safety of its staff and stakeholders.

Our ultimate goal is to mitigate risk, minimize harm, and ensure the continuity of our mission-driven activities. By remaining vigilant, proactive, and prepared, we affirm our commitment to safeguarding our organization from external threats, reinforcing the trust placed in us by our stakeholders, and upholding our values of integrity, accountability, and security.

REVIEW AND UPDATE

This policy should be reviewed periodically, and the approval processes and associated policies should be updated to ensure their continued effectiveness and alignment with LALA's changing needs and follow LALA's Legal Approval Policy.


Change Log

Version	Date	Modification	Editors	Reviewers	Approved by
1.0 - 2023	Aug 15, 20...		Erika Garcia	Ticiane Mi... Alia Whitn...	David Bap...

ANNEXURE - 01: Potential risk scenarios: “red flags”


The following is a list of possible red flags that may arise during LALA activities and may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

A “red flag” is a fact, event, set of circumstances, or other information that may indicate a potential legal compliance concern for illegal or unethical business conduct, particularly concerning corrupt practices and non-compliance with anti-corruption laws.

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If any member of the LALA community finds any of these red flags within LALA, they must report it immediately using the procedure set forth under the heading "REPORTING AND WHISTLEBLOWER PROTECTION" in this policy:

Process	Corruption Red Flag
HR/Recruitment	<ul style="list-style-type: none"> - A third-party request that you provide employment or some other advantage to a friend or relative. - Making employment decisions based on a personal, rather than a professional basis - Requests for false or misleading documentation. - The third party is not qualified or lacks the necessary experience and resources to perform the functions for which it has been engaged. - Relying heavily on external recruitment agencies with questionable reputations or a history of involvement in corrupt practices may suggest an attempt to manipulate the hiring process. - If candidates or agencies request unusual or unexpected payments, commissions, or other financial incentives in exchange for securing a position. - If a member of LALA staff involved in the recruitment process has personal or financial connections to candidates and acts to favor them outside the official selection process. - If candidates or third parties pressure HR personnel for sensitive company information or inside knowledge during the recruitment process
Camps / Programs	<ul style="list-style-type: none"> - If certain participants are consistently chosen for camps or programs without a clear basis or justification. - If individuals, organizations, or participants request unusual or unexpected payments, facilitation fees, or other financial incentives in exchange for enrollment. - Inconsistent reporting of participant numbers or sudden fluctuations without reasonable explanation. - Requests for special treatment, accommodations, or privileges from participants or their representatives. - If resources allocated for program materials, equipment, or services are diverted for personal gain or other unauthorized purposes. - Transactions involving camp leaders, such as unexpected payments or financial incentives, are not aligned with their role responsibilities. - Leaders directing resources, equipment, or services toward their personal interests or those. - Abrupt shifts in the camp's goals, activities, or focus without reasonable justification. This might suggest external pressures or improper influence. - If leaders engage in undisclosed partnerships or collaborations with external entities that could compromise the camp's integrity - A third party offers you an unusually generous gift or lavish hospitality. - Using LALA assets to advance private interests - Hiring of the camp staff without any qualification or prior screening by a LALA representative, especially if any gifts were given in exchange of this hiring.
Operations	<ul style="list-style-type: none"> - A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a

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	<p>payment made.</p> <ul style="list-style-type: none"> - A third party request that payment is made to a country or geographic location different from where the third party resides or conducts business (e.g., in offshore tax havens) in which the products, goods, and/or services were provided where this was not included in the contract. - A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiation or provision of services. - A third-party request that a payment is made to “overlook” potential legal violations - Third-party request payments without invoices or complete receipts.
Development and Strategic Partnerships	<ul style="list-style-type: none"> - Requests for charitable donations to charities sponsored by foreign government officials or relatives or political contributions. - Refusal of the third party to contractually commit to compliance with applicable anti-bribery laws and regulations - Unexplained or unexpected financial transactions, such as irregular payments or excessive financial incentives, involving strategic partners. - A heavy reliance on intermediaries or agents with questionable reputations or affiliations. - If certain partners' contributions are disproportionately highlighted or inaccurately reported. - Abrupt termination or alteration of partnerships without clear and valid reasons. - A sudden increase in funding from a specific partner without a justifiable reason. - Failure to disclose conflicts of interest involving key stakeholders or decision-makers in partnership agreements
Comms	<ul style="list-style-type: none"> - If communications disproportionately highlight the contributions or involvement of specific donors or sponsors without valid justification. - If there's an inconsistency between public messaging and internal communications - Concealing the funding source for specific campaigns, initiatives, or communications. - Communications that excessively praise or flatter individuals or entities, particularly those with regulatory oversight.
MEL	<ul style="list-style-type: none"> - Inconsistencies, anomalies, or sudden changes in collected data or reports without valid explanations. This could suggest data manipulation to achieve certain outcomes. - Missing or incomplete documentation of MEL processes, methodologies, or findings. - Excluding stakeholders, beneficiaries, or community members from the MEL process without justification. - Abrupt changes in project indicators, measurement methodologies, or reporting formats without transparent reasoning. - Pressure exerted on the MEL team to present results that align with specific narratives or agendas that may compromise the integrity of the process.