

Fraud, Bribery and Anti-Corruption Policy

This policy outlines the fraud, bribery and anti-corruption management approach of Save the Children Australia Group (SCAus Group). It is relevant to all teams and is mandatory for all SCAus Representatives (as defined in the Definitions section of this policy) in all locations.

Purpose and Scope

SCAus Group has a zero tolerance approach to fraud, bribery and corruption by putting in place preventative and detective measures to minimise its impact and the likelihood of these events occurring, treating all allegations seriously and responding appropriately to provide the highest levels of accountability to its stakeholders.

This policy applies to any actual or suspected fraudulent or corrupt activity (refer Definitions Section of this policy), involving SCAus Representatives, partners or other associated persons in Australia and in countries where SCAus Group carries out operational and funding activities. It is recognised that corruption is not solely limited to illegal acts such as bribery and fraud but also includes other activities which may not be illegal such as favouritism and conflicts of interest.

Policy Statements

1. SCAus Group takes a zero-tolerance approach (refer to Definitions Section of this policy) to fraud, bribery and corruption, which means SCAus Group is committed to the highest standards of corporate governance, fiduciary duty, responsibility and ethical behaviour. Fraud, bribery, and corruption diminishes our impact for children, undermining the viability of our organisation, and breaching the trust placed in us by our donor community.
2. All SCAus Representatives are responsible for taking all necessary and appropriate steps to prevent, deter and detect fraud, bribery and corruption within their areas of responsibility.
3. All SCAus Representatives will be required to undertake, and be able to demonstrate they have completed, the compulsory fraud training (either face-to-face or through the Learning Management System) within the first three months of their employment or within three months of policy communication.
4. SCAus Representatives must consider fraud, bribery, and corruption risks at the outset of any new activity and take practical steps to mitigate those risks (e.g. risk assessments during the proposal, award and implementation phases).
5. Appropriate screening activities must be carried out for all SCAus Representatives in accordance with *the Recruitment and Safeguarding Compliance Standards*.
6. SCAus Representatives must ensure *third parties* working with the SCAus Group are made aware of and understand their obligations under this policy.
 - 6.1. Where a contractual relationship exists, agreements must include a clause requiring partners to comply with this policy and report and act against any fraudulent or corrupt activities which occur in their organisation.
 - 6.2. The SCAus group recognises that we may hold relationships with other third parties (i.e., non-contractual or via Memorandum of Understanding). SCAus will publish and regularly maintain this policy on the Save the Children website and SCAus Representatives are required to refer other third parties to our website.
7. All complaints or allegations of fraud, bribery or corruption **must** be reported via the Incident Management system and investigated. All illegal or criminal acts will be reported to the appropriate authorities unless there are valid grounds for an exemption (refer to Definitions Section of this policy for examples of reporting exemptions). Refer to Incident Management reporting and investigation procedures available on the intranet Incident Reporting page..

8. SCAus Group has a responsibility to keep our donors and Members fully informed and promptly updated on any suspicion of fraud relating to their funds in accordance with accreditation or service agreement requirements. SCAus Group may also consider notifying other parties (e.g., other Members) if the incident could potentially result in reputational damage.
9. Executives must provide an annual declaration (e.g., end of the financial year) that appropriate internal controls are implemented and to their knowledge fraud, bribery or corruption has not taken place.
10. SCAus Group, through the Executive and Enterprise Risk function, will drive increased engagement and alignment with Save the Children International (SCI) to collaborate on fraud, bribery and corruption risks to ensure adequate oversight across the SCAus Group and SCI risk environments.

All breaches of this policy, or where parties mislead or hinder investigations into potential violations, must be reported to the Enterprise Risk Team and may result in disciplinary action, contract termination and/or force of law. Reporters may make use of the mechanisms provided in the Whistle-blower Policy.

SCAus Group is committed to ensuring all allegations are dealt with in a fair, transparent and open manner and that no one suffers any detrimental treatment for refusing to take part in corrupt activities, or because of reporting in good faith their suspicion that an actual or potential offence has taken place. In certain exceptional situations, it is possible that actions that might otherwise be contrary to this policy may need to be made to respond to immediate threats to staff safety and security. Where this is done, the breach must be reported as soon as possible.

Related Policies

- Conflict of Interests Policy
- Gifts and Benefits Policy
- Procurement and Payments Policy
- Recruitment Standards
- Safeguarding Compliance Standards
- Anti-Money Laundering and Counter Terrorism Financing Policy
- Risk Management Policy
- Donor Acceptance and Refusal Policy
- Whistle-blower Policy

Previous Version	Current Version	Comments	Author	Approved by Executive Committee	Approved by BPRC	Review Date
4.2	4.3	Scheduled review.	Head of Risk Support	Jun 2019	24/7/19	Q3 2021
4.3	4.4	Scheduled review.	Head of Enterprise Risk	Aug 2021	15/09/21	Q3 2023

Definitions:

Word/Term	Definition
Zero Tolerance	Unwilling to take any risk - any instance of the risk occurring, no matter how small will be treated seriously and fully investigated and addressed.
Fraud	<p>An act of deception intended for personal gain to obtain an advantage, avoid an obligation or to cause loss to another party even if no such gain or loss is in fact caused. For the purpose of this policy, fraud also covers the dishonest appropriation of property belonging to another, with the intention of permanently depriving them of it.</p> <ul style="list-style-type: none"> • <u>embezzlement</u>: improperly using funds, property, resources, or other assets belonging to SCAus for their own personal advantage instead; • <u>collusion</u>: improperly colluding with others to circumvent, undermine, or ignore our rules, policies, or guidance (e.g. fixing the amounts of a tender in order to bring it below a certain threshold); • <u>abuse of a position of trust</u>: improperly using one's position within Save the Children for personal benefit (e.g. accessing confidential material or passing confidential information) or with the intention of gaining from, unfairly influencing or depriving the organisation of resources, money and/or assets; • <u>nepotism or patronage</u>: improperly using employment to favour or materially benefit friends, relatives, or other associates, or where someone requests that a Save the Children employee offer employment or some other advantage to a friend or relative (e.g. awarding contracts, jobs, or other material advantages); • <u>false accounting</u>: deliberately entering false or misleading information into accounts or financial records (e.g. entering false refunds or voids through the till in a retail shop); • <u>false invoicing</u>: knowingly creating or using invoices that are false in any way; • <u>expenses fraud</u>: dishonestly using the expenses system to pay money or other benefits to which the recipient is not entitled; • <u>payroll fraud</u>: dishonestly manipulating a payroll system to make unauthorised payments (e.g. by creating 'ghost' employees or by increasing an individual's salary or submitting or authorising incorrect timesheets and/or leave requests (e.g. annual, personal, carers or cultural leave)); • <u>tax or duty evasion</u>: knowingly avoiding the payment of tax or any other duty that a person is aware should be paid; • <u>forgery</u>: dishonestly creating or altering documents to make any information in the document incorrect or misleading often with the effect of depriving the organisation of resources, money and/or assets;



	<ul style="list-style-type: none"> • <u>brand fraud:</u> dishonestly using Save the Children’s name, branding or documentation for personal or private gain; • <u>obstructing proper process:</u> threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; • <u>failing to disclose information:</u> not providing accurate and complete information relevant to your position which will adversely impact your ability to perform your role; for example, failure to disclose a ‘conflict of interest’
Bribery	<p>Offering, promising, giving, soliciting or accepting any financial or other <i>advantage</i>¹, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for <i>acting improperly</i>², or where the recipient would act improperly by accepting the advantage. The outcome or reward for which the bribe is offered or given never actually has to occur for it to be a bribe; the promise of such an outcome/reward is sufficient.</p> <ul style="list-style-type: none"> • <u>paying or offering a bribe:</u> give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given; • <u>receiving or requesting a bribe:</u> accept a payment, gift or hospitality from a third party including from government officials, representatives or other politicians that you know or suspect is offered with the expectation that it provides them or anyone else an advantage in return; • <u>receiving improper benefits:</u> give or accept a gift or provide any hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence SCAus’ decision-making; • <u>receiving a ‘kickback’:</u> improperly receiving a share of funds or a commission from a supplier as a result of involvement in a bid, tender or procurement exercise.
Corruption	<p>The abuse of entrusted power or position for private gain. It relates to dishonestly accepting, obtaining or attempting to obtain a gift or consideration as an inducement or reward for acting, or omitting to act.</p> <ul style="list-style-type: none"> • <u>facilitation payments:</u> typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official). They are an inherent risk in Fragile and Conflict affected states and constitute a form of diversion of aid from reaching

¹ An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value

² A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind

	<p>those intended and potential sources of criminal and or terrorist financing.</p> <ul style="list-style-type: none"> • <u><i>improperly seeking to influence a public official</i></u>: to obtain or retain a business or other advantage either directly, or through a third party by offering, promising or giving a financial or other advantage that is not legitimately due to the official or another person at the official's request or with his/her assent or agreement.
Conflict of Interest	<p>A Conflict of Interest arises where an employee has a private or personal interest which may, or could be perceived to, compromise their ability to do their job. Actual, potential (could develop) or perceived (could be considered likely) conflicts of interest can arise across all areas of our work. Conflicts may be of a personal, financial or political nature.</p> <p>A conflict of interest would arise when an employee or agent, any member of his or her immediate family, or an organisation which employs any of his family, has a financial or other interest in, or a tangible personal benefit from, a firm considered for a contract.</p> <p>To protect the integrity of SCAus processes, all SCAus Representatives including, partners, consultants, contractors and other third parties must immediately declare any actual or perceived conflict of interest between any personal, private interest and SCAus' work.</p>
Third parties	<p>Any individual or organisation SCAus Group comes into contact with during the course of our work, and includes actual and potential clients, customers, partners, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.</p>
Reporting illegal or criminal acts	<p>All illegal or criminal acts will be reported to the appropriate authorities unless there are valid grounds for an exemption. The following are examples of possible exemptions:</p> <ul style="list-style-type: none"> • could compromise the safety of a person's life or • could significantly impact on them to an extent which would result in undue hardship or • could result in a disproportionate response to the circumstances of the fraud.
SCAus Group	<p>Save the Children Australia including Country Offices and its Subsidiaries.</p>
SCAus Representatives	<p>SCAus Group permanent, maximum term and casual staff, trustees and board members, volunteers, interns, work experience/placement students and individual contractors and consultants (referred to as representatives).</p>