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# Anti-money laundering and bribery policy

## 1. General policy

- 1.1 The board members of HiKidz International acknowledge the need for policies and procedures to combat money laundering and bribery that meet international requirements.
- 1.2 Our policy is to operate financial controls and, on a risk-rated basis, to carry out other checks, sufficient to ensure that, as far as possible:
  - The foundation has reasonable knowledge and understanding of those providing funds to it and that those funds come from legitimate sources;
  - Grants or other payments of money made by the foundation are transferred securely to reach the intended recipient;
  - The foundation has reasonable knowledge and understanding of the character, nature, and work undertaken by the recipient organization or individuals;
  - Grants provided by the foundation have been used as directed and have not been diverted for use by other organizations;
  - Grants and other payments made by the foundation have not been used as bribes.
- 1.3 Although the board members retain overall responsibility for this policy, they have appointed the foundation Treasurer to act as its Money Laundering Reporting Officer (MLRO) to have day-to-day control over its implementation.
- 1.4 The board members have provided sufficient access to training to ensure that staff and volunteers are aware of their responsibilities and are able to properly discharge them.
- 1.5 In constructing this policy the board members have paid due regard to the guidance provided by the Foundation Commission. Board members are recommended to read the whole of the Foundation Committee's guidance in this area.
- 1.6 The overall responsibility for this policy and its implementation rests with the board members of HiKidz International

## 2. Donors and inflows

- 2.1 Using a risk rated approach, HiKidz International takes reasonable steps to identify donors that provide unusual gifts; or donors that provide 'one-off' gifts or accumulated gifts in any one year that exceed € 10,000.
- 2.2 Where relationships are strong and long-standing, these checks will be largely informal unless there are circumstances identified that cause sufficient concern to warrant more formal checks. More formal checks will be required for new and developing relationships.
- 2.3 Some examples of circumstances that may give rise to a level of concern include:
- One-off donations that exceed € 10,000 received from individuals previously unknown to HiKidz International;
  - Donations that carry restrictions that require the funds to flow through HiKidz International to external parties, particularly where these parties are located in areas that are more susceptible to corruption or which are known to be close to terrorist hot-spots;
  - Donations in excess of € 1,000 that are received in cash;
  - Donations received that are 'out of character' with previously established patterns of giving.
- 2.4 Where formal checks are implemented these are intended to:
- Identify the donor;
  - Identify the source of funds from which the donation originated.
- 2.5 In cases where suspicions of money laundering or terrorist financing are identified, these should be reported in accordance with the procedures set out in section 4 of this policy.

### 3. Grants and outflows

3.1 HiKidz International implements financial controls sufficient to ensure that grants and other outflows of funds reach their intended recipients. Specifically this means that:

- Grants are generally made by transfer of funds from the HiKidz International bank accounts directly to the bank account of the recipient;
- Wherever possible the bank account of the recipient will be in the name of an organisation rather than an individual;
- Where transfers can't be made, cheques will be used, made payable to an organization rather than an individual wherever possible;
- Grants and other transfers will only be made in cash of any currency in extreme or unusual circumstances and only with the knowledge and consent of at least board member and the CEO.

3.2 Using a risk-rated approach, the foundation takes reasonable steps to identify and understand the nature of the work carried out by all recipients. The foundation adopts a more formal approach for individual recipients or recipient organizations:

- Where relationships are less well developed;
- That operate in regions of the world where regulation is less well developed and are known to be more susceptible to corruption;

- That operate in conflict zones or known terrorist hotspots;
- Where the governing structure of the recipient has recently changed;
- Where the emphasis of the work undertaken by the recipient has recently changed.

### 3.3 Formal identification of recipients may include:

- The use of independent and reliable source material including:
  - ❖ Those obtained from government departments;
  - ❖ Those obtained from registering authorities or agencies;
  - ❖ Photographic identification;
  - ❖ Database services.
- Other research including:
  - ❖ Personal commendation;
  - ❖ Internet research;
  - ❖ Face-to-face visits;
  - ❖ Third-party due diligence.

3.4 In cases where suspicions of money laundering or terrorist financing are identified, these should be reported in accordance with the procedures set out in section 4 of this policy.

3.5 Using a risk-rated approach, HiKidz International will take reasonable steps to ensure that the grant provided has been used in the way that was intended and that it has not been diverted towards terrorist organizations or for terrorist activities. Such reassurance may take the form of:

- Confirmation from a senior member of the recipient organization that the grant
- has been used as intended;
- Receipts evidencing that grants have been used as expected;
- A written analysis of where the funds have been spent;
- Other means of research.

3.6 HiKidz International has a zero-tolerance policy to bribery. Where the foundation identifies or has reasonable suspicion that grants have been used for the purposes of bribery it will with immediate effect stop sending further grants, until suitable assurances can be provided that further grants will not be used for bribery.

#### 4. Reporting suspicions

4.1 Any volunteer or member of staff that has become aware or has reasonable suspicions of transactions that might constitute money laundering or terrorist financing or believes that grants have been used as bribes should report these to one of the Treasurer and board members.

4.2 In cases where the board members are satisfied that the transactions do constitute money laundering or that the suspicions are well founded, a report will be made to the authorities.

#### 5. Staff Training

5.1 The Board members will make provision for suitable relevant training so that staff and /or volunteers understand the policy, its purpose and are aware of any relevant changes in the law.

#### 6. Adoption of this policy

6.1 The Board members of HiKidz International formally accepted this policy on Dec 1, 2024