

Fraud & Corruption Policy

1 APPLICATION

1.1. This framework/policy applies to:

- a. HMRI directors, employees, representatives, volunteers, affiliates, student placements, contractors and building occupants;
- b. HMRI's interaction with and treatment of all people including employees, job candidates, volunteers, affiliated researchers and members of the public, encountered in connection with HMRI related activities and operations;
- c. all aspects of HMRI activities and operations.

1.2. To the extent that this policy relates to activities or conduct of non-employees of HMRI, the policy is intended to supplement and not alter any policy of the employer. In the event of any inconsistency between this policy and the policy of an individual's employer, the employer's policy should take precedence.

2 INTRODUCTION

2.1 Consistent with the Code of Conduct, HMRI is committed to maintaining a culture of honest and ethical conduct in its operations and activities. HMRI aims to maintain effective governance systems which minimise the risk of fraud and corruption and encourage transparency and accountability, to assist with maintaining high standards of ethics.

3 POLICY INTENT

3.1 HMRI has a zero-tolerance to corruption of any kind including fraud.

3.2 HMRI is committed to preventing and avoiding conduct which may be unlawful or inconsistent with the principles espoused in the following legislation:

- a. National Anti-corruption Commissions Act 2022;
- b. Commonwealth Criminal Code;
- c. Corporations Act (Cth)
- d. Independent Commission Against Corruption Act 1988 (NSW)
- e. Relevant state or territory legislation.

3.3 This policy establishes a framework for the identification of potential fraud and/or corruption risks, prevention, detection and response to fraud and corruption. The purpose is to reduce opportunities for fraud to take place and deter individuals from engaging in activities which could be perceived as fraudulent and/or corrupt.

3.4 The policy provides a guide to the standards expected by HMRI and the process for reporting incidents which are inconsistent with such standards.

4 CONDUCT

4.1 HMRI employees and representatives must not engage in, participate in or knowingly facilitate corrupt or fraudulent conduct or practices.

4.2 Conduct or practices which may constitute fraud or corruption include (without limitation):

- a. theft or misappropriation of assets including monies or funding streams;
- b. offering, inducing or taking bribes or participating in blackmail;
- c. tax evasion;
- d. altering, falsifying or fabricating any document or data including manipulation of financial, research or any other records;
- e. failing to declare a conflict of interest; and
- f. dishonestly using a position of trust for personal gain or to influence decision making.

5 IDENTIFICATION OF RISKS

5.1 Risks in connection with corruption and fraud are identified, reported and managed through:

- a. the HMRI Enterprise Risk Management Framework;
- b. the Conflict of Interest Policy and supporting procedures; and
- c. the Whistleblower Policy.

5.2 HMRI is committed to ensuring staff are periodically trained on the prevention, detection and reporting of risks including opportunities for or suspected instances of fraud or corruption.

6 PREVENTION OF CORRUPTION AND FRAUD

6.1 HMRI is committed to preventing fraud through leading consistently with its values and fostering an expectation that its employees and representatives maintain the highest standards of honesty and ethical conduct.

6.2 HMRI maintains an Enterprise Risk Framework to facilitate transparent decision making processes supported by reliable governance practices - to enable the identification and management of potential conflicts of interest, fraud and corruption.

6.3 HMRI is committed to working collaboratively with its partners to identify and manage risks of potentially corrupt practices and/or fraudulent conduct.

7 DETECTION OF CORRUPTION AND FRAUD

7.1 HMRI endeavours to ensure that all employees and representatives are:

- a. aware of the Fraud and Corruption Policy and related procedures;
- b. educated on identifying or reporting incidents and/or processes that present risks of fraud or corruption; and
- c. actively encouraged to report suspected incidents of fraud and corruption.

8 REPORTING OF CORRUPTION AND FRAUD

8.1 HMRI has established confidential and accessible processes to facilitate the reporting and investigation of any alleged or suspected fraud or corruption. These include the processes under the Fraud and Corruption Control Procedure in combination with the Delegations Framework, Conflict of Interest, Funding, Whistleblower, Grievance and Responsible Conduct of Research Policies and related processes and procedures.

8.2 Where appropriate, HMRI will report suspected instances of fraud and corruption to its partner organisations and the appropriate legal and regulatory authorities.

8.3 Any disclosure or report of potential fraud or corrupt incidents or conduct may be made to the Institute Director, the Chief Operating Officer or the Head of Legal and Risk.

9 INVESTIGATION BY HMRI

9.1 Any report of suspected fraud or corrupt conduct will be treated confidentially and subject to a preliminary investigation and assessment by the recipient of the report. Following this assessment, the recipient will (if appropriate) consider the appropriate process for investigation and resolution of the conduct and/or incident consistent with the Fraud and Corruption Procedure.

10 FAILURE TO COMPLY WITH THIS POLICY

10.1 Amongst other things, fraud and corruption may result in decisions being made which are not in the best interests of HMRI or its stakeholders. The potential consequences include damage to HMRI's reputation, liability to compensate parties adversely affected and/or fines and imprisonment.

10.2 HMRI employees may be subject to disciplinary action, up to, and including termination of employment or contract where it is established that they have breached this policy.

10.3 Conduct by an HMRI Representative (who is not an employee) which is inconsistent with this policy may be referred to the person's employer for investigation and/or disciplinary action in accordance with the employer's policies and procedures and HMRI may end the relationship.

11 DEFINITIONS

Corruption means a dishonest act or omission:

- which is contrary to HMRI's interests and/or
- whereby an individual acts (or omits to act) with the intention to achieve an improper advantage for themselves, HMRI or a third party

Fraud means an intentional dishonest act or omission with the intention of obtaining a material advantage or deceiving.

RELATED DOCUMENTS

- Conflict of Interest Policy
- Code of Conduct
- Responsible Conduct of Research Policy
- Whistleblower Policy

VERSION CONTROL

Approval date	Effective date	Version
1 st June 2023 Board	07/06/23	15V1