

Policy title	Anti-fraud and corruption policy
Policy number	EP001
Owner	Managing Director
Date effective	01 July 2025
Date of next review	30 June 2028

1 Purpose

In keeping with its vision and values, all Estuari People are expected to demonstrate honest, law-abiding, respectful, and fair behaviour. Fraud and corruption threats can affect every aspect of Estuari’s operations. Accordingly, the management of these threats is an integral part of good governance.

This policy articulates the responsibilities and expectations of Estuari People in observing and upholding Estuari’s zero tolerance for fraud and corruption; as well as information and guidance on how to recognise and respond to fraud and corruption.

Estuari has implemented this policy to articulate the processes and procedures in place to manage fraud and corruption, and to offer guidance on their use.

2 Scope and audience

This policy applies globally to all Estuari People as defined in section 5. Estuari People are subject to the laws of the country they are in, however must follow the principles of this policy regardless of whether that country has specific fraud and corruption laws in place.

3 Policy statement

3.1 What is fraud and corruption?

Estuari adopts definitions of fraud and corruption as per Australian Standard AS8001-2021: Fraud and Corruption Control. These definitions are listed in section 5.

3.2 Approach

Estuari is committed to implementing and maintaining robust systems, procedures, and practices that actively prevent, detect, and mitigate the risks and impacts associated with fraud and corruption. Estuari is equally committed to ensuring that all reports of suspected fraud are thoroughly and promptly investigated, and reprisals against individuals who report are not tolerated. Confirmed findings of fraud will be met with appropriate and proportionate action. Estuari is dedicated to fostering a culture of integrity, transparency, and ethical conduct at all levels of the organisation.

To that effect:

- (a) Estuari has a zero-tolerance approach to fraud and corruption. This means all forms of fraudulent and corrupt activities are strictly prohibited. Fraud and corruption include acts of fraud theft, misuse of funds, bribery, nepotism, money laundering, terrorism financing, abuse of

undeclared conflicts of interest, counterfeit money, cyber-crime, extortion and other forms of financial crime.

It is Estuari's expectation that those with whom we do business take a similar zero-tolerance approach to fraud and corruption.

- (b) Estuari safeguards funds from fraud and corruption through maintenance of:
 - (i) A culture of high integrity in the behaviours of Estuari People.
 - (ii) Compliance with applicable laws, contractual and other obligations, and Estuari policies; and
 - (iii) Appropriate accountability to its People, donors, funders, corporate and other partners, supporters, and the communities it serves.
- (c) Any fraud at Estuari:
 - (i) Breaches our risk management and compliance frameworks and Code of Conduct.
 - (ii) May be a breach of the law, or a criminal offence.
 - (iii) Damages the integrity, financial capacity and reputation of Estuari; and
 - (iv) Significantly inhibits the capacity of Estuari to achieve its goals.

3.3 Principles and commitments

Estuari is committed to ensuring that factors relating to fraud and corruption are treated effectively within our operations and programs and that Estuari People perform their duties with the highest ethical standards of behaviour. Principles which guide Estuari's commitment to preventing fraud and corruption include:

- (a) Developing, maintaining and consistently applying effective controls to prevent corruption at all levels, and evaluating the effectiveness of those measures.
- (b) Demonstrating top-level commitment against corruption.
- (c) Ensuring effective risk management practices are in place to capture and address fraud and corruption risks across projects and responses supported by Estuari, and that risk assessments are regularly updated and monitored at the governance and leadership level as per the Risk Management Framework and Delegations of Authority.
- (d) Ensuring corruption risks are taken into consideration in program planning and conducting risk assessments.
- (e) Conducting due diligence on third-party service providers, partners and staff in line with key risks.
- (f) Ensuring that if corruption occurs, a timely and rigorous investigation takes place, and that reports are shared with stakeholders as appropriate.
- (g) Complying with obligations to inform donors, regulatory and legal authorities.
- (h) Publishing high-level information of all completed corruption investigations and significant thefts on the publicly available website.

3.4 Value for money

Estuari aims to engage in the best possible use of resources to contribute to positive significant change for the people it strives to support. The best possible use of resources means seeking value for money in every program and project funded by Estuari, which underpins our commitment to preventing fraudulent activity.

3.5 Terrorism financing

While terrorism financing is a form of corruption, and fraud may be a method for generating funds for terrorism financing, fraud and terrorism financing are distinct acts and therefore Estuari has separate policies and protocols that deal directly with terrorism financing. Estuari's zero-tolerance approach extends to terrorism financing and aid diversion.

4 Roles and responsibilities

4.1 Estuari People obligations

All Estuari People (including contractors) must:

- (a) Not engage in fraud, misuse of funds, bribery or corrupt conduct.
- (b) Act within the spirit and intent of this policy.
- (c) Act with and promote integrity in all use of Estuari funds.
- (d) Comply with the Code of Conduct, and all Estuari policies and procedures.
- (e) Undertake training on fraud as determined by Estuari.
- (f) Be alert to recognise indicators of possible fraud.
- (g) Comply with the code of conduct of a partner organisation when working with them.
- (h) Identify, address, and promptly report any suspected fraud.
- (i) Ensure full compliance with disbursement criteria, procedural approach and escalation requirements.

4.2 Raising concerns and reporting

- (a) Incidents, near misses and concerns of fraud or corruption can be reported via the Estuari website: www.estuari.org
- (b) Estuari may have an obligation to report suspected fraud or corruption to the police and/or any relevant funding body.
- (c) Estuari will investigate all reports of fraud and corruption. Internal or external investigators may be appointed to investigate all reports.

4.3 Breaches of this policy

- (a) Any breaches of this policy may lead to disciplinary action. Depending on the severity of the breach, such disciplinary action may include reprimand, formal warning, demotion, stand down, suspension, or termination.
- (b) Breaches of applicable laws or regulations may also result in prosecution by the appropriate authorities.

5 Definitions

Term	Definition
Bribery	Australian Standard AS8001-2021: Fraud and Corruption Control defines bribery as: 'Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.'
Corruption	Australian Standard AS8001-2021: Fraud and Corruption Control defines bribery as: 'Dishonest activity in which a person associated with an organisation (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This can also involve corrupt conduct by the organisation, or a person purporting to act on behalf of and in the interests of the organisation, in order to secure some form of improper advantage for the organisation either directly or indirectly.'
Estuari People	As the context requires, all directors, employees, contractors, consultants, volunteers, and members of Estuari, irrespective of location.
Fraud	Australian Standard AS8001-2021: Fraud and Corruption Control defines fraud as: 'Dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity.'
Misuse of funds	An allocation of Estuari funds, or funds for which Estuari is acting as the custodian (e.g. funds being disbursed on behalf of a partner or funding body), which does not align with the requirements of Estuari policies and procedures. Misuse of funds includes circumstances where relevant contractual obligations, including those connecting to guidelines and procedures of a funding body, are not adhered to.

6 Version history

Version	Date of approval	Summary of updates
1.0	01 July 2025	Approved.