

Scope Group Fraud, Corruption and Money-Laundering Prevention Policy

Policy Purpose

Scope Group is committed to operating ethically at all times, in accordance with relevant legislation and regulation, in accordance with internal policies, protocols and procedures.

This policy has been established to:

- promote a culture of honesty, integrity and professionalism at Scope Group;
- define behaviour that constitutes fraud and corruption so that the staff and associates of Scope Group can be alert to, and recognise, this conduct;
- outline Scope Group’s commitment to preventing money laundering and terrorism financing activities from being undertaken using Scope Group’s resources or financial dealings;
- outline the responsibilities of staff and associates with respect to any suspicion or detection of fraud or corrupt conduct; and
- provide guidance as to the appropriate avenues to report current or past instances of fraud or corrupt conduct.

Policy Scope

This Policy applies to all employees, workers, officers, directors, and associates of Scope Group.

Responsibility

Board Risk and Audit Committee	Is responsible for monitoring compliance to this Policy.
Executive Leadership Team	Is responsible for approving this policy (unless otherwise requested by the board) and changes to it.
Accountable Executive (or delegate)	Identifying changes to or creating new policies within their remit in line with business, contractual, legal or regulatory requirements in alignment with the policy governance framework
Managers	Are responsible for ensuring that this policy is being adhered to.
Employees, Contractors, Students and Volunteers	Are responsible for adhering to this policy and ensuring the principles within the policy are applied within their daily work.

Policy

Fraud and corruption in all forms are contrary to the values and culture of Scope Group. We are actively committed to preventing fraud and corrupt conduct throughout the organisation.

For this reason, we:

- maintain a '**zero tolerance**' approach to fraud and corruption;
- require that any case of suspected fraud is reported immediately and dealt with appropriately, irrespective of the nature and extent of the suspected fraud;
- create and maintain an ethical culture in the workplace which supports honesty, vigilance, diligence, and reporting of fraud-related concerns;
- provide controls for detecting and reporting allegations of internal and external fraud and corruption; and
- adopt a risk management approach to determine appropriate fraud and corruption identification and control strategies.

1. Standards and Expectations

1.1 All people covered under this Policy must:

- understand this policy and undertake relevant compulsory training to aid comprehension and compliance with this policy;
- comply with all relevant Commonwealth and state legislation, regulations, codes, standards and agreements derived from legislation; and
- comply with Scope Group's policies, terms and conditions of employment and lawful instructions in the performance of their work.

1.2 In the performance of their duties, all employees and associates must:

- act honestly and exercise skill, care and diligence in the performance of their duties;
- not cause unacceptable risk to the reputation or financial viability of the organisation;
- observe the highest standards of integrity in financial matters in accordance with relevant financial management legislation, Scope Group policies, protocols and procedures, and supporting processes; and
- disclose to their manager or supervisor, document, and if unavoidable, manage appropriately, all actual, potential or perceived conflicts of interest.

1.3 All employees, contractors, associates and others who become aware of possible fraud or corruption must:

- report under this policy at the earliest possible opportunity;
- as far as possible, take steps to ensure that evidence that may be valuable for an investigation is not compromised; and
- co-operate with any subsequent investigation.

1.4 Scope Group will apply the processes and mechanisms outlined in the Fraud Control Plan to prevent, mitigate and respond to instances of fraud and corrupt conduct.

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2. Fraud and Corrupt Conduct

2.1 Examples of fraudulent activities and corrupt conduct include (but are not limited to):

- Theft of equipment.
- False invoicing for goods or services not provided or by falsely inflating the cost of goods/services.
- Theft of cash.
- Misappropriation or misdirection of resources or remittances.
- Unauthorised use of a credit card, gift card or stored value card.
- Theft of intellectual property or confidential information.
- Falsification of financial statements, books or records.
- Falsification of employment records.
- Using Scope’s computer systems to extract or inappropriately alter information.
- Misappropriation of wages or entitlements through unauthorised changes to account information or other means.
- Failure to record leave taken.
- Payment or receipt of secret commissions (bribes) e.g. an agent of Scope bribing a person to secure a contract, or receiving a bribe from a supplier in exchange for giving them business.
- Release of confidential information in exchange for some form of benefit or advantage.
- Collusive tendering and bid-rigging – tenderers/suppliers agree to share information and not genuinely compete in order to control the outcome.
- Payment or solicitation of donations for an improper purpose.
- Conflict of interest - where a staff member has private interests that could improperly influence, or be seen to influence, their decisions or actions in the performance of their duties.
- Nepotism and cronyism - hiring one’s associates or family to perform a role for which they are inadequately qualified or not the best candidate.
- Manipulation of the procurement process by selectively providing information to some tenderers.
- Unauthorised use of Scope Group’s property for personal purposes.
- Deliberately falsifying accounts to conceal or obtain a benefit.
- Entering into a secret commission or profit sharing arrangement with another person.
- Colluding to share profits with tender recipients and concealing the overvaluation of tenders.
- Using public office to deceive a member of the public to gain a financial advantage.
- Misusing power to harm, oppress or disadvantage a person.

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3. Preventing Money Laundering and Terrorism Financing

3.1 Money laundering and the financing of terrorist activities are prohibited by law and constitute a form of financial corruption. They may involve enabling actions by an organisation and its employees, either knowingly or inadvertently.

3.2 Scope Group will take action to ensure that our resources and financial dealings are not misused to enable the laundering of funds, or the direct or indirect provision of finance to individuals or organisations for the purposes of enabling terrorist activities.

3.3 We report any activity detected which is suspicious and may involve potential money laundering or terrorism financing to the applicable regulator.

3.4 We fully comply with all Australian AML/CTF laws, rules and regulations and take reasonable steps to ensure that sufficient funding and resources are available for the implementation and performance of compliance activities under law.

3.5 We take steps to independently verify the identities and status of our suppliers and all sources of funding and revenue, excluding Australian and State government funding.

3.6 Where a concern is raised, we check if an entity or person with whom we have financial dealings are known or suspected money launderers, terrorists or otherwise engaged in criminal activity (e.g. reviewing customers against government/United Nations/regulators' lists of proscribed persons).

3.7 Relevant staff whose roles involve financial transactions are provided with appropriate training and information resources to assist them to recognise, and respond appropriately to, suspicious financial activity that could comprise money laundering or the financing of terrorism.

3.8 If we become aware of possible money laundering or terrorism financing activities, we will report this to AUSTRAC in accordance with legislative requirements.

4. Reporting Suspected Fraud or Corrupt Conduct

4.1 All people who become aware of suspected fraud or corruption, or suspected money laundering or financing of terrorism, at any Scope Group entity should report their suspicion to one of the following:

- Any level of manager within the Scope Group;
- Any Senior Executive of Scope Group; or
- Scope Group General Counsel, who is Scope Group's Whistleblower Protection Officer.

4.2 Any such reports that are made to Scope Group (whether to a supervisor, manager, director or executive) must be referred to the General Counsel for consideration.

4.3 Alternatively, a person may be able to make a report under Scope Group's Whistleblower Policy in order to be potentially eligible for legal protection under that policy.

4.4 We will take necessary action to protect the confidentiality of the identity of an individual who makes a report under this policy, subject to applicable legal requirements. However, the disclosure of the subject matter of a report is permitted where it is reasonably necessary for the purpose of investigation.

4.5 We will at all times protect an individual who makes a report under this policy from detrimental action, victimisation or reprisal action and will provide appropriate welfare support.

4.6 Any person named will be treated fairly and not disadvantaged if the results of the internal review show they were not implicated in improper behaviour.

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4.7 Irrespective of the manner of notification, all reports will be managed in accordance with relevant Commonwealth and State legislation.

4.8 Scope Group does not tolerate vexatious and frivolous reports and may initiate disciplinary proceedings where reports of this nature are found.

4.9 Where we are made aware of an actual or suspected significant or systemic fraud, we will notify, as soon as is practicable:

- Scope Group’s Board
- Scope’s Risk and Audit Committee (RAC)
- The relevant police force
- Where the alleged fraud concerns funds supplied by the NDIA, the NDIA

4.10 We may also have an obligation to report an incident to another external body where there is obligation under an agreement or other legislative instrument.

5. Investigation

5.1 Scope Group will undertake a preliminary assessment to determine whether there are matters of substance requiring further investigation or if the matter must be handled under the Whistleblower Policy.

5.2 Investigations into reports of fraud or corruption will be undertaken in accordance with relevant legislation, the relevant Awards and Enterprise Agreements, Scope Group’s Investigations Procedure, and Scope Group’s conduct and financial policies and processes.

5.3 All suspected incidents of fraud and corruption will be recorded and analysed to identify any trends and measures to mitigate risks of recurrence.

6. Disciplinary Action

6.1 All discipline or misconduct investigations relating to an internal staff member will be conducted in accordance with relevant legislation, the relevant Award or Enterprise Agreement, and all relevant Scope Group policies and procedures.

6.2 If during the course of a disciplinary investigation it is determined that criminal offences may have been committed, a report will be made to the relevant State’s Police.

6.3 To ensure that a criminal investigation is not compromised, clearance may need to be sought from Police for Scope Group to:

- commence a disciplinary investigation;
- notify the employee of misconduct allegations;
- interview witnesses to inform a disciplinary investigation; and
- release information to the employee or their representative for procedural fairness purposes.

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Related Policy, Instructions and Advice

Supporting Information	
Legislative Compliance	<p>AS 8001: 2021 - Fraud and Corruption Control</p> <p>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act),</p> <p>Anti-Money Laundering and Counter-Terrorism Financing Rules (AML/CTF Rules)</p> <p>Corporations Act 2001</p> <p>Crimes Act 1958 (Vic)</p> <p>Crimes Act 1900 (NSW)</p> <p>Fair Work Act 2009 (Cth)</p> <p>Public Interest Disclosure Act 2012 (Vic)</p> <p>Treasury Laws Amendment (Enhancing Whistleblower Protections) Bill 2018</p>
Supporting Documents	<p>Workplace Discipline Procedure</p> <p>Scope Group Investigations Procedure</p> <p>DSA Fraud Control Plan</p> <p>Scope Fraud Control Plan [pending]</p>
Related Documents	<p>Scope Group Conflict of Interest Policy [pending]</p> <p>Scope Group Investments Policy [pending]</p> <p>Scope Group Whistleblowers Policy</p>
Definitions and Acronyms	
Conflict of interest	<p>A circumstance where there is a perceived, potential or actual opportunity for an person to prefer their own interests, or those of any other person or organisation, to the interests of Scope or its customers. Conflicts of interest can involve financial or non-financial interests of the individual as well as the interests of a business partner or associate, family member, friend or person in a close personal relationship with the staff member.</p>
Corrupt Conduct	<p>Dishonest activity or inactivity in which an individual engages in activities contrary to the interest of Scope or its customers to achieve some gain or advantage; or to avoid loss or disadvantage. Corruption can include, but is not limited to, an individual carrying out their duties dishonestly, unfairly or misusing Scope's resources or information for an improper purpose. It also includes advancing Scope's interests via unethical means including bribery, abuse of trust and threats.</p>

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Detrimental conduct	<p>As defined in the Corporations Act:</p> <ul style="list-style-type: none"> • Dismissal of an employee • Injury of an employee in his or her employment • Alteration of an employee’s position or duties to his/her disadvantage • Discrimination between an employee and other employees of the same employer • Harassment or intimidation of a person • Harm or injury to a person, including psychological harm • Damage to a person’s property or reputation • Damage to a person’s business or financial position.
Financial Exploitation	<p>Illegal or improper use of an adult with a disability's money, property, or other resources for monetary or personal benefit, profit or gain. This includes, but is not limited to, theft, misappropriation, concealment, misuse or fraudulent deprivation of money or property belonging to the adult with a disability. It includes removing access to money, manipulating financial decisions, or using money without the free and informed consent of the adult with a disability.</p>
Fraud	<p>Dishonest activity causing actual or potential financial loss to any individual or entity. This includes theft of moneys or other property 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 non-business purpose or the improper use of information or position for financial benefit.</p>
Money laundering	<p>The process of hiding or disguising the source of illegally obtained (“dirty”) funds to make them appear legitimate (“clean”), e.g. by filtering them through the financial system. Money laundering reduces the risk of detection and confiscation by authorities.</p>
Scope Group	<p>Means Scope (Aust) Ltd, Home@Scope Pty Ltd, Disability Services Australia Ltd and any other subsidiaries of Scope (Aust) Ltd.</p>
Terrorism financing	<p>Terrorism financing differs from money laundering in 3 main ways:</p> <ul style="list-style-type: none"> • Its primary purpose is to disguise the ultimate use of the funds, as opposed to their origin. • It can involve relatively small sums of money, which can have a huge impact in terms of death, destruction and disruption. • Although terrorists may finance their activities through crime, legitimate funds can also be misappropriated to finance terrorism.

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