

# Star for Life Ukraine Foundation (SFLUA) Anti-Bribery, Anti-Fraud, Anti-Corruption, and Anti-Money Laundering (AML) Policy Document

## 1. General Information

### *Vision and Mission of Star for Life Ukraine Foundation*

**Vision:** Star for Life Ukraine envisions “a future where every Ukrainian child, irrespective of social background or geographical location, has the opportunity and resources to realise their full potential.”

This vision reflects the same core ideas as those contained in the Star for Life International vision statement, while emphasizing that rights and opportunities must be granted to all Ukrainian children, including those living in territories occupied by Russia since 2014. The nationalism conveyed should be understood within the context of the ongoing war. It is not meant to exclude, but to signal inclusion to Ukrainian children caught in the conflict over identity and belonging.

**Mission:** “To provide quality education that promotes gender equality and empowers young people with the skills, confidence, and emotional resilience they need to grow and prosper.”

Star for Life Ukraine delivers education in both cognitive and non-cognitive domains, with a strong emphasis on promoting gender equality among adolescents. The organization operates inclusively across political and religious lines within Ukraine. However, due to the Russian aggression, it explicitly aligns with the vision that Ukrainian sovereignty must be restored within its internationally recognized borders.

### *Legal Framework*

SFLUA adheres to all applicable national and international legal instruments concerning bribery, fraud, corruption, and money laundering. These include but are not limited to:

- Criminal Code of Ukraine (Articles 209 and 209-1)
- Law of Ukraine on the Prevention and Counteraction to Legalization (Laundering) of Proceeds from Crime
- United Nations Convention against Corruption (UNCAC)
- OECD Anti-Bribery Convention

- Financial Action Task Force (FATF) Recommendations
- Donor compliance frameworks including SIDA Anti-Corruption Regulation

## 2. Definitions

- **Bribery:** Offering, giving, receiving, or soliciting something of value to influence a decision or gain an unfair advantage.
- **Fraud:** Intentional deception or misrepresentation made to gain a benefit or cause loss to another.
- **Corruption:** Abuse of entrusted power for private gain, including conflicts of interest and misuse of authority.
- **Money Laundering:** Concealing the origins of illegally obtained funds to make them appear legitimate.
- **Conflict of Interest:** A situation where a person's private interests interfere with their professional responsibilities.

## 3. Risk Assessment

### *Key Risks*

Recognizing the environments in which we operate, SFLUA has identified the following risks:

1. **Misappropriation of funds:** Funds intended for programs may be diverted for unauthorized purposes.
2. **Bribery and corruption:** Risk of external parties offering inducements to influence decision-making.
3. **Fraudulent reporting:** Misrepresentation of program outcomes or financial data.
4. **Money laundering:** Risk of the organization being used to disguise the origin of illegal funds.

### *Risk Management Measures*

To mitigate these risks, SFLUA implements the following:

- Although SFLUA is currently not legally required to conduct audits due to its small organizational size, we are prepared to undergo both internal and external audits if requested by any donor or partner. As we grow institutionally, we commit to complying with Ukrainian regulations by implementing regular internal and external audits

- Transparent procurement and financial reporting practices
- Due diligence on partners, donors, and contractors
- Staff training on this policy and relevant legal standards
- A whistleblower mechanism with protection guarantees

#### 4. Policy Governance and Oversight

##### *Compliance Committee (CC)*

A **Compliance Committee** composed of at least three senior staff members currently oversees this policy. Due to the small size of the current SFLUA team, implementing a rotation system for committee membership is not yet feasible. However, as the organization grows institutionally, we are committed to introducing a formal rotation mechanism and including at least one external member to strengthen impartiality and transparency. The Committee is responsible for reviewing high-risk decisions, investigating reports, and ensuring accountability.

##### *Focal Point for Integrity (FPI)*

While SFLUA does not currently maintain a dedicated in-house compliance officer, it designates the email **legals@sigma.software** as its independent Focal Point for Integrity. This email is managed by Sigma Software’s legal team, which provides external legal support to the organization. Sigma Software Ukraine is a foundational body of the SFLUA charitable foundation and, although the foundation operates as an independent entity, Sigma Software continues to serve as a strategic partner. It provides pro bono service support to ensure the Foundation remains in compliance with legal requirements in Ukraine. Reports submitted to this address are treated confidentially, acknowledged within three business days, and reviewed for escalation within five business days. The legal team coordinates with SFLUA senior management or the Board of Directors as appropriate.

Reports are acknowledged within three business days and reviewed for escalation within five business days. If urgent, Sigma Software will immediately notify the Board Chair or relevant senior staff.

##### *External Legal Support*

SFLUA receives legal support from **Sigma Software Ukraine**, which provides guidance to ensure compliance with Ukrainian and international

legal standards applicable to charitable foundations. This support includes oversight of adherence to local legislation, donor policies, and international best practices. Additional external legal or compliance advisors may be engaged on an as-needed basis for complex cases or policy reviews. SFLUA contracts an **external legal and compliance advisor** on an as-needed basis to provide legal expertise, independent investigation, and donor-aligned policy reviews.

## 5. Scope and Application

### *Scope*

This policy applies to:

- Full-time and part-time employees
- Interns, volunteers, and consultants
- Partner organizations
- Donors, sponsors, and third-party service providers

### *Policy Distribution and Enforcement*

- All staff receive the policy during onboarding
- It is available in English and Ukrainian
- Annual trainings reinforce understanding
- Breaches may lead to disciplinary measures including termination or legal action. List examples of sanctions based on severity:
  - Verbal or written warnings
  - Suspension of contract
  - Legal referral (e.g. in case of fraud or bribery)
  - Blacklisting from future partnerships

## 6. Procedures and Controls

### *Prevention and Detection*

SFLUA uses the following internal controls:

- All financial transactions require at least two authorized approvals (Financial Manager/Accountant+ Executive Director).
- Purchases exceeding €2,000 or contracts above €5,000 must be approved by the CC and Chair of the Board.

- All vendors and partners are screened using background checks and verification procedures, to the extent possible using open sources and publicly available databases.
- In addition to financial and legal checks, partners and vendors are screened for any past involvement in activities that would pose a risk to children or violate SFLUA’s child protection principles.
- All donations exceeding €1,000 are subject to Know Your Customer (KYC) checks.

### *Training and Acknowledgment*

To ensure understanding and implementation of this policy:

- **Mandatory Training:** All staff, volunteers, consultants, and associated personnel receive training on this policy at the start of their engagement.
- **Training** is delivered by designated internal staff or, when needed, in collaboration with Sigma Software Ukraine or other qualified external legal advisors.
- **Annual Refresher:** Refresher sessions are held yearly or in response to policy updates.
- **Acknowledgment of Compliance:** All individuals/legal entities working with or providing services to SFLUA must acknowledge they have read, understood, and agreed to follow this policy as a condition of their engagement.

### *Whistleblower Reporting*

- **Reports may be submitted via [team@starforlife.org.ua](mailto:team@starforlife.org.ua).** This general email address is configured to automatically forward messages simultaneously to all members of the senior management team and to the Chair of the Board. This system ensures that no single individual can intercept, suppress, or ignore a report. It also supports confidential and prompt review by multiple decision-makers, promoting accountability and minimizing the risk of retaliation or mishandling. (anonymous option available)
- Reports can be escalated to the Board Chair or external advisor
- All reports are reviewed by the CC within 5 working days. They are recorded in a secure, access-controlled system maintained by the Compliance Committee. Identities of whistleblowers are protected and access is restricted to CC members and the Focal Point for

Integrity. Report summaries are stored for auditing purposes without revealing personal data unless legally required.

### *Investigations*

- The CC leads investigations with optional external support
- Findings are documented, and disciplinary actions determined case-by-case
- Retaliation against whistleblowers is strictly prohibited
- Investigation reports, compliance acknowledgments, and training attendance records are retained securely for a period of five years or as required by donors or applicable law.

## **7. Monitoring and Review**

- The CC meets quarterly to monitor policy implementation
- Annual compliance reviews are coordinated with Sigma Software Ukraine or another qualified external consultant, depending on capacity and donor requirements.
- Feedback is solicited from staff and stakeholders
- Policy is reviewed annually or after major legal changes

## **8. Conflict of Interest**

All employees and partners must:

- Declare any personal interest in a transaction, project, or partnership
- Recuse themselves from related decision-making
- Submit annual declarations of interest

## **9. Legal and Cultural Context**

SFLUA understands the complexity of operating in a conflict-affected environment. We:

- Adapt procedures to align with Ukrainian laws and realities
- Reinforce ethical culture despite resource limitations
- Maintain inclusion and neutrality within Ukraine's political and religious diversity, while opposing Russian aggression and affirming support for Ukrainian sovereignty

## **10. Alignment with International Standards and Donor Policies**

This policy is aligned with:

- SIDA, Norad, GIZ, EU, UNODC compliance frameworks
- Transparency International's principles
- OECD Good Practice Guidance
- FATF Recommendations

SFLUA ensures:

- Regular policy updates in line with donor feedback
- Participation in donor audits and learning reviews
- Open communication with donors regarding suspected corruption

## 11. Integrity and Child Protection

As an organization working with minors, financial integrity is not only a legal issue but a child protection concern. Misuse of resources can:

- Undermine program impact
- Jeopardize child safety
- Erode trust from communities and donors

## 12. Donor-Facing Anti-Corruption Statement

Star for Life Ukraine Foundation upholds a **zero-tolerance** policy toward bribery, corruption, fraud, and money laundering. This document reflects our legal obligations, ethical commitment, and alignment with the standards of our institutional donors. We actively protect the public trust vested in us by Ukrainian families, international donors, and our global partners.

This policy is available in both English and Ukrainian and is accessible to all staff, partners, and donors upon request or via SFLUA's internal shared system.

**Approved by:** Denys Volovyk / Dennis Wolowyk, Executive Director, SFLUA

**First Created:** 1 March 2023

**Revised:** April 2024; May 2025

**Next Review Due:** April 2026 (or earlier if requested by the Board or as required by the Compliance Committee under specific circumstances)