



Fraud Control and Anti-Corruption Policy

1. Purpose and Scope

The purpose of this policy is to minimise the risk of fraud, corruption, bribery and any financial wrongdoing among CFC ANCOP Australia Ltd. (“ANCOP”) board, management committee, volunteers, contractors and partner organisations.

2. Scope

This policy applies to all ANCOP Board members, management committee, volunteers, contractors, and partners.

3. Policy Statement

ANCOP Board take the matter of fraud and corruption extremely serious and are determined that all measures are taken to ensure funds are spent appropriately.

We are committed to having appropriate mechanism in place to prevent, detect, investigate, respond and report on specific allegations of fraud, corruption and any financial wrongdoing.

We recognise that controlling the risk of fraud, corruption and any financial wrongdoing is integral to good governance as our stakeholders expect that we will conduct our operations ethically, displaying honesty, integrity, diligence, fairness, trust and our ANCOP values.

4. Definitions

For the purposes of this policy:

Fraud is any action or omission that has the effect of dishonestly obtaining a benefit for oneself or third party, or causes a loss, by deception or other means. The act of fraud requires more than carelessness, accident or error. It requires knowledge or intent to deceive or deprive, or recklessness or negligence. Fraud might be committed internally or externally upon ANCOP’s stakeholders.

Corruption is where an ANCOP board, volunteer or contractor acts contrary to the interest of ANCOP and abuses their position of trust to achieve personal gain or advantage.

Bribery is a form of corruption. It is a specific offence that concerns the practice of offering or accepting money, gifts, or other advantage to gain an illicit advantage. Bribery, including provision of “facilitation payments”, is an offence under Australian legislation.

5. Responsibilities

ANCOP Board, management committee, volunteers, contractors and partners are responsible for ensuring that they are familiar with and comply with fraud and anti-corruption policies and procedures. This involves

| | | |
|--|----------|---------|
| CFC ANCOP AUSTRALIA LIMITED 50 Forge Street, Blacktown NSW 2148 info@cfcancop.org.au | | |
| Approved by: Date Approved: | Version: | Author: |

conducting themselves in a way that avoids financial wrongdoing of any kind, demonstrating awareness of prevention of financial wrongdoing and reporting all suspected cases of financial wrongdoing and corruption as soon as possible in line with this policy and procedure.

The ANCOP President in consultation with the ANCOP Board, is responsible for the administration, interpretation, and implementation of this policy and for advising on the need to review or revise this policy as and when the need arises.

The ANCOP President is responsible for ensuring that the fraud and corruption policy is in place, modelling the highest standards of ethical behaviour and ensuring compliance with all relevant legislative frameworks.

The ANCOP Board is responsible for approving this policy and the oversight of the fraud and corruption procedures.

The Head of Risk and Compliance is responsible for maintaining records of fraud and corruption matters.

Where issues related to compliance to this policy are identified, the President will work with management committee and other relevant stakeholders to address these issues promptly. The policy will be reviewed every three years and revised as needed, with the approval of the Board.

6. Legislative Framework and Standards

ANCOP adheres to the following legislation and international conventions and frameworks:

- Commonwealth Fraud and Corruption Control Framework 2024
- United Nations Convention Against Corruption

7. Related Documents

CFC ANCOP Code of Conduct

CFC ANCOP Conflict of Interest

CFC ANCOP Financial Risk Management Policy

8. Revision History

| Version | Approval Date | Summary of Changes |
|---------|---------------|--------------------|
| V1.0 | December 2024 | Original policy |

| | | |
|---|----------|---------|
| CFC ANCOP AUSTRALIA LIMITED 50 Forge Street, Blacktown NSW 2148 info@cfcancop.org.au | | |
| Approved by: Date Approved: | Version: | Author: |

Attachment 1 Procedures

These procedures:

- outline the internal mechanisms for risk management in relation to prevention of fraud and for detecting fraudulent activity when it occurs;
- summarise the responsibilities from both ANCOP and partner organisations, in identifying fraudulent and corrupt activities;
- guide members of the board, management committee and volunteers from both ANCOP and partner organisations, on the actions to be taken where they suspect any fraudulent or corrupt activity;
- provide direction for initiating investigations into fraud related activities, including the protection of persons who report, witness, or are accused of fraud; and
- provide surety that ANCOP and partner organisations will fulfil their obligations under the relevant Memorandum of Agreement, other donor agreements, ACFID Code of Conduct, and the Commonwealth Fraud Guidance (also known as the Resource Management Guide No. 201 – Preventing, detecting, and dealing with fraud).

1. Fraud Prevention and Training

ANCOP Board, management committee, and volunteers are governed by a Code of Conduct which requires honesty and integrity in all actions. Each has a role to being alert to the potential of fraud and corruption and understanding how to address any concerns.

ANCOP will conduct Fraud Awareness Training to its Board, management committee and volunteers on an annual basis. This provides awareness about fraud risks and their responsibilities for fraud control and ethical behaviour. Volunteers onboarding will also include Fraud Awareness Training.

ANCOP will also ensure that its partner organisations understand their responsibilities in relation to fraud prevention and management and where practical, will be supported in strengthening its implementation practice.

2. Risk Management

ANCOP Management Committee will conduct a fraud and corruption risk assessment to understand the organisation's fraud and corruption exposure, the associated risks and the effectiveness of the existing controls. The outcomes of the fraud risk assessment will be an integral part of ANCOP's Fraud and Corruption Control Plan which outlines ANCOP's plans, processes, and existing measures for countering the assessed fraud and corruption risk.

The fraud and corruption risk assessment will be conducted regularly and when there is substantial change in the organisation's structure, functions, or activities.

In case of working with new partner organisations, ANCOP Head of Operations will conduct a risk assessment of the proposed partner organisation applying governance principles of accountability, responsibility, transparency, and fairness. Partnership assessments and financial monitoring will be conducted on a regular basis to monitor and manage risks on timely basis.

| | | |
|---|----------|---------|
| CFC ANCOP AUSTRALIA LIMITED 50 Forge Street, Blacktown NSW 2148 info@cfcancop.org.au | | |
| Approved by: Date Approved: | Version: | Author: |

3. Reporting and Response

Fraud is a criminal offence and is subject to prosecution by local authorities. If fraud is detected it must be dealt with promptly.

The ANCOP President is responsible for all fraud responses and any final decision regarding disciplinary action. The President must advise the Board as soon as practicable of any fraudulent activity.

All volunteers and contractors who detect or suspect fraudulent behaviour by or against ANCOP or its partner organisations must report the same to their management immediately. All reports must be made in good faith (that is, reasonably believing it to be true and without malice). ANCOP will protect individuals who report in good faith from harassment and discrimination consequences.

ANCOP will treat all such reports in a confidential and sensitive manner. ANCOP will do everything reasonably practicable to ensure that the identity of any person who has made disclosures is kept secret so long as it does not hinder or frustrate the investigation. In some circumstances however, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement (for example, where the investigation leads to charges being made in court, where the nature of the allegations is such that the identity of the person can be deduced from the information made available).

Where a suspected fraud relates to donor funds, contractual obligations with many donors (such as government aid funds) require ANCOP to report this immediately. The President is responsible for such reporting.

All ANCOP volunteers and contractors and personnel of its partner organisations, that detect or suspect fraudulent activity, should:

- Provide their manager with the details of the allegation of fraud immediately (who must then immediately bring the issue to the attention of the President) or request an interview with the President.
- Document the complaint. Where possible, this should include details such as:
 - Details of the alleged wrongdoing including the circumstances, location and period during which the offence occurred;
 - Name and contact details of the person alleged to have committed the wrongdoing; and
 - Any supporting evidence.

The date and time that the allegation was received is noted. If the reporting party prefers not to make a written statement, the manager records full details of the allegation during initial disclosure.

- Always maintain confidentiality during cases of alleged fraud. Cases are discussed only with those who need to be informed.
- Under no circumstances should any person implicated in the fraudulent activity or wrongdoing be confronted or accused by the person raising the allegation.
- Allegation of fraud or financial wrongdoing is raised with the ANCOP President. Where the allegation relates to the ANCOP President, the matter will be reported to the Head or Risk and Compliance

The ANCOP President will respond to the allegation (in consultation with the Head or Risk and Compliance) and will be guided by the following:

- assess the need for an internal investigation and who should undertake the investigation;
- identify the protection requirement or issues in relation to the reporting party of the alleged offender;
- consider and consult with the ANCOP Director and ANCOP legal officer;
- oversee the investigation.
- if appropriate, refer the matter to the police (once the Board have been advised)

| | | |
|---|----------|---------|
| CFC ANCOP AUSTRALIA LIMITED 50 Forge Street, Blacktown NSW 2148 info@cfcancop.org.au | | |
| Approved by: Date Approved: | Version: | Author: |

- consider appropriate disciplinary action against the person being investigated after the matter has been investigated and the person has a chance to put forward a defence;
- initiate steps for recovery;
- provide prompt feedback to the reporting individual acknowledging that the concern was received and responded to;
- make any necessary changes to fraud and corruption procedures, particularly delegations and risk management for further fraud or similar frauds from occurring in the future; and
- quantify any material financial implications in the annual accounts.

The Head of Risk and Compliance will keep appropriate records, in confidence, of fraud, investigations and outcomes including lessons learnt.

4. Breach of this Policy

A breach of this policy may lead to disciplinary action. Individuals found to have committed an offence under any relevant legislation may also be subject to penalties as prescribed by the legislation, which can include criminal charges.

| | | |
|---|----------|---------|
| CFC ANCOP AUSTRALIA LIMITED 50 Forge Street, Blacktown NSW 2148 info@cfcancop.org.au | | |
| Approved by: Date Approved: | Version: | Author: |