

## NORWEGIAN-UKRAINIAN CHAMBER OF COMMERCE CODE OF CONDUCT

*Adopted by the Board of Directors on March 13th 2017*

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Appendix 1: Declaration of understanding

Appendix 2: NUCC Anti-corruption policy

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Dear Colleague,

Our vision in NUCC is to stimulate increased commercial cooperation between Norway and Ukraine. Corruption is a global problem and one of the greatest obstacles to economic and social development around the world.

By adopting and implementing this Code of Conduct as our main governance document as well as an anti-corruption programme, the board of directors of NUCC is confident that we, as an international association, are taking prudent steps to ensure not only that adequate anti-bribery procedures are put in place within our association, but also to facilitate a sustainable business environment for our members.

This Code of Conduct describes the behaviour NUCC expects from its employees, and what you, and our business partners, can expect from NUCC. It guides our behaviour to ensure that we act with the utmost integrity.

NUCC and its members shall in all their activities observe a policy of zero tolerance towards corruption. NUCC's ethical values must be reflected throughout the association. Non-compliance can cause severe harm to the involved personnel and the association as a whole, both criminal and economic liability can apply, as well as potential reputational damage.

Every director and employee of NUCC has the responsibility to read and familiarize themselves with this Code of Conduct, and to conduct his or her tasks and responsibilities for NUCC in accordance with the requirements it sets out.

If you find that you are placed in a situation where your conduct might come in conflict with the Code of Conduct, you should report those issues to the NUCC Compliance Committee.

Good luck with this important work!

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**Laxmi Akkaraju, Chairperson of the Norwegian Ukraine Chamber of Commerce**

## 1 PURPOSE

The Code of Conduct has been adopted to underscore the principles by which the NUCC conducts its relations with employees, members, business partners and other stakeholders, including our policy of zero tolerance towards corruption. The Code of Conduct describes NUCC's ethical commitments and requirements. It sets expectations to personal conduct and business practice.

## 2 SCOPE

The Code of Conduct is the main governing document in NUCC. The NUCC anti-corruption programme consists of additional policies and procedures, which provide more detailed, guidance for expected business conduct related to certain principles addressed herein. In cases of conflict between mandatory laws and regulations, and the standards set out in this Code of Conduct, the highest standard consistent with the law shall be applied.

The Code of Conduct applies to all employees and directors of NUCC. It also applies to intermediaries, lobbyists and others who act on NUCC's behalf.

NUCC expects its members, suppliers and other contracting parties to adhere to standards which are consistent with applicable laws and regulation and NUCC's Code of Conduct, and NUCC shall do its best to ensure such adherence. In the assessment of potential and current suppliers, the principles described in this document shall be applied.

The Code of Conduct has been approved by the Board of Directors of NUCC. Any deviations must be approved by the Chairperson.

## 3 RESPONSIBILITIES AND IMPLEMENTATION

### 3.1 Board of Directors and Compliance Committee

The Board of Directors shall identify the risks, including corruption risk, facing NUCC and undertake an annual evaluation of these risks based on material prepared by the Compliance Committee. Such risk assessment will be based on, *inter alia*, a review of completed and ongoing business, current market conditions and trends and feedback from employees to the Compliance Committee.

The Compliance Committee will regularly monitor the effectiveness and review the implementation of the NUCC anti-corruption programme, including the Code of Conduct, and consider its suitability, adequacy and effectiveness. The Compliance Committee will promptly propose any improvements identified to the Board of Directors with a view for these to be implemented as soon as possible.

### 3.2 Personal Responsibility

All directors and employees must **read, understand and comply** with this Code of Conduct and the policies and procedures included in the NUCC anti-corruption programme.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of everyone working for the NUCC. You must remain mindful of the risk of bribery and corruption in respect of each business activity you are involved in and in all contact and communication with third parties, including public officials.

All directors and employees must sign a declaration that they have fully understood this Code of Conduct, the policies and procedures included as annexes to the Code of Conduct. The declaration is included as an appendix to the Code of Conduct.

This Code of Conduct will be promptly and consistently enforced. Failure to comply with its provisions can result in disciplinary action, which could, inter alia, result in dismissal for gross misconduct.

#### **4 ANTI-CORRUPTION**

The NUCC practices zero tolerance for corruption in any form. This includes bribery, facilitation payments and trading in influence, whether they take place directly or through third parties. We will comply with all applicable anti-corruption laws and regulations and take active steps to ensure that corruption does not occur in relation to the NUCC's business activities.

To further emphasize our commitment to fight corruption, NUCC has adopted an anti-corruption policy, which shall serve as the basis for all directors and employees of NUCC in their conduct when representing NUCC's interest. All directors and employees are expected to read and comply with this policy, which is attached as appendix 1 to the Code of Conduct.

Bribery typically occurs when you request, receive, give, offer or accept an improper advantage to influence a business or governmental outcome or decision. Bribes can be in the form of money, gift, travel, or any other advantage or benefit.

Facilitation payments are typically payments requested by public officials to expedite or secure the performance of a routine governmental action, such as issuing permits/licenses, providing services or custom controls.

##### **Your responsibility:**

- You must never, either directly or indirectly through a third party, offer anything of value to improperly influence the actions or decisions of any person, including any public official or private party, when representing NUCC's interests.
- Engaging with public officials requires extra caution when it comes to risk of facilitation payment. It may sometimes not immediately be clear whether a requested payment is a legitimate official fee or a facilitation payment. Whenever you are asked to make a payment to any public official on NUCC's behalf, you should always act in a transparent manner and be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided.
- In the event you perceive that the demanded payment is a bribe or facilitation payment you should refuse to make the payment.

- You should request to see evidence of the legal basis for such payment and always ask for a formal receipt which details the reason for the payment.
- If a demand for a facilitation payment is accompanied by immediate threat of physical harm then put safety first, make the payment and report immediately to the Compliance Committee the circumstances and amount of the payment.
- If you have any suspicions, concerns or queries regarding a specific payment, you should raise these with the Compliance Committee as soon as possible.

## **5 CONFLICT OF INTEREST**

We expect you to always act in the best interest of NUCC when you are representing the association. Conflict of interest occurs when your personal relationships, participation in external activities or other financial interests can influence or could be perceived to influence your ability to make the best decision for NUCC. Personal relationship may include your spouse, close relative, or any other person with whom you have close relations.

### **Your responsibility:**

- You shall take appropriate steps to avoid situations and positions that may create or appear to create conflicts between your tasks and responsibilities for NUCC and your self-interest or personal relationships.
- You should be open, disclose and discuss with your leader any situation that might lead to an actual or perceived conflict of interest.
- You shall not participate in any transactions or business activity on behalf of NUCC where you, directly or indirectly, have or could reasonably be perceived to have, a personal interest, financial or otherwise.
- You shall not use an opportunity which was a result of your engagement with the NUCC, to acquire property or another business enterprise, or to market any products or to engage in any activity for personal gain other than as a duly approved sponsor of an NUCC event or publication.
- Should a conflict of interest arise, you shall immediately notify the Compliance Committee and disclose all relevant facts. If in doubt, you should confer with the Compliance Committee.

Where a conflict of interest is notified, the Compliance Committee shall ensure that the conflicted individual is isolated from any influence and/or decision-making process associated with the subject of the conflict.

## **6 RECEIVING AND/OR GIVING GIFTS AND HOSPITALITY**

The practice of giving business gifts and hospitality varies between countries and regions, and what may be normal and acceptable in one region may not be so in another. In certain situations, giving or accepting gifts and hospitality may also be regarded as corruption. As a general rule, you should always ask yourself whether the gift or hospitality is reasonable and justifiable, all circumstances considered. The intention behind the gift or hospitality should always be considered.

Gifts or hospitality should not be offered to, or accepted from, public officials or representatives, or politicians or political parties, without the prior approval of the Compliance Committee.

Without the prior approval of the Compliance Committee, gifts and hospitality shall not be offered to, or accepted from, business partners, suppliers or other associations that NUCC is in a tender process with, or is negotiating a contract.

Hospitality includes entertainment, meals, social events and the like. The giving or receipt of hospitality is only allowed if there is a clear business reason for attending. Travel and accommodation must always be paid by the NUCC.

The giving or receipt of gifts or hospitality is not prohibited if the following requirements are met:

- a) it is not made with the intention to influence, or reasonably could be perceived to influence, improperly the outcome of a business transaction, or to obtain or retain business or a business advantage, or in explicit or implicit exchange for favours and benefits;
- b) it complies with local law;
- c) it does not include cash or a cash equivalent (such as loans, gift certificates or vouchers);
- d) it is appropriate under the circumstances, taking into account the reason for the gift or hospitality, its type and value, and the timing.
- e) the value is modest and within reasonable limits;
- f) it is given openly, not secretly;

Gifts and hospitality that does not meet the above conditions should be politely declined citing the NUCC gifts and hospitality policy. In a situation where it would clearly give offence to decline, the gift may be accepted if it is of reasonable value and handed over to NUCC immediately.

If you are considering giving or have received a gift or hospitality and you are unsure if you are compliant with the above conditions, you must consult the Compliance Committee.

## **7 RECEIVING VOLUNTARY CONTRIBUTIONS AND SPONSORSHIP**

The activities and events carried out by the NUCC are financed by membership subscription fees, selling services to members and voluntary contributions. The latter includes both sponsorships and contributions from private entities and grants by public agencies. A sponsorship or voluntary contribution might be in the form of cash, or it could be the giving of 'in kind' support, such as providing facilities, meals or network capacity, employee volunteering or any other services.

Receipt of voluntary contributions and sponsorship shall be handled in a transparent and professional manner, ensuring documentation and verifiability. Sponsoring relationships shall be strategic and

aligned with NUCC's ethical values. The motive and benefits should always be transparent to both parties.

## **8 THE USE OF INTERMEDIARIES**

Intermediaries are a particular type of business partner and include agents, consultants, lobbyists and others who act on behalf of NUCC towards third parties. It is of critical importance that the intermediary conducts its business by normal commercial means, and not by any form of corrupt means. If an intermediary conducts a corrupt act in its attempts to facilitate contracts or other business for NUCC, there is a risk that NUCC may be held liable for this act. Such corrupt practice is an unacceptable way of doing business which NUCC in no way wants to be involved in or associated with. Special caution must therefore be exercised when engaging intermediaries.

### **Your responsibility:**

- Any intermediary you plan to hire must be subject to integrity due diligence and reviewed by the Compliance Committee before any commitments are made.
- The agreement with the intermediary must be made in writing, describing the true relationship with NUCC and include an obligation to follow the principles in this Code of Conduct.
- You must ensure that the agreed compensation is proportionate to the service rendered (the time and resources spent, as well as the complexity of the assignment), also considering the approximate market rate for comparable assignments. If the fee is in the approximate range of the market rate, the size of the fee itself can rarely be seen as a reason to suspect corrupt practices.
- Compensation may only be paid against satisfactory documentation of work performed.
- Monitor the work performed by the intermediary to ensure it is in line with the above.

## **9 HUMAN RIGHTS AND WORKPLACE PRACTICES**

Within its sphere of influence, the NUCC shall support, respect and commit to the principles set out in the international recognized social and ethical standards for protection of human rights and ensure that it is not complicit in human rights abuses. No form of forced, compulsory or child labour is tolerated.

The NUCC prohibits unlawful discrimination against employees, directors, members, suppliers or business partners on account of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social or ethnic origin. Workplace diversity at all levels is encouraged. All persons shall be treated with dignity and respect and they shall not be unreasonably interfered with in the conduct of their duties and responsibilities. All directors and employees of NUCC are expected to actively assist in creating a work environment ensuring these principles.

Freedom of association and the right to collective bargaining and agreements shall be respected in all NUCC's activities. The NUCC will provide the necessary conditions for a safe and healthy work environment for all employees.

## **10 RECORD KEEPING**

All financial transactions by the NUCC shall be reported in accordance with generally accepted accounting practices, and accounting records must show the nature of all transactions in a correct and non-misleading manner. The NUCC will provide disclosure that is open, truthful, relevant, comprehensible and timely.

The recorded accountability for assets will be compared with the existing assets at reasonable intervals and appropriate action will be taken with respect to any difference.

### **Your responsibility:**

- You must declare and keep a written record of all hospitality or gifts accepted or offered by you, which may be subject to review by the Compliance Committee.
- You must ensure that all expenses claims, accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as intermediaries and business relations, are prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.
- You should report to the Compliance Committee any transactions not executed in accordance with the NUCC management's general or specific authorisation which comes to your attention, as well as any incidents involving access to assets other than in accordance with management's general or specific authorisation.

## **11 HOW TO RAISE A CONCERN AND FOLLOW UP ON NON-COMPLIANCE**

If you suspect a possible violation of the Code of Conduct or other unethical misconduct, you should report this at the earliest possible stage. You can report your concern to a manager that you trust, or confidentially to the NUCC's Compliance Committee. No retaliation will take place against a person who in good faith reports a suspected violation or misconduct.

If you are unsure whether a particular act constitutes a violation or misconduct, or if you have any other queries, these should be raised with the Compliance Committee.

If suspicion of non-compliance to this Code of Conduct or associated policies occurs, the NUCC may conduct internal and/or external investigations, and decide whether to make a report to relevant public authorities.