



Paying.Green

POLICY

Fraud and Corruption Risk Management

POLICY: FRAUD AND CORRUPTION RISK MANAGEMENT

1. Overview

Profit-for-profit organisations are as vulnerable to fraud and corruption as any other organisation, and effective prevention strategies need to be put in place and monitored.

Paying.Green® is committed to ensuring that a culture of honesty and resistance to fraud and corruption is established and maintained to ensure that effective fraud and corruption prevention is an integral part of the day to day operations of the organisation.

The Fraud and Corruption Risk Management Policy outlines the principles and framework implemented to ensure **Paying.Green®** is able to minimise the risk of fraud and corruption occurring across the organisation.

2. Purpose

The purpose of this policy is

- To ensure that all parties are aware of their responsibilities for identifying fraudulent and corrupt activities and for establishing controls and procedures for preventing such fraudulent or corrupt activities and/or detecting such fraudulent or corrupt activities when it occurs.
- To provide guidance to staff/volunteers/contractors as to action which should be taken where they suspect any fraudulent or corrupt activity.
- To provide guidance to staff/volunteers/contractors

regarding potential conflicts of interest which may give effect to fraudulent or corrupt activity.

- To provide a clear statement to staff/volunteers/contractors forbidding any illegal activity, including fraud or corruption for the benefit of the organisation.
- To provide assurance that any and all suspected fraudulent or corrupt activity will be fully investigated.

3. Policy

Paying.Green® will not tolerate fraud or corruption in any aspect of its operations.

Paying.Green® will investigate any suspected acts of fraud, misappropriation or other similar irregularity. An objective and impartial investigation, as deemed necessary, will be conducted regardless of the position, title, length of service or relationship with the organisation of any party who might be the subject of such investigation.

4. Fraud and Corruption Control Framework

The Fraud and Corruption Control Framework was designed in accordance with AS 8001-2008: Fraud and Corruption Control and comprises of the following elements:

Fraud Risk and Corruption Identification - Identifying and assessing fraud or corruption risks applicable to the organisation.

Fraud and Corruption Mitigation - Implementation of control measures to reduce the risk of fraud or corruption occurring in the organisation. Also includes the identification of fraud or corruption incidents when they occur.

Fraud and Corruption Assessment - Annual fraud risk and corruption assessments to be conducted to identify and document potential fraud and corruption risks and associated



mitigations and reported to the Finance, Audit and Risk committee.

Fraud and Corruption Incident Assessment – establishing cause and effect, reviewing responsibilities, policies and procedures, determining remedies and reporting requirements for fraud or corruption incidents.

Reporting - Regular reporting of potential fraud or corruption risks is to be undertaken by the management of the organisation.

5. Fraud Determination

The following factors are to be considered when determining fraud incidents:

- Was the conduct unlawful?
- Was the conduct deceptive?
- Was the conduct planned or deliberate?
- Did the conduct result in any benefits and/or advantages which the recipient was not entitled to?

6. Definitions

Corruption - defined by AS 8001-2003 as "Dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity. The conception of corruption can also involve corrupt conduct by the entity, or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity either directly or indirectly."

Fraud - defined by AS 8001-2003 as "Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where

deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit. The theft of property belonging to an entity by a person or persons internal to the entity but where deception is not used is also considered fraud."

Serious Corruption - defined by AS 8001-2003 as "an offence involving fraud or dishonesty, being an offence (a) against an Australian law or any other law; and (b) punishable by imprisonment for life or for a period, or maximum period of at least 3 months.

7. Reporting Fraud and Corruption

Fraud and corruption is to be reported in accordance with the [Paying.Green®](#) Whistle Blower Protection Policy.

All reported incidents will be treated with the utmost confidentiality and investigated and resolved in a timely and fair manner.

8. Related documents:

- [Paying.Green®](#) Whistle Blower Protection Policy
- [Paying.Green®](#) Code of Conduct