

## PURPOSE

The Fraud, Bribery and Corruption Prevention Policy forms part of the Evolve Housing Vic Limited (EHVL) Risk Management framework.

This Policy serves to:

- Emphasise EHVL's commitment to maintaining an organisation free from fraud, bribery or corrupt conduct;
- Make a clear statement that this conduct will not be tolerated;
- Outline the consequences for people who engage in such conduct;
- Provide guidance about what constitutes fraud, bribery and corrupt conduct;
- Detail the obligations and responsibilities of Employees in relation to the prevention of fraud, bribery and corruption; and
- Encourage all Employees to report any incidents of conduct covered by this Policy.

<b>POLICY REFERENCE</b>	VGRC006.1
<b>POLICY OWNER</b>	General Manager, Governance and Legal
<b>APPROVED BY</b>	Evolve Housing Ltd Board of Directors
<b>APPROVAL DATE</b>	1 Feb 2024
<b>REVIEW DATE</b>	1 Feb 2027

## 1. SCOPE

This Policy applies to the Members of EHVL, EHVL Directors and Employees (including contractors, volunteers and students), EHVL's Residents and support services clients, current and potential business partners or associates of EHVL, and other relevant stakeholders.

## 2. POLICY STATEMENT

EHVL will not tolerate fraud, bribery or corruption in any aspect of its operations.

EHVL is regulated by a number of bodies, each of which require us to address the prevention of Fraud, Bribery and Corruption. These bodies include ASIC (as EHVL is a company), ACNC (as EHVL is a charity), Housing Registrar Vic (as EHVL is a community housing provider) and the Department of Treasury and Finance (DTF).

This Policy is a critical part of EHVL's overall risk management framework. The Policy is underpinned by EHVL's Code of Conduct, and is integrally linked to and supported by other EHVL policies including:

- Whistleblower Protection Policy;
- Recruitment Policy;
- Risk Management Framework;
- Internal Audit Charter and Manual;
- Delegations of Authority Policy;
- Procurement Policy; and
- Conflict of Interest Policy.

### 2.1 Implementation of the Policy

Effective implementation of this Policy will help ensure the confidence of our Residents, as well as regulators, industry bodies and other stakeholders, in EHVL's management of the risk of fraudulent and corrupt activity.

In implementing this Policy, EHVL will:

- Ensure senior Employees understand the fraud, bribery and corrupt conduct risks EHVL is exposed to;
- Establish, promote and maintain a culture and environment that makes the control of fraud, bribery and corrupt conduct a responsibility of all employees; and
- Provide education and training to ensure employees are aware of their responsibilities in relation to preventing fraud, bribery and corrupt conduct;
- Ensure internal and/or external investigation of actual or suspected fraud, bribery or corrupt conduct takes place;
- Establish, maintain and assess adequate internal controls that provide for the security and accountability of EHVL resources and property, and prevent/reduce the opportunity for fraud, bribery or corrupt conduct to occur;
- Support an individual, through policy and action, who reports fraud, bribery or corruption;
- Ensure appropriate criminal and/or disciplinary penalties are applied;
- Ensure all efforts are made to recover the proceeds of fraudulent activity; and
- Ensure all relevant parties are aware of this Policy.

## **2.2 Prevention of fraud, bribery and corrupt conduct**

EHVL has incorporated the risks of fraud, bribery and corrupt conduct into the EHVL Risk Management Framework. Controls to prevent the occurrence of these events have been incorporated accordingly.

### 2.2.1 Employee screening

All Directors and Employees will be required at least annually, to confirm in writing that they have, over the previous period, complied with EHVL's Code of Conduct and this Policy, and that they will continue to comply over the upcoming twelve months.

All EHVL job applicants will undergo appropriate pre-employment screening and other checks prior to any offer of employment.

### 2.2.2 Verification of suppliers and customers

EHVL will take steps to ensure the credentials of new suppliers and periodically confirm the credentials of continuing suppliers and customers. EHVL will consider its ongoing commercial relationship with the other party if an enquiry identifies an increased risk of fraud or corruption in continuing to deal with that party.

### 2.2.3 Insurance

EHVL will ensure that there is adequate insurance in place, which insures EHVL against the risk of loss arising from internal or externally instigated fraud or corruption.

### 2.2.4 Political and Charitable Donations

EHVL will only make charitable donations that are legal and ethical. EHVL does not make donations to any political party or to any individual in, or seeking to obtain, political office. Employees who wish to make charitable donations or sponsorships on their own behalf must make clear that they are not doing so on behalf of EHVL.

### 2.2.5 Training and Communication

EHVL will ensure that new and existing Employees and applicable business partners are informed about and understand this Policy. Each Employee will have access to this Policy and be provided with training. A copy of this Policy will also be available on EHVL's website.

## **2.3 Detection and monitoring of fraud, bribery and corrupt conduct**

EHVL will:

- Foster an environment that encourages Employees to report suspected incidents of fraud, bribery and corrupt conduct;
- Articulate clear standards and procedures to encourage deterrence of fraud, bribery or corrupt conduct;

- Maintain oversight across internal controls as directed / recommended by the Board, Internal Audit and External Audit, to mitigate identified risks; and
- Demonstrate compliance through constant monitoring, reviewing and the continuous improvement of risk management and internal controls.
- Ensure controls are regularly audited to assess their effectiveness, and to recommend changes or enhancements (if any) to those controls

## **2.4 Response to fraud, bribery and corrupt conduct**

EHVL will promptly investigate any suspected acts or allegations of fraud, bribery and / or corrupt behaviour. An objective and impartial investigation will be conducted (regardless of the position, title, and length of service or relationship with EHVL) of any party who might be the subject of such investigation.

EHVL will instigate disciplinary proceedings, prosecution and/or recovery action according to the seriousness of the matter, in accordance with relevant EHVL policies and legal process.

## **2.5 Roles and Responsibilities**

### **2.5.1 Overall Responsibility**

Everyone at EHVL is responsible for the prevention of fraud, bribery and corrupt conduct. Accordingly, every individual must immediately report any suspected incident to their manager and to the General Manager, Governance and Legal (GAL).

Any report, along with the identity of the reporting individual, will be held in the strictest confidentiality. Depending on the circumstances of the incident, the reporting individual may wish to follow the provisions of the EHVL Whistleblower Protection Policy (available on EHVL's website) which also offers the option of anonymous reporting.

### **2.5.2 All Employees**

- Be continually alert to the possibility of incidents of fraud, bribery or corruption (refer to Appendix 1 for examples), and to any internal control weaknesses.
- Notify your Manager or a member of GAL about any suspected incidents or internal control weaknesses. Alternatively, follow the provisions of the Whistleblower Policy.
- Undertake or participate in any training or education in relation to the prevention of fraud, bribery and corruption.
- Do not engage in bribery or any fraudulent or corrupt conduct.
- Do not make false or misleading entries in the books and records of EHVL.
- Ensure contracts, invoices and other documents relating to vendors and third party relationships accurately describe the transactions to which they relate.
- Always follow payment control procedures.
- Always follow any requirements to record and obtain approvals for payments and expenses, including those relating to gifts, hospitality, entertainment, travel, charitable donations, sponsorships and community engagement activities.
- Keep relevant notes on any contact with residents which is suspicious or alerts you to a potential.

### **2.5.3 Group Executive Team**

- Work with members of GAL as necessary, to ensure that there are controls in place to effectively address the risk of fraud, bribery and corruption, and that those controls are effective.
- Oversee daily operations in which fraud, bribery or corruption risks may arise.
- Be actively involved in planning activities to prevent, detect, and respond to suspected fraud, bribery and corruption incidents.

### **2.5.4 General Manager, Governance & Legal (in capacity as Head of Risk Management)**

- Prepare investigation terms of reference and investigation plans.
- Consult with appropriate line managers and specialist personnel during inquiries or investigation into fraud, bribery or corruption.

- Ensure there is quality internal and external investigative capability independent of line management.
- Facilitate the provision of fraud, bribery and corruption awareness and education.
- Maintain the Whistleblower Policy.
- Ensure timely reporting to the Group Executive Team and Board as appropriate.
- Assess whether and when an incident is reportable to NRSCH (under Provider Notifications to the Registrar Guidelines Feb 2016) and / or DCJ.

## 2.6 Reporting

Any instances of confirmed or possible fraud, bribery or corruption will be notified to the Board.

The CEO will provide the Board with an initial overview of the matter, followed by the provision of regular updates until such time as the matter is fully resolved which includes the implementation of any necessary and / or prudent operational or other changes.

If the CEO is conflicted in relation to the matter, the Company Secretary or a member of GET will provide the overview and updates to the Board.

## 2.7 Breach of Policy

Fraud, bribery, corruption and other related improper conduct referred to in this Policy may be criminal offences which could have serious consequences for EHVL and the individuals involved, including substantial fines and liabilities, imprisonment and reputational damage.

Any breach of this Policy by Employees will be regarded as “Serious Misconduct” under the Employee Disciplinary Procedure, leading to disciplinary action which may include termination of employment. Breaching this Policy may also breach applicable anti-corruption laws and expose an individual to criminal and civil liability, which could result in imprisonment or the imposition of a significant financial penalty.

Employees and business partners must cooperate fully and openly with any investigation by EHVL into alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide truthful information is also a breach of this Policy.

## 3. DEFINITIONS

- ACNC – Australian Charities and Not-for-profits Commission.
- ASIC – Australian Securities and Investments Commission.
- Bribe - a payment, or offer of payment, of any kind (for example money, gifts or benefits) which will, or is intended to, cause a person to act in a way that is:
  - contrary to the interests of EHVL;
  - contrary to the interests of EHVL’s Residents;
  - contrary to the interests of EHVL’s clients;
  - contrary to EHVL’s policies;
  - against the public interest.

A Bribe can be offered to or solicited from a person or company. Bribes include payments intended to influence the outcome of a specific action or event, or actions over a period of time.
- Collusion – an agreement between people to act together secretly or illegally in order to deceive or cheat someone.
- Controls (also “internal controls”): Existing processes, policies, devices, practices or other actions that act to minimise negative risks or enhance positive opportunities.
- Corruption - includes (but is not limited to):
  - a dishonest activity in which a person acts contrary to the interests of EHVL and misuses their position in order to achieve personal gain, or a gain for another person or body;
  - the receipt or giving of a bribe (e.g. a payment in money or benefit in kind which is intended to cause a person to act (or not to act) contrary to the interests of EHVL;
  - bribery, extortion and blackmail;
  - secretly permitting personal interests to override corporate interests;

- collusion or false quotes;
- nepotism (favouring relatives or friends);
- privacy breaches or data manipulation with intent to cause harm;
- the participation in any of the activities described above or in the intentional hiding of the above.
- Employee - any person employed by, or engaged to represent, EHVL, including contractors, volunteers and students.
- Fraud - includes (but is not limited to):
  - dishonest activity causing actual or potential loss to EHVL (including theft or misuse of money, goods, corporate assets or other property);
  - deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose;
  - improper use of information or position;
  - embezzlement or misappropriation of monies, goods or other property;
  - forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive;
  - falsifying job qualifications or work certifications.
- Member (of EHVL) – a person who is, or who is registered as, a member of EHVL, under the Constitution of EHVL.
- Resident - a person who is approved to reside in a property which is owned or managed by EHVL under a Residential Tenancy Agreement (includes a Tenant).

#### **4. RELATED RESOURCES**

- EHVL Code of Conduct
- EHVL Conflict of Interest Policy
- EHVL Control Assurance Framework and Guidelines
- EHVL Delegations of Authority Policy
- EHVL Employee Disciplinary Procedure
- EHVL Gifts and Benefits Policy
- EHVL Risk Management Policy
- EHVL Whistleblower Protection Policy
- ACNC Guidance

*This Policy is subject to change from time to time at the discretion of EHVL. Any approvals required under this Policy will be granted in accordance with the EHVL Delegations of Authority Policy.*

**APPENDIX 1 – Examples of Fraudulent and Corrupt Conduct**

- Falsifying or fabricating official documents (including by potential and current Employees or Residents).
- Taking or requesting inducements with the promise of the provision of housing outside the normal parameters of the individual's eligibility.
- A manager knowingly signing off on fraudulent Employee expense claims.
- Regularly taking EHVL resources or property (such as office supplies, stationery or equipment) home for personal use or to sell for personal benefit.
- Unauthorised use of an EHVL motor vehicle.
- Self-approving invoices for private expenses or colluding to do so for others.
- Submitting a false travel or reimbursement claim and receiving a benefit to which they are not entitled.
- Misusing taxi vouchers for personal use or profit.
- Manipulating recruitment and selection procedures to secure the appointment of a close friend or family member or associate.
- Falsifying or fabricating prior experience and/or qualifications in applications for employment with EHVL. (This includes contract and volunteer positions.)
- Misappropriating funds.
- Management promoting, engaging or giving an Employee advantage over others for personal reasons.
- Failing to declare a conflict of interest but continuing to deal with a close associate in exercising an EHVL function (for example, recruitment of an Employee).
- Accepting or soliciting a bribe or secret commission from a tenderer to give partial consideration to them.
- Providing commercial-in-confidence information to a tenderer resulting in them obtaining an unfair advantage over other tenderers in the tender process.
- Colluding with a supplier of goods or services to EHVL, for personal gain.
- Obtaining kickbacks for organising preferential treatment.
- Gifts or benefits received which are not declared, and which are intended to achieve a particular outcome in the short or long-term.

## 5. VERSION CONTROL

VERSION	Date Approved	Author	Key Changes
1.0	1/02/2021	GAL	Policy adopted