POLICY FOR THE PREVENTION AND FIGHT AGAINST FRAUD AND CORRUPTION

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Preamble

In addition to the applicable contractual and legal documents, CartONG has policies and procedures that reflect its commitments to integrity:

- The Code of Conduct;
- The Policy on Preventing and Combating Sexual Exploitation and Abuse (PSEA);
- The Policy for the Prevention and Management of Conflicts of Interest;
- The Policy on the Prevention and Fight against Money Laundering and Terrorist Financing;
- An internal whistleblowing system.

These documents apply to all members of CartONG and allow everyone to have a common ethical framework.

This policy on the prevention and fight against fraud and corruption is part of this framework.

All these documents can be consulted on CartONG's internal computer network for its members and on CartONG's website for third parties.

1. Definitions

As part of its mission and activities, CartONG must protect itself against the risks of misappropriation of its resources, both financial and material, in particular against fraud and corruption.

Fraud is any act carried out knowingly and intentionally with the intention of deceiving, concealing or violating trust, using unfair means intended to obtain consent or undue material or moral advantage to the detriment of CartONG or third parties: individuals, communities, organizations, companies or institutions; or to evade the execution of the law.

Fraud is perpetrated by persons who are "members" of the association or persons outside it – or organizations, in order to obtain money, goods or services, or to secure an irregular personal or commercial advantage (reputation, social or political purposes), for the benefit of one or more persons, of the association or external (families, communities, ethnic groups, religious, etc.). political parties and organizations, professional or social corporations and associations, etc.).

Corruption, combined with other unethical behaviours, covers a variety of practices, including:

- Conflicts of interest;
- Fraudulent commissions;
- Illicit gifts;
- Extortion or embezzlement;
- Influence peddling

But also:

- Abuse of power;
- Nepotism;
- Favoritism

While fraud can be committed unilaterally by an individual or group of individuals, corruption involves a "transaction" and financial consideration or in the form of favours or benefits.

It is a set of acts by which an individual exerts undue influence (bribe, gift, insider trading or conflict of interest) in a transaction in order to gain an advantage for himself or someone else, in violation of his or her obligations to his or her employer or the rights of someone else. A distinction is made between:

- **Active bribery:** the act of proposing, offering or giving, directly or indirectly, any undue advantage to a person for himself or for someone else to do or refrain from doing an act in the performance of his or her duties.
- **Passive bribery:** the fact that a person solicits or accepts, directly or indirectly, such an undue advantage.

Offering or accepting a personal gift to help someone, a potential beneficiary or a candidate to obtain something (job, position, allowance, etc.) is also an act of corruption.

It should also be noted that CartONG's activities take place mainly in France or the European Union and that 98% of payments are made by bank transfer via a French bank that already carries out a screening before validating the transfers.

2. Purpose

Committed to a constant effort to ensure the proper management of its operation and activities, CartONG takes all measures in its power to prevent and detect the risks of loss or misappropriation of the resources entrusted to it and, if necessary, to carry out the necessary investigations and take exemplary sanctions.

As such, CartONG applies the principle of "zero tolerance" against investigators and accomplices of acts of fraud or corruption concerning in particular the use of its resources, whether they are its employees or its external partners (operational partners, suppliers).

CartONG does not tolerate fraud and corruption practices in the conduct of its activities in any way and implements measures to reduce the risks and effects of such practices.

That being said, CartONG cannot bear the burden and responsibility of the fight against fraud and corruption alone in the environment of its interventions, which is primarily the responsibility of local and international authorities, including international agencies and donors. Nevertheless, as far as its activities are concerned, it takes appropriate measures within the limits of its prerogatives and resources, giving priority to the individual safety and security of its staff.

In addition, in its commitment against fraud and corruption, CartONG is careful not to encourage a culture of mistrust and generalized suspicion.

3. Scope

3.1. Members and staff of the organisation

The permanent members and staff of CartONG (regardless of their status: volunteers, board members, employees, permanent consultants, interns or civic services) and more generally any associated or intermediary person or organization, employed by the organization and acting on its behalf. Therefore, CartONG makes sure that they are aware of the existence of this policy and its implications.

3.2. Implementing partners (organisations and institutions)

CartONG also takes the information and risk management measures that this policy implies, in the context of relations with operational partners, who, although not acting on its behalf, interact with it within the framework of partnership agreements.

3.3. Businesses and suppliers of goods and services

CartONG also takes information and risk management measures with companies, suppliers and consultants who interact with it within the framework of contracts.

4. Prevention and identification measures

4.1. Prohibition of any act of fraud and corruption

CartONG "member" staff and other entities mentioned in Article 3 of this policy must not participate, directly or indirectly, in an act of corruption or fraud within the meaning of this policy.

Under no circumstances should they take undue advantage of their professional position for their personal interest.

4.2. Importance of prevention

Fully aware that fraud and corruption can be most effectively avoided by creating an effective organizational culture that uses money prudently, CartONG has developed a series of preventive mechanisms and internal control systems aimed at preventing and identifying fraud and corruption, including in the various internal procedures in the field of finance, logistics, human resources, etc.

4.3. Prevention and identification mechanisms

CartONG has developed mechanisms that can help prevent fraud and corruption such as:

- To give the "member" staff of CartONG and the other entities mentioned in Article 3 of this policy a good understanding and clear direction and to encourage them to take ownership of CartONG's values and policies, in particular through the information measures provided for in Article 8 of this policy
- Putting in place appropriate controls, including accounting and operational controls, and ensuring that these controls are working – so that teams are empowered and can use common sense, and this means allowing staff to be trained.
- Identify risk factors throughout the project or program cycle and throughout the supply chain, recognize their likelihood, understand the consequences, and put in place appropriate countermeasures.
- Ensure that teams maintain a respectful and appropriate dialogue with grantees and other stakeholders.

- Implement training for staff most exposed to the risks of corruption, fraud and influence peddling.

5. Roles & Responsibilities

5.1. Neutrality

The "member" staff of CartONG and the other entities mentioned in Article 3 of this policy must carry out their duties in a neutral and apolitical manner, in compliance with the law, legitimate instructions and ethical rules relating to their functions.

5.2. Impartiality

In the course of their professional duties and/or missions, CartONG "member" staff and other entities mentioned in Article 3 of this policy must act in accordance with the law and exercise discretion impartially, taking into account only the relevant circumstances.

5.3. Confidentiality

Taking due account of the possible right of access to the information of the stakeholders, the "member" staff of CartONG and the other entities mentioned in Article 3 of this policy must treat in an appropriate manner, with all the necessary confidentiality, in order to guarantee in particular, the protection of their privacy, all the information and documents acquired in the exercise, or in the performance of their duties.

5.4. Professional Resources

In exercising their discretion, CartONG "Member" staff and other entities referred to in Article 3 of this Policy shall ensure that staff and the goods, facilities, services and financial resources entrusted to them are managed and used in a useful, efficient and economical manner. They must not be used for private purposes unless authorized in writing.

5.5. Directors' liability

The CartONG management (salaried Director and board of the association) in charge of running the association must do so in accordance with the policies and objectives of CartONG. It will be held accountable for acts and omissions of its personnel that are contrary to these policies and objectives if it has not taken the steps that due diligence required of a person in his or her position to prevent such acts or omissions.

It must also take the necessary measures to prevent its staff from engaging in acts that could constitute fraud or corruption. These measures may include drawing attention to the importance of enforcing laws and regulations, providing adequate training in the fight against fraud and corruption, and being exemplary in one's personal conduct as mentioned in Article 4 of this policy.

5.6. Conduct in the event of attempted fraud and corruption

Since CartONG "member" staff and other entities mentioned in Article 3 of this policy are generally the only ones to know if they are confronted with an attempted bribery, they are personally obliged to:

- To be attentive to any act of fraud and actual or potential corruption;
- To take measures to prevent such an act;
- To inform their hierarchical superior (unless they are concerned or at the origin of the act) and CartONG's Alert Unit of any act of fraud and corruption as soon as they become aware of it;
- To comply with any final decision ordering him to withdraw from the situation that gave rise to such an act.

If CartONG "member" staff and other entities mentioned in Article 3 of this policy are offered an undue advantage or a request for facilitation payments, they must take the following measures to ensure their protection:

- Deny the undue advantage or pay for the facilitation; it is not necessary to accept it in order to use it as proof;
- Explain that this type of practice is contrary to CartONG's policy;

- Attempt to identify the person who made the offer;
- Avoid prolonged contact, although knowledge of the reason for the offer can be useful in a deposition;
- In the event that the gift cannot be refused or returned to its sender, it must be kept by handling it as little as possible and given to the organization with a written mention.
- Try to get witnesses, e.g. colleagues working nearby;
- Report and write a written report on this attempt as soon as possible and communicate it to his or her superiors and the Alert Unit via email alerte@cartong.org;
- Continue to work normally, especially on the case in which the unfair advantage was offered.

6. Procedure & documentation

For more information, please refer to the whistleblowing system and the internal regulations of CartONG.

6.1. Information

The person or persons who are aware of the potential existence of fraud or corruption committed concerning another person "member" of CartONG or other entities mentioned in Article 3 of this policy, have the duty to inform their Line Manager (if it is not the person concerned) as well as the "Alert Unit" via the email alerte@cartong.org, providing sufficient evidence or arguments to be able to determine whether there is a case of fraud or corruption.

This information must take place as soon as the potential case is known.

Statements made in the context of this policy will be considered confidential and will only be communicated if necessary, in accordance with the "need to know" principle (imperative need to know information in the context of a specific function and for the proper performance of a specific mission).

CartONG shall ensure that "member" staff who report a case provided for above on the basis of reasonable suspicion and in good faith do not suffer any harm. Cases of clear abuse in the use of the mechanisms are subject to sanctions.

6.2. Investigation

The Alert Unit will convene the Alert Committee to study the case presented with all possible data and the person who reported the case of fraud or corruption will be heard. Thereafter, this person will leave the meeting, and, after discussions, the Alert Committee will decide whether an investigation is necessary to determine whether or not the fraud or corruption committed exists.

For more information, refer to the alert processing system.

6.3. Documentation

The minutes of the Alert Committee meetings must include:

- The names of all the people who have intervened since the beginning of the process with a description of their interventions.
- A description of the elements that lead to the conclusion of the existence of fraud or corruption, if applicable.
- The final decision.

These documents will be kept electronically on the Association's network in a file specific to the Alert Committee, for the duration of the contractual relationship concerned.

7. Penalties

Any breach of this policy may result in disciplinary measures against the person concerned by the case of fraud or corruption, in accordance with the Internal Regulations, up to and including dismissal for an employee.

For elected officials or volunteer members of CartONG, sanctions may go as far as exclusion according to the association's statutes.

For operational partners, we will have to terminate the current contract (According to commitments made with the funder). And finally, for service providers and suppliers, this will result in an immediate cessation of the service.

8. Advertisement

This policy has been the subject of information and consultation with the Social and Economic Committee (CSE) in accordance with the legal provisions.

A specific article framing the prevention and fight against fraud and corruption is inserted in the contracts with CartONG's service providers and operational partners. And this policy will be available to them.

Each current member of the Association is made aware of the existence of the policy on the prevention and fight against fraud and corruption via electronic communication when it comes into force and updates, new members are informed during their integration briefing.

All current or newly recruited members of CartONG are required to read and declare that they have read this Policy and agree to abide by it. A document to this effect will be signed by each of the members in two copies, one kept by CartONG, the other for the signatory member.

Members are informed that this document may be given to the association's donors who request it.

9. Effective date

This policy for preventing and combating fraud and corruption will come into force on September 1, 2026.

Done in Chambéry on 31/07/2026

Signature of Sophie Oddo, as Co-Director of CartONG



Signé électroniquement par
Sophie Oddo
Le 31/07/2026 à 14:33