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| <u>Policy Approver:</u> | Board |
| <u>Policy Owner:</u> | Chief Executive Officer |
| <u>Policy Lead:</u> | Head of Finance |

Fraud, Corruption and Counter-Terrorism Policy

Our policy on fraud, corruption, bribery, anti-money laundering and counter-terrorism.

1 Introduction

This policy sets out our commitment to complying with relevant laws and any contractual obligations applicable to us relating to fraud, corruption, bribery, anti-money laundering and counter-terrorism. It also provides a guide for our personnel on what to do if there is actual or suspected non-compliance.

2 Scope of the Policy

This policy applies to:

- (a) all our personnel (being our directors, employees, interns, students on vocational placement, volunteers and independent contractors and consultants); and
- (b) all our partner organisations and their personnel involved in our activities and work; and
- (c) all funds and in-kind resources for our activities and work in Australia and overseas.

The application of this policy to our partner organisations is described further below in clause 4.6.

3 Policy Statement

3.1 General

- (a) We will create awareness amongst our personnel and partner organisations about the risks of fraud, corruption, bribery, money laundering and terrorism and appropriate measures to mitigate such risks.
- (b) Compliance with this policy and the law are conditions of working or undertaking any form of business with or for us. Any breach of this policy is a serious matter that may compromise our status as a charity and/or funding for our work. A breach of this policy may result in disciplinary action (including dismissal) and/or termination of a partnership or an agreement.

3.2 Fraud, corruption and bribery

We have no tolerance for any fraud, corruption or bribery involving:

- (a) any of our personnel or partner organisations; or
- (b) any of our funds or resources.

3.3 Anti-money laundering

- (a) We will only transfer funds to a third party where:



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- (i) the third party has been reviewed and cleared in the manner set out in this policy; and
 - (ii) the transfer is directly to an account of the third party itself; and
 - (iii) the account is with a financial institution that is not on a relevant list.
- (b) Where we receive gifts of funds, property or securities (including any crypto-currency), we will use reasonable endeavours to identify the donor, subject to our Privacy Policy.
- (c) We will not be a conduit for the transfer of funds on behalf of any party within or outside Australia unless required under a written agreement with another WWF office or entity.

3.4 Counter-terrorism

- (a) We will exercise due diligence to prevent our assets and resources (including funds) from supporting, directly or indirectly, any of the following entities and their activities:
- (i) a terrorist (being a person, group or organisation who is listed in a relevant list as defined below); and
 - (ii) any organisation or individual on whom Australia has imposed sanctions under the *Charter of the United Nations Act 1945* (Cth) and regulations made under that Act, the *Autonomous Sanctions Act 2011* (Cth) and regulations made under that Act or who is listed in a relevant list.
- (b) We will take reasonable steps to ensure that we do not associate in any way with any person who is an individual or organisation of the type described in paragraph 3.4(a) above.

4 Policy in Practice

4.1 What we mean in this policy

In this policy:

- (a) By “**activities and work**” we include:
- (i) our programs and projects; and
 - (ii) activities resourced by us.
- (b) By “**downstream partners**”, we mean our implementing partners’ respective contractors, agents and sub-contractors that implement our activities and work.
- (c) By “**fraud**”, “**corruption**”, or “**bribery**” we mean any of the following:



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- (i) dishonest activity:
 - (A) causing actual or potential loss to us (including theft of money, goods or other property); or
 - (B) in which a person acts contrary to our values and/or interests and misuses their position in order to achieve personal gain or a gain for another person or body;
 - (ii) deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose;
 - (iii) improper use of information and/or the abuse of entrusted power or position for private gain;
 - (iv) embezzlement or misappropriation of monies or property; or
 - (v) the offering, promising, giving, accepting or seeking of a bribe (e.g., a payment in money or a benefit in kind which is intended to cause a person to act (or not to act) contrary to our values, our interests, our policies or the public interest, and without our knowledge).
- (d) By “**implementing partners**”, we mean a subset of partner organisations that deliver conservation and aid and development activities and work funded by, or through, us with a range of specific roles, responsibilities and obligations agreed to and monitored between us.
- (e) By “**partner organisations**”, we mean:
- (i) any WWF offices or entities around the world;
 - (ii) third party contractors, sub-contractors and consultants; and
 - (iii) personnel (being directors, employees, interns, students on vocational placement, volunteers, independent contractors and consultants) of the above,
- that are involved in our activities and work.
- (f) By “**relevant list**” we mean each of the following (or their replacements):
- (i) list of proscribed entities of the Australian government, being:
 - (A) The Department of Foreign Affairs and Trade’s (DFAT) Consolidated List: <https://dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list.aspx>; and
 - (B) The list of terrorist organisations under the *Criminal Code Act 1995* (Cth) maintained by Australian National Security: <https://www.nationalsecurity.gov.au/what-australia-is-doing/terrorist-organisations/listed-terrorist-organisations>;



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- (C) the relevant list of the *Autonomous Sanctions Act 2011* (Cth) and regulations made under that Act or who is listed in a relevant list: <https://www.dfat.gov.au/international-relations/security/sanctions/sanctions-regimes-currently-implemented-under-australian-sanction-law>;
- (ii) the World Bank's List of Ineligible Firms and Individuals: <https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>; and
- (iii) The Asian Development Bank's Sanction List: [Anticorruption and Integrity: Sanctions | Asian Development Bank \(adb.org\)](https://www.adb.org/en/anticorruption-and-integrity/sanctions).

4.2 Screening and due diligence

- (a) We will conduct regular screening of our current and prospective personnel and partner organisations.
- (b) When we assess the suitability of a prospective implementing partner or sub-contractor, we will consider their awareness of terrorism financing risks and counter-terrorism measures.
- (c) It is a contractual requirement for implementing partners to agree to:
 - (i) screen all of their downstream partners against the relevant lists;
 - (ii) confirm that they will not provide any funding to any person, organisation or other body noted on a relevant list; and
 - (iii) be audited for the purpose of assessing due diligence requirements.

4.3 Financial payments

- (a) We will ensure that our accounts are with financial institutions registered with the Australian Transaction Reports and Analysis Centre (AUSTRAC) and not on a relevant list.
- (b) We will only transfer funds through our accounts or to our own personnel.
- (c) Where we receive cash or non-cash forms of money (such as traveller's cheques, cheques and money orders) other than through a financial institution that is already registered with AUSTRAC, we will declare the receipt to AUSTRAC where required.¹
- (d) We will only accept funds from another party for the purposes of our activities and work. We will not accept funds from another party on the basis that those

¹ Currently, the requirement is that amounts over A\$10,000 must be declared using the relevant AUSTRAC form (see <https://www.austrac.gov.au/individuals/moving-money-across-international-borders>)



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funds are to be transferred to third party for any purpose not connected with our activities and work. In this respect, we will not:

- (i) transact any funds through any of our accounts or allow any funds to be transacted through our accounts unless the funds are genuinely for our activities and work; and
- (ii) transfer any funds to any account of any third party (regardless of the source of the funds) unless the funds are genuinely for our activities and work.

4.4 Retention of records:

We will maintain proper records for a minimum of seven years of all:

- (a) screenings we undertake of our current and prospective personnel and partner organisations;
- (b) training of our personnel and partner organisations regarding the risks of fraud, corruption and bribery, money laundering, terrorism;
- (c) fund transfers we make, such records to be in such form (physical or digital) as permitted, and for the requisite retention period, under relevant laws; and
- (d) incidents which are reported under this policy.

4.5 Responsibilities

- (a) **Policy Approver:** accountable for approving this policy, including approving after formal reviews.
- (b) **Policy Owner:**
 - (i) accountable to the Policy Approver for overseeing the implementation and overall compliance with this policy;
 - (ii) ensures this policy is regularly reviewed (at least every two years or earlier if warranted); and
 - (iii) delegates the implementation, training, maintenance and monitoring of this policy to the Policy Lead.
- (c) **Executive team:** responsible for role modelling behaviour consistent with this policy.
- (d) **Policy Lead:**
 - (i) responsible for the implementation, maintenance and monitoring of the policy at an organisational level, including through appropriate procedures, training and reporting;
 - (ii) supports the Policy Owner to review this policy; and



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- (iii) manages risk and compliance issues related to this policy.
- (e) **All of our personnel:** must be familiar with, comply with and implement this policy and manage fraud, corruption, bribery, anti-money laundering and terrorism risks.
- (f) Detailed responsibilities can be found in our Policy Lifecycle Stages, Roles and Responsibilities (see Annexure A to the Policy Governance Framework).

4.6 Partner Organisations

We will:

- (a) provide a copy of this policy to each of our partner organisations;
- (b) in relation to our implementing partners:
 - (i) require that our implementing partners and their personnel comply with the requirements under this policy, and pass the relevant requirements to downstream partners; or
 - (ii) alternatively, assess their equivalent policy in accordance with relevant processes or guidelines to satisfy ourselves that it is commensurate with this policy; and
- (c) in relation to all other partner organisations, require them to:
 - (i) acknowledge the receipt of this policy, read and comprehend the policy, and understand that the activities and work resourced/supported by us must be implemented in accordance with this policy;
 - (ii) prevent any harm and risks related to this policy in their work with us;
 - (iii) notify us of any incident or credible allegation related to the activities and work that may constitute a violation of this policy or prevent its implementation, and the immediate steps taken in response;
 - (iv) adopt specific mitigation measures to address relevant risks raised by the activities and work; and
 - (v) at our discretion and depending on the circumstances, comply with the policy as if they were implementing partners.

4.7 Reporting and Managing Incidents

- (a) If any person to whom this policy applies believes that any of the following has occurred or is likely to occur:
 - (i) any actual or suspected fraud, corruption or bribery with respect to us, our personnel or any of our partner organisations;



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- (ii) any actual or suspected transfer of any funds in breach of this policy;
or
- (iii) any of our prospective or current personnel or partner organisations are, or are suspected to be:
 - (A) a person, group or organisation who is listed in a relevant list;
 - (B) any organisation or individual on whom Australia has imposed sanctions; or
 - (C) a person, group or organisation who associates with any of the persons or organisations described in paragraphs (i) or (ii); or
- (iv) any other actual or suspected breach of this policy,

then the person must immediately and within 48 hours report the matter to the Policy Lead and comply with their directions. The Policy Lead must promptly investigate the matter and inform the Policy Owner, and, to the extent appropriate, report it to the relevant authorities, including the police or relevant government department(s).

- (b) If the report related to suspicions or allegations of fraud, corruption or terrorism that may involve DFAT funding, we will report it to DFAT within five business days.
- (c) If the report relates to a matter of significant fraud or corruption that has the potential to attract global media interest, or which the person considers could seriously damage WWF's reputation, we will escalate concerns in accordance with our Speak Up Policy to the Global Reporting Channel (<https://report.whistleb.com/en/wwf>) as soon as possible.
- (d) We do not tolerate any form of victimisation or retaliation against person who makes a report under this policy. Any person who believes they have been subjected to victimisation or retaliation for making a report may report the matter to our Policy Owner or in according with the Speak Up Policy or Complaints Handling Policy.

4.8 Record Keeping

We will ensure that accurate and complete records of reports, our reviews, any referrals and any investigations are securely retained for a minimum of 7 years after receipt of the report.

5 Availability of this policy

We will ensure that this policy is available to download on our website and intranet.



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6 Relevant laws:

- *Australian Charities and Not-for-profits Commission Act 2012 (Cth) and Australian Charities and Not-for-profits Commission Regulations 2013 (Cth)*, in particular:
 - ACNC Governance Standards 1 and 3 (s 45.5 and 45.15 of the above Regulations)
 - ACNC External Conduct Standards 1 and 3 (s 50.20 and 50.30 of the above Regulations).
- *Autonomous Sanctions Act 2011 (Cth)*
- *Charter of the United Nations Act 1945 (Cth)*
- *Criminal Code Act 1995 (Cth)*

7 Related policies

- (a) Complaints Handling Policy
- (b) Conflict of Interest Policy
- (c) Related Party Transactions Policy
- (d) Speak up Policy

8 Revision History

| Action: | Date of Board meeting: |
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| Approval and adoption of policy by the Policy Approver | 31 October 2023 |
| Revision | [insert] |