



AMNESTY INTERNATIONAL AUSTRALIA SECTION POLICY

SECPOL #	BP 15 (previously 10.5.11)
CATEGORY	Finance
TITLE	Fraud/Corruption Control Policy
POLICY	<p>Amnesty International Australia (AIA) is committed to high standards of ethics and conduct in all its dealings.</p> <p>AIA has a policy of zero tolerance to fraud and corruption.</p> <p>This policy sets out expectations and responsibilities with respect to fraud and corruption controls and actions to occur if fraud or corruption is suspected.</p> <p>AIA will control fraud and corruption via three mechanisms:</p> <ol style="list-style-type: none"> 1. Risk based financial control systems, 2. Internal and external auditing, and 3. Reporting, investigating and rectifying suspected breaches. <p>This policy sets out specific requirements for each of these areas. Subordinate procedures may provide further controls consistent with this policy.</p> <p>Any and all reports of fraud or corruption considered to be a breach of this policy will be treated seriously. All reasonable steps will be taken to provide the person making such reports with protection against discrimination or retaliation in accordance with the Whistleblower Policy.</p>
SCOPE OF POLICY	<p>This policy applies to:</p> <ul style="list-style-type: none"> ● employees and contractors, ● members, volunteers and interns, ● the Board, ● board committees, ● Activism Leadership Committees, ● Groups, and ● suppliers (reporting provisions only).
DEFINITIONS	<p>Fraud is defined as a deliberate deception in order to secure personal gain, or to cause disadvantage to AIA. This includes both:</p>



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	<p>1. The misappropriation of assets through acts such as:</p> <ul style="list-style-type: none"> ● forgery or alteration of cheques / direct fund transfers; ● theft of funds, merchandise, supplies or any other asset; ● deliberate or negligent circumventing of AIA financial controls; ● any irregularity (including an intentional misstatement or omission of information) in the handling of money transactions; ● theft of furniture, fixtures and equipment; ● unauthorised use or misuse of AIA property (including its brand), equipment, materials or information; ● theft of AIA-owned software or other intellectual property including but not limited to trademarks licensed to AIA; ● soliciting or accepting secret commissions; ● identity fraud or misrepresentation; ● any claim for reimbursement of expenses that are not made for the exclusive benefit of AIA; and ● any similar or related irregularity. <p>and</p> <p>2. Fraudulent financial reporting, including:</p> <ul style="list-style-type: none"> ● any intentional misstatement of the financial results of AIA ● the alteration, destruction, forgery or manipulation of AIA financial data for fraudulent purposes. <p>Corruption is defined as the improper use of influence or position and/or improper use of information by commission or omission.</p> <p>Protected Disclosure means a disclosure qualifying for protection under the Corporations Act 2001 (Cth).</p> <p>Terms of Reference is a written document authorising a person to make inquiries into a serious matter and also limiting the scope of these inquiries.</p>
<p>FINANCIAL CONTROLS</p>	<p>The following practices and processes relate to the financial controls within AIA:</p> <p>Separation of duties - No financial system at AIA should be operable by only one person to the exclusion of others. Where the system does not permit this (eg credit cards) that system is to be regulated via an explicit policy or procedure.</p> <p>Declaration of conflicts - any person responsible for the selection or</p>



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	<p>recommendation of suppliers must declare any potential conflict of interest. As a general rule, conflicts of interests should be avoided. In appropriate circumstances, they may be managed.</p> <p>Avoidance of cash - cash should be avoided and minimised. If cash is used there must be a separation of duties, ie it is forbidden to withdraw cash without two signatories.</p> <p>Oversight of bank accounts - all bank accounts, including group accounts, must be recorded on the financial system. The following roles are to be signatories on all accounts: National Director, Operations & Finance Director and Legal Counsel. All bank accounts must require two signatories to operate.</p> <p>Other financial controls, and further details on these controls will be detailed in management policies and procedures.</p>
<p>AUDITING</p>	<p>Audits are conducted routinely and randomly. A complete routine audit occurs annually by the external financial auditors. There is to be a partner rotation established at intervals of not longer than five years.</p> <p>Random checks are to be conducted against payroll.</p>
<p>REPORTING</p>	<p>Anyone who has knowledge of, or has reason to suspect, that fraud or corruption has occurred, unless making a Protected Disclosure, must report their suspicions to the Operations & Finance Director, or the National Director; unless they believe that the Operations & Finance Director and/or the National Director are complicit with the fraud or corruption. In that case they should make their report to the Chair of the Audit and Risk Committee.</p> <p>Individuals should observe the following procedures when making a report of fraud or corruption:</p> <ul style="list-style-type: none"> ● note that it is not the individual's responsibility to investigate the incident; ● note the suspected conduct and their own actions, ● keep secure any documents as possible evidence, and do not alter them; ● seek advice, if necessary, as to what constitutes fraud or corruption; ● maintain confidentiality with respect to the report. <p>The individual suspected of fraudulent or corrupt behaviour should not</p>



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	<p>be informed of these suspicions by the person reporting the fraud. Because fraud is a criminal offence, local resolution is not authorised.</p> <p>All reports of fraud or corruption must be reported to the Board in writing and acknowledged by the Board.</p>
<p>PROTECTED DISCLOSURES</p>	<p>Making a Protected Disclosure, commonly known as ‘whistleblowing’ triggers certain legal protections for the discloser. AIA’s Whistleblower Policy sets out the scope, application, procedures for reporting and investigation as well as support available to a whistleblower.</p>
<p>INVESTIGATING BREACHES</p>	<p>Reports which establish a prima facie case of fraud or corruption will be investigated. An independent investigator will be appointed by the National Director, except if allegations are made against the Board or a member of the Management Team, in which case, an independent law firm appoints the investigator. The investigator will be provided with a Terms of Reference, to be approved by either the Board or between the investigator and the law firm as the case may be. The Terms of Reference will set out:</p> <ul style="list-style-type: none"> ● details of the allegations, including the chronological account of the facts as known; ● details of the suspected offenders, where known; ● details of any witnesses, transactions or other written evidence; ● the timeframe under investigation, ● a timeframe for the investigation to be completed, and ● the person to whom the investigation’s recommended findings are to be made. <p>The investigating officer is to make inquiries to satisfy the Terms of Reference and to make a recommendation to the nominated person about what they have found.</p> <p>Where an investigation into suspected fraud is commissioned, the Board are to be informed and provided, if requested, a copy of the Terms of Reference.</p> <p>Individuals suspected of fraud or corruption are considered innocent until proven guilty. An employee has the right not to have details of the allegation disclosed to and discussed by people not concerned with the matter.</p> <p>During the investigation it may be appropriate to suspend the suspected member of staff, or ask the volunteer not to work with AIA</p>



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	<p>until the investigation is complete.</p> <p>At the conclusion of the investigation the investigating officer will report their findings of the investigation, and make a recommendation, as set out in the Terms of Reference. The Board views fraud and corruption extremely seriously and its default position is to refer the matter to the police, and/or take disciplinary action, unless there are extenuating circumstances. Subject to confidentiality considerations and any legal obligations, the Board will consider providing feedback to the person who made the Protected Disclosure.</p>
APPROVED BY	The National Board
INTRODUCED	November 2001
REVISIONS	September 2008, September 2009, November 2013, February 2016 Updated with new terminology 10 September 2019, 4 October 2022 Approved by Board 19 November 2022
REVIEW CYCLE	3 years [Board decision October 2023]
NEXT REVIEW	November 2025