



Code of Ethics



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“**Even the most rational approach to ethics is defenseless if there isn’t the will to do what is right.**”

Alexander Solzhenitsyn (1918 - 2008), Russian Novelist and Historian, Awarded Nobel Prize in Literature in 1970

A trait of all SMEPSers is an abundance of courage. I mean the physical courage needed to lead change. However, this means little if it is not led by the moral courage to always do what is right. Holding high ethical standards in our daily work is vital to SMEPS health in supporting livelihoods and boosting shared prosperity.

SMEPS high expectations of workplace conduct are set out in our Core Values. Upholding these Core Values guides our collaboration with stakeholders and creates powerful teams that are well prepared to respond to the difficult challenges in the dynamic and conflict situation in which we operate.

SMEPS code of ethics is an important first step for all staff because it explains in a simple manner how the Core Values apply in practice to a range of situations that can arrive with the people we serve and those we work with. The code is necessary reading for all staff because it is the gateway into our culture and a way of work for which our communities have become accustomed. It is also a reference tool that shows you where to go for help when you need it.

If you see something that is not consistent with our values, or have a question, you should contact SMEPS offices through the methods described at the end of this code.

Thank you for doing your part to demonstrate the Core Values in your work, and for helping to make SMEPS the unique and special place that it is – one where we can all be proud to be SMEPSers.

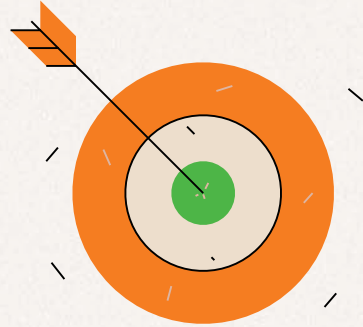
Wesam Qaid
Executive Director, SMEPS



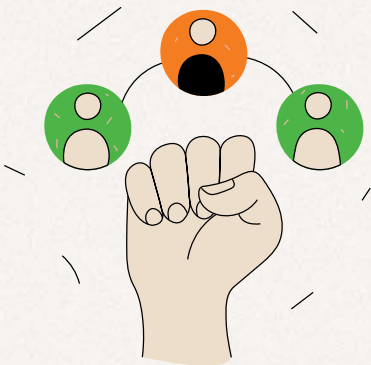
Our Message & Values

Our Message

Pursuing creative strategies for Micro, Small and Medium Enterprises (MSME) of diversity and growth through the market-oriented approach



Our Values

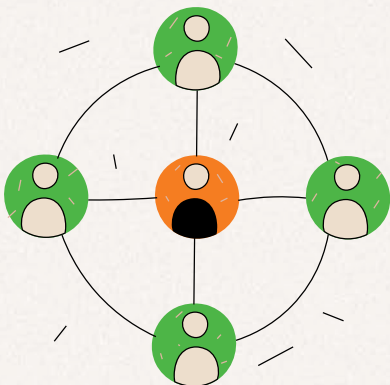
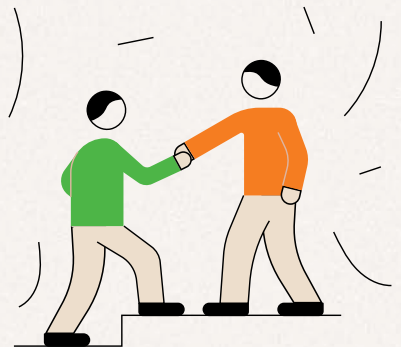


Empowerment

All SMEPSers and organizations that we serve should feel they can always make a positive difference.

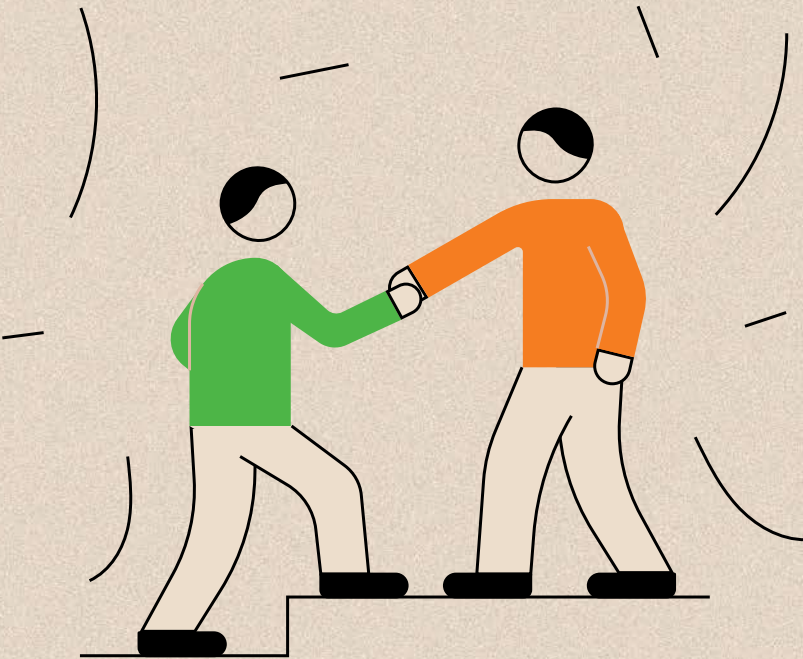
Responsibility

We are results-based and results are focused, which means we take responsibility for our actions and hold employees accountable.



Inclusion

Men and women, young and old, all races, we love diversity.



**We base our assumptions on results
and bear responsibility**

Responsibility | We base our assumptions on results and bear responsibility |

What is the Code of Ethics and Conduct?

The Code of Ethics and Conduct sets out the minimum standards of conduct expected of anyone who works for or represents SMEPS. Our mission and values applies to our work, our relationships with each other at SMEPS and with all our partners and beneficiaries.

It is our common responsibility to adhere to this “Code of Ethics and Conduct”

Adherence to the rules contained in this Code is a shared responsibility of all SMEPS employees and is responsible for applying them to managers, employees and everyone who represent SMEPS from the field consultants or from whom SMEPS carries out its work. This blog will be constantly updated, so all SMEPS employees should make sure to be always updated and adhere to the code and sign every new updated copy of the Code of Ethics and Conduct.

Responsibilities of the individual

Carrying individual responsibility is the first and most important step to apply the rules of this code, and you will be committed to your individual responsibility when:

Keep up to date on the standards of conduct that apply to your role and participate in ethics and compliance training courses.

- Request guidance and consult others when the appropriate course of action is unclear.
- Stands firmly to resist pressures that undermine SMEPS standards or abandon ethics
- for any reason.
- Report doubts or concerns if you discover something that is abnormal or questionable about your safety by reporting this to your manager, direct supervisor, or human resource officer.

Managers' Responsibilities

If you are a manager or supervise others, you are trusted. To maintain that trust, you should always:

- Be a positive example of an active employee.
- Enhance awareness of SMEPS standards and ensure that those with knowledge and resources are in a position to comply with them.
- Monitor the behavior of your supervisors and take responsibility for the activities that occur under your supervision.
- Respond to anyone with concerns or concerns about complying with ethics and conduct, and ensure that things are resolved in an appropriate and fair manner.
- Do not allow retaliation by anyone who has reported or participated in verifying certain infractions or suspicions.

We expect SMEPS partners as organizations, donors, consultants, suppliers, and others to act in a manner consistent with our expectations of ethical and behavioral practices that we commit to. All our partners can see the Code of Ethics and Behavior at the following link: www.smeps.org.ye

Sometimes, you may not be sure of the right thing to do in a work situation. If you're not sure how to proceed, do not take actions. Instead, pause a little and ask yourself these questions:

- Is this legal? Have you checked with the legal advisor or expert at SMEPS?
- Is it consistent with our core values (empowerment - responsibility - inclusiveness)?
- Is it related to compliance with our Code of Conduct and other policies and practices?
- Will this be normal for all participating parties?
- Is it consistent with our moral reputation?

If you hesitate to answer, or if you do not answer any of these questions, do not take that action. If you are still in doubt, seek advice from your direct supervisor, human resources officer, or the legal adviser of the agency, always bearing personal responsibility for doing the right thing.

What are the consequences of violating the Code of Ethics and Conduct?

Violation of the Code of Conduct leads to disciplinary actions that may lead to dismissal. In such cases, SMEPS may refer violations to competent judicial authorities and those involved may be subjected to civil or criminal penalties.

Who should I contact if I suspect a violation of the Code of Conduct?

If you're not sure what to do, you should look for someone to do it. If appropriate, speak directly with the person concerned. We also encourage you to contact any of the following persons: your direct boss: and escalate it above the administrative structure if necessary.

Who should I contact if I suspected misconduct?

You should contact any of the above or the investigation Committee if you know or suspect misconduct, even if you are not involved in the same misconduct. Investigation Committee include human resources, internal audit and the legal lawyer for SMEPS. The reported security cases will be sent to appropriate investigation committee at SMEPS or outside it if necessary.

Reporting suspected misconduct to these resources contributes to the strengthening of the Agency's ethical culture and helps to minimize or prevent harm to the staff and other stakeholders and to SMEPS and its reputation.



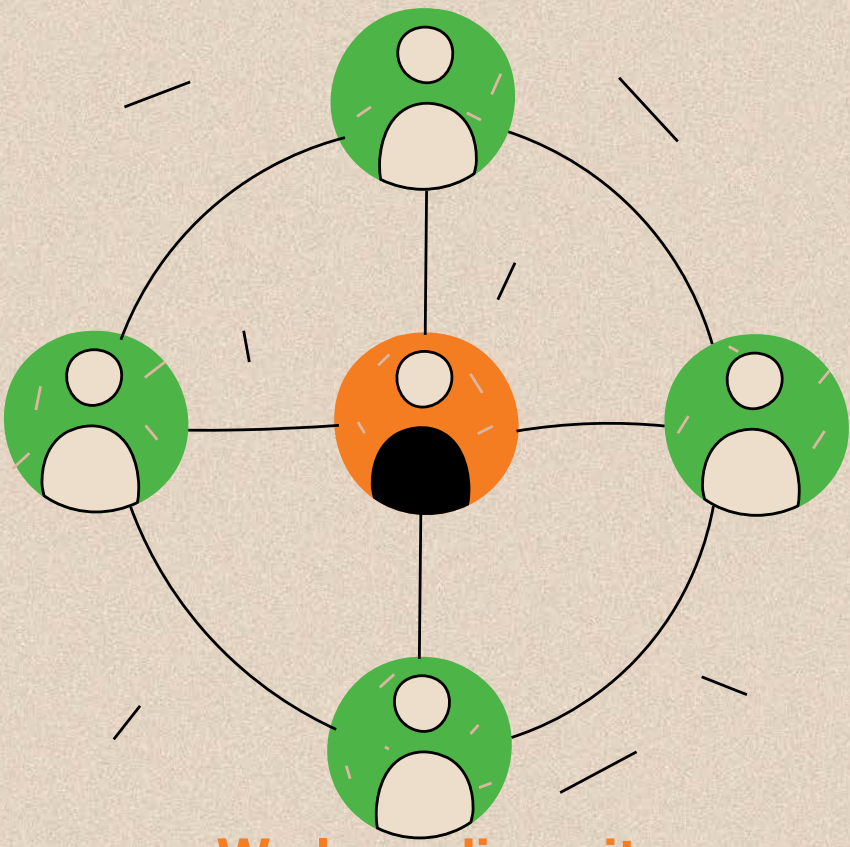
How does SMEPS deal with the reported issues?

In all communications received, SMEPS shall first investigate and verify the topic received in the appropriate manner and transmit such evidence to the appropriate departments of SMEPS or to the law enforcement authorities if necessary and shall be bound to maintain confidentiality to the fullest extent possible during the investigation period and to ascertain the results.

What if I was worried about being reprimanded?

SMEPS will never tolerate any form of direct or indirect retaliation resulting from reporting suspected illegal or immoral behavior in good faith, or cooperating with an investigation in the case of a communication in good faith, which will be protected even if it turns out that what was Your concern or preoccupation is baseless. If you suspect you are in some form of retaliation, you should contact the HR Officer or Legal Counsel if necessary.

Proven reprisals against any person who makes a statement in good faith or co-operates with an investigation may lead to immediate and severe disciplinary action, which may lead to dismissal.



We love diversity



Inclusion | We love diversity |

Our commitments towards each other

You are expected to show kindness and respect to all SMEPS staff by appreciating backgrounds, experiences and ideas among your colleagues and at the sites where SMEPS works. You must also promote the overall work environment by exercising decent and fair behaviors towards all SMEPS employees, beneficiaries and individuals in the communities in which you work.

Fair work practices

SMEPS has established general standards in which its employees are treated with respect and justice without any form of discrimination. Regardless of the position, all employment decisions - including appointment, promotion, salary, termination, training opportunities and work assignments - must be taken on merit and not on personal characteristics. These include: sex, race, color, religion, social status, age, disability, pregnancy and other protected characteristics of the law.

A Work Place with No Harassment

In order to promote open communication, teamwork and respect in SMEPS, we must take steps to create a workplace free from harassment. We do not tolerate incidents of employee harassment by any individual inside or outside the agency. Harassment is any unacceptable behavior, whether by word or deed, that creates a workplace of intimidation, hostility, or abuse. Harassment can occur inside or outside the workplace and includes the following:

- Physical contact, by any means incompatible with the prevailing religion and customs.
- Oral comments, such as racist slander or blandishments and inappropriate comments.
- Reviews or non-verbal visual actions, including images, video clips, or hand gestures.
- Communication that includes racist slurs, sexual comments, images, or videos.
- The threat of withholding or offering specific benefits in exchange for sexual relations or conduct.
- Retaliatory acts against any individual who lodges a complaint of discrimination or harassment.

Such behavior is unacceptable in all situations, including business trips, business meetings, or work-related events.

If you are aware of or suspect of discrimination or harassment, you have the obligation to inform your HR Officer or Director directly or escalate to the High Command if necessary.

Nonviolence

We must never engage in or ignore any kind of violence or tolerate it. Violence involves threats or behaviors that involve intimidation or attempt to instill fear in others. If you are aware of an existing or potential violence in the workplace, you must report your concerns. If you believe that an individual is in serious danger, you should contact the security of SMEPS or the law enforcement force before informing your supervisor of the incident.

Safety and Security

SMEPS is committed to providing safe place and working conditions for all its employees. They also ensure their safety when they are sent on field missions outside the Agency headquarters when required. In all cases, you must comply with the instructions of administrative affairs for safety at the workplace and when you leave the field. You must inform the administrative affairs officer of the work abroad and take permission to travel to ensure that you have the necessary permits and provide the best transportation methods and means.

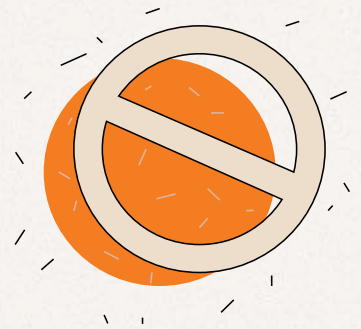
Drugs, liqueurs and weapons

We are supposed to carry out SMEPS's work without falling under the influence of any material that may impair our ability to discriminate or perform at work. Drug abuse and alcoholism also threaten our safety. This may include the use of alcohol, prohibited drugs or controlled substances.

You may not possess or distribute prohibited drugs or fall under their influence, or carry any tools for narcotic substances while you are in SMEPS.

The Agency prohibits the possession of any kind of firearms, white weapons, other weapons, ammunition, explosives and fireworks at any of its facilities. Exceptions include weapons carried by members of the Agency's designated security staff.

You should immediately report any suspected or suspected drug or alcohol abuse to your competent supervisor or human resources officer.



Protection of employees' personal data

Each employee of SMEPS provides personal identification information including home address, local identification numbers (Ex: social security card numbers) and payroll information. If you are dealing with such data, you must protect it and never share it with anyone who is not there. The necessity of legitimacy required by the work process and agree to participate with the laws in force.

Furthermore, data records of potential, current or former employees may not be disclosed or accessed without proper authorization. We must take the necessary measures to secure such data appropriately at all times.



Our commitment to SMEPS

Avoid conflicts of interest

We pledge to maintain the agency's reputation for integrity and reliability by making honest and objective business decisions. In order to do so, we must avoid potential conflicts of interest.

“Conflict of interest” occurs when our positions within the agency or the information collected through our functions create a conflict between our personal interests and the SMEPS's interests. The issue of conflict of interest may arise when a staff member, family member or a close friend benefits from personal or material benefit in situations such as:

- Transactions between SMEPS and one of its suppliers, consultants or beneficiaries of our services.
- Accept gratuities, gifts, or other rewards from suppliers, consultants or beneficiaries of our services.
- The emergence of material or family interests among suppliers, consultants or beneficiaries.
- Failure to disclose a relationship with a family member or a close friend when making a letter of sponsorship to work for SMEPS

All situations or relationships that may create conflict of interest or similar cannot be listed, and each position must be evaluated according to its own particular realities. If you suspect the existence or potential for conflict of interest, you must inform your direct supervisor or officer of the Agency's human resources.

Anti-bribery

SMEPS adheres strictly to ethical conduct, which translates into our policy of non-complacency with bribery. Bribery occurs when a party gives or promises to give a material incentive to another party to entice that person to perform his duties incorrectly.

Every employee must comply with all local bribery laws and regulations that do not permit bribery or improper payments by government officials, commercial entities, or other individuals.

We may never participate in any kind of corruption. Neither we nor third parties acting on our behalf may give a bribe to another party in order to obtain any interest. Similarly, we will not accept bribes or be used by any other party to facilitate a bribe. These prohibitions extend to all kinds of bribery, including cash payments, commissions, luxury meals, gifts, travel, entertainment items and the like. In particular, we may not do the following:

- Exchange of inappropriate, immoral or hostile statements.
- Sending or displaying inappropriate, immoral, hostile, or illegal material.
- Dissemination of depravity, derogatory statements, comments of discrimination or harassment, or talk of threats or abuse.
- Send unauthorized temptations.
- Working for another institution

Giving, paying, or promising or approving something

Receive or pay anything of value (such as money, gifts, travel, entertainment items or business courtesy) directly or indirectly (through another party) to any party, including any government official, to influence or persuade that party with the assistance of the Agency (or any other person) in establishing an improper working advantage (such as a contract, sale, governmental approval or privileged transaction)

Protection of SMEPS property and information

Each and every one of us is responsible for preserving and protecting the assets of SMEPS and protecting it against loss, theft, damage, misuse and loss. The assets and funds of SMEPS can only be used for business purposes. Nor will the Agency's equipment be sold or given to any staff. Agency assets include both tangible items, such as equipment, intangible items, such as intellectual property, and time spent by employees at work. It is generally permitted to make personal use of phones, printers, computers and similar equipment if needed from time to time, there is no significant cost to the Agency, and does not conflict with business responsibilities. If you are aware of the theft, damage, loss, misuse of the Agency's assets or funds, or have any questions about its proper use, you should contact the Administrative Affairs Officer.

Poor use of assets may include:

- Excessive personal use of electronic communication systems.
- Take equipment or tools for personal use.
- Use of transportation in personal purchases.
- Use or copy programs without permission.
- Use the assets of the agency for personal purposes.

Electronic Communication Tools

SMEPS's electronic communication tools is part of its valuable assets. The tools include includes PC's computers, mobile devices, and computer systems.

Appropriate use

When you use SMEPS's digital and social media platforms, you should do so appropriately. You should pay attention when using emails, text messages, blogs, and instant messages, such as type of messages you write on SMEPS official papers. If you choose to express your personal opinions in public forums, you should never refer to the agency, its name, address, or other identifying details.

Please note that any personal opinion you decide to publish to the public only resembles your own views, and not SMEPS's.

Proper use of the SMEPS's resources also means that you have a duty to use them in a safe, ethical, legal, effective and productive manner. You may never use the SMEPS's digital social media platforms communication devices for inappropriate purposes such as:

- Send unauthorized temptations.
- Working for another institution

Personal use of the Agency's electronic communication devices is permitted as long as the use is authorized, not excessive, and does not violate the law, our Code of Conduct, or the Agency's directives. Personal use should never interfere with functional tasks. To the extent permitted by law, the Agency may monitor your use of electronic communication to ensure compliance with our guidelines.

For further information, please refer to the agency's guideline regarding this topic, or consult your supervisor, communication officer, IT officer, or human resources officer.

If you identify yourself as a SMEPS employee or discuss issues on a social media platform, some readers may see you as some

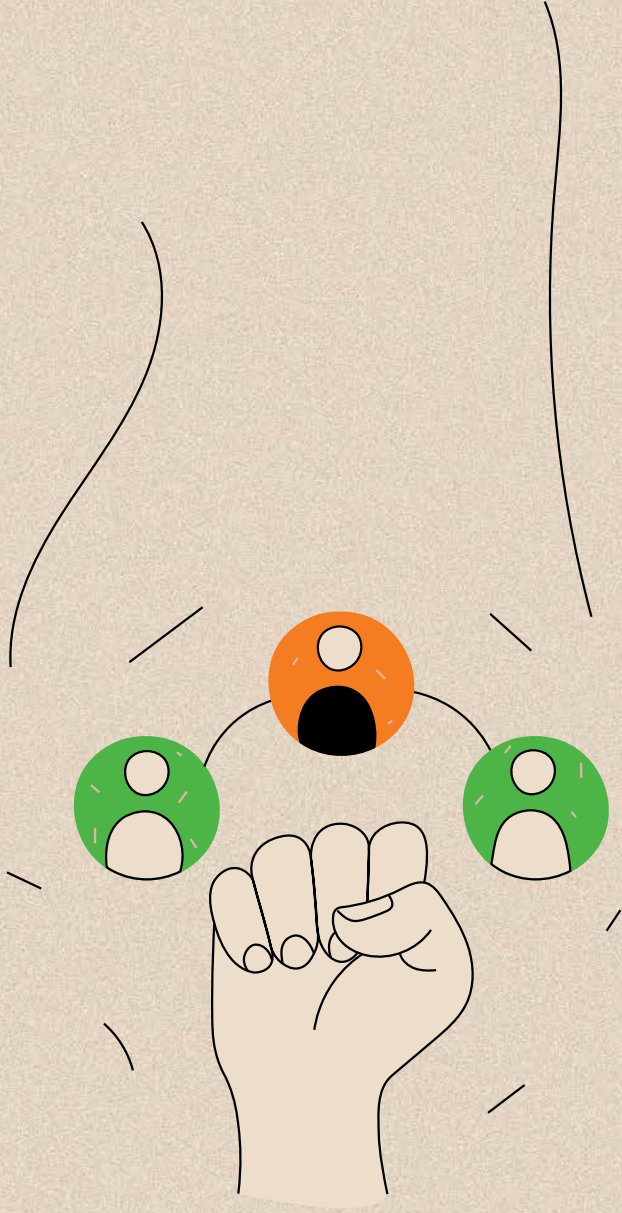
one representing SMEPS, even if your social media is personal. You should always make it clear that you are not authorized to represent the agency on social media platforms. If you identify yourself as a SMEPS employee, you should make sure that your profile and any related content is consistent with how you want to present yourself to colleagues and beneficiaries

Social and Digital Media

All SMEPS communication with the public should provide accurate and detailed information about the SMEPS and its work. Only certain individuals are permitted to speak on behalf of SMEPS to the media, research analysts, supporters, and other public forums, including blogs and social media. The employee may not use a job title other than that indicated in the contract of employment signed with SMEPS.

If you request information about the agency by the media, or other data providers, or an analyst, or another member of the supporters, you should refer the request to the contact unit. If you are asked for information about the agency by a law firm or an external legal institution on pending proceedings, you should refer the request to the Legal Counsel.

You should always be cautious when communicating about the SMEPS and you can never comment on rumors or assumptions about the agency. Furthermore, never make any representations or warranties on behalf of the agency to a person within or outside SMEPS without prior authorization. You can refer to SMEPS's guidance in this regard for further details.



| We can make a difference |

Empowerment | We can make a difference |

Our commitment to the beneficiaries and partners of our services

SMEPS assists small and micro enterprises and entrepreneurs to upgrade their work in various governorates and regions of the Republic of Yemen, providing them with the necessary assistance, such as counseling and training in donor-supported programs, to continue and develop their businesses. All of the foregoing must be subject to the ethical and behavioral rules set forth in this Code.

Our commitment to our service users demonstrates our commitment to:

Respect the dignity, values, privacy, and culture of those we serve and who provide us with services.

- To choose beneficiaries as needed in line with program specifications and selection criteria, without considering the region, beliefs, sex, or any other form of discrimination.
- We protect the beneficiaries/partners from any form of abuse.
- Protect confidentiality, commit to data protection measures, and share personal information about beneficiaries based on the need for knowledge in line with donor rules.
- Taking pictures of the beneficiaries after taking their permission in the condition of protecting their dignity whether used on SMEPS social media platforms, reports or any papers related to SMEPS.

Our Commitment to Donors

SMEPS relies heavily on its work and provides its services to beneficiaries from the support of donors and partner organizations. We must be faithful to these resources, adhere to regulations and policies and meet all our obligations to our partners who expect us to make the most of their services to the beneficiaries.

Therefore, SMEPS, represented by all its members, is committed to its donors with the following ethical rules in order to achieve its mission and values:

- Understand the policies of the supporting bodies that adopt performance and accountability.
- Ensure accuracy of project management records, expense reports, prepayment clearing, and other financial documents.
- To select clients who are able to provide results to beneficiaries and to monitor their work in an appropriate manner in line with donor rules.
- Protect confidential and donor-owned information and personal privacy data for individuals.
- To inform the authorities of any errors in the information reported and to seek transparency.
- To be writing grant proposals, and to bid honestly and honestly, in accordance with applicable laws.
- To be honest and clear in all data about SMEPS and its performance.
- Compliance with grant requirements or improper use of funds.
- We do not use current grant funds to cover the costs of soliciting other grants without the consent of the donor.
- To investigate the actual needs of the cost and the number of beneficiaries without exaggeration or distortion.
- Not to accept any support from donors associated with illegal, criminal or fraudulent activity.



Our Commitment to Suppliers and Consultants

SMEPS is always keen to achieve the principle of integrity in all dealings with suppliers and consultants dealing with them. We are committed to achieving free and fair competition among suppliers, adhering to ethical and responsible practices and working to eliminate illegal practices by those looking for illegal gains. To this end, we commit to our suppliers and consultants to:

- Disclosure of any actual or perceived “conflict of interest” in any procurement process - this occurs when the personal interest interferes with the enhancement of the interests of the Agency.
- Protect the suppliers/consultants from any form of abuse or mistreatment.
- We will follow procurement policies, including policies related to purchase orders, issued tender notices, bid analysis, and contracting.
- Dealing with qualified suppliers and their representatives with equality and fairness.
- Ensuring good value when allocating software and purchasing goods and services that meet the SMEPS’s requirements.
- Maintain the separation of tasks related to ordering, approving and verifying purchases.
- To take full confidentiality in dealing with supplier information, prices, terms and conditions.
- Provide clear and adequate explanation to suppliers when tenders are rejected.

How does SMEPS deal with internal “Third Party” Talks ?

SMEPS shall investigate all third party talks received and shall verify them in appropriate ways and shall transmit such evidence to the competent departments of SMEPS or to law enforcement agencies if necessary.

You should always remember that your testimony concerning any situations means that you were present, saw or heard by yourself and that it has not been transferred to you from someone else. In any case, SMEPS will investigate the matter and if the complaint is found to be malicious and not true, SMEPS will take the necessary disciplinary action towards that person.

***Third Party: Is a person who happens to be present in a specific situation but not directly engaged. For example, Person A talks/argues with person B; person C (the third party) happens to be in the setting and decides to submit a complaint/reports /explains the situation to someone else in SMEPS – i.e. management.**



**Complaints & Suggestions are
Welcomed and They're Being
Considered**

Complaints & Suggestions

To ensure transparency, SMEPS has developed a strong Grievance System to receive complaints, suggestions and donor's feedback from SMEPS projects. SMEPS grievance system & complaints policy is a way of addressing imbalances and improving future performance considered as a lesson learned. It also facilitates the process of communicating between SMEPS & the person submitting the complaint/suggestion to resolve the problem. This system is also a process of taking the responsibility and ensuring transparency for beneficiaries in all projects. Grievance system is one of the main components that SMEPS focuses on to be accountable to the public, provide valuable opportunities to review the agency's performance and staff behavior, and to monitor and mitigate any possible risks.

All complaints will be dealt with the same care and confidentiality, addressing only those concerned, resolving problems with the concerned party in the complaint project, engaging community committees in the process of communicating with the beneficiaries, following any requirements to protect the relevant data and responding to the complainant.

Taking the beneficiary's suggestions into consideration, and for the success of the process and to reach the level of satisfaction and success in all projects, the complaint can be submitted through the following means:

- Submission of the complaint signed by the applicant hand in hand to SMEPS head quarter in Sana'a, or one of its branches in Aden or Mukalla.
- Contact us via e-mail feedback@smeps.org.ye
- Contact us by sending an SMS or a Whatsapp message via mobile number (774002215).
- Record for us a voice recording by phone: 01415586.
- You can submit your complaint/suggestion through our "Suggestion Box" at SMEPS officer, or in any of the suggestion boxes found during our events when implementing projects activities.
- You can call us for free at 8005550 during our working hours from Sunday to Thursday 8am to 3pm.



@smepsyemen

