

HumanAbility Ltd

Fraud Control and Corruption Prevention Policy



| | |
|-----------------------|---|
| Policy name: | HumanAbility Fraud Control and Corruption Prevention Policy |
| Version number: | 1.1 |
| Effective date: | June 2025 |
| Review frequency: | 3 years |
| Legislative reference | |
| Related policies: | |
| Related forms | |
| Related procedures | Whistleblower Policy |
| Policy Owner | CEO |
| Policy approver | Board |

| Version | Date | Rationale | Next Review Date |
|---------|-----------|--|------------------|
| 1.0 | May 2023 | Initial Issue | May 2026 |
| 1.1 | June 2025 | Addition of related procedure: Whistleblower Policy | June 2028 |

Contents

| | | |
|---|------------------|---|
| 1 | Purpose | 3 |
| 2 | Scope | 3 |
| 3 | Definitions | 3 |
| 4 | Policy | 4 |
| 5 | Prevention | 4 |
| 6 | Detection | 4 |
| 7 | Response | 5 |
| 8 | Responsibilities | 5 |

1 Purpose

- 1.1. To ensure that anyone working for, or on behalf of HumanAbility Ltd (HumanAbility) are aware of their responsibilities regarding the identification and prevention of fraudulent or corrupt conduct.
- 1.2. Promote a workplace culture where corruption is not acceptable.
- 1.3. Protect the integrity and good reputation of HumanAbility.

2 Scope

- 2.1. Fraud Control and Corruption Prevention Policy (this Policy) applies to all Directors, committee members, employees, volunteers and contractors of HumanAbility.

3 Definitions

- 3.1. Fraud - To dishonestly obtain or arrange a benefit by deception or other means. Examples include:
 - Theft such as stealing property, petty cash, gift cards, donations, funds or corporate assets
 - Falsification of records, accounts or documents to deceive
 - Dishonesty destroying or concealing accounts or records
 - Embezzlement or misappropriation of funds or other assets
 - Misuse of assets or property for personal benefit (e.g. vehicles); and
 - Forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive.
- 3.2. Corruption - Dishonestly obtain a benefit by misuse of power, position, authority or resources. Examples include:
 - Bribery, extortion and blackmail
 - Secretly giving or accepting gifts and benefits in return for preferential treatment to the giver
 - Collusion, false quotes, false invoices or price fixing
 - Manipulating design and specifications or processes for personal gain or to conceal defects
 - Complicity in excessive billing, or submission of false support or documents, or concealment of documents
 - Falsifying job qualifications or work or safety certifications
 - Nepotism (favouring relatives); and
 - Privacy breaches or data manipulation with intent to cause harm.

4 Policy

- 4.1. HumanAbility has no tolerance for fraud or corruption, including the associated reputational impact.
- 4.2. It is in everyone's interests to prevent fraud and corruption from occurring and to speak up if they suspect fraudulent or corrupt behaviour.
- 4.3. Incidences of suspected fraud or corruption must be reported immediately to the Company Secretary and the Chief Executive Officer (CEO). In instances where the Company Secretary or the CEO may be involved in the fraud or corruption event, incidences of suspected fraud or corruption must be reported to the Chair of the Audit & Risk Committee and the Chair of the Board.
- 4.4. This Policy provides an alternative reporting mechanism and protective arrangements to encourage people who work for, or with, HumanAbility to speak up about possible wrongdoing for early resolution.
- 4.5. HumanAbility will inquire and investigate all suspected fraud and corruption tip-offs regardless of the source or if it is made anonymously. Those investigations and inquiries may be assisted by external parties, where appropriate.
- 4.6. HumanAbility will seek to recover losses sustained through acts of fraud or corruption through all available avenues.
- 4.7. All incidents of fraud and corruption will be reported to external parties or authorities, where relevant.

5 Prevention

- 5.1. Preventative measures include:
 - Regular review of the integrity framework supporting a culture of integrity and intolerance of fraud or corruption
 - Awareness training and education
 - Continual quality improvement reviews of internal control and compliance measures
 - Pre-employment screening (including volunteers, contractors and consultants, where appropriate); and
 - Maintenance of a register for trend analysis to identify early action.

6 Detection

- 6.1. Detection measures include:
 - Fraud and corruption detection programs
 - Alternative reporting mechanisms such as whistleblower protection
 - Internal audit awareness during audits; and
 - External audit awareness during audits.

7 Response

7.1. Response measures include:

- Revision and refreshment of policies to rectify deficiencies
- Internal reporting of investigation outcomes and escalation where appropriate
- Review of internal controls after every confirmed incident
- Application of disciplinary procedures for detected incidents
- Civil action to recover losses where appropriate
- HumanAbility's insurance program
- Reporting to funding agencies of incidents and rectification measures; or
- Referral to external organisations and agencies, such as Police, by the CEO or the Board Chair, where relevant.

8 Responsibilities

8.1. HumanAbility's Directors, Committee Members, Employees, Volunteers and Contractors:

- Everyone in HumanAbility is responsible for fraud control and corruption prevention. Every person must take personal responsibility to ensure they understand the Code of Conduct and to report suspected incidents immediately.

8.2. Board:

- The Board, together with management, sets ethical principles that form the foundation of an ethical anti-fraud culture.

8.3. Audit and Risk Committee:

- Reviewing and monitoring policies for preventing and detecting fraud
- Reviewing fraud reports from management and auditors; and
- Ensuring that the internal audit systems are robust and directed towards the detection of any corrupt or fraudulent actions or behaviours.

8.4. Chief Executive Officer:

- Set the ethical 'tone at the top' to flow throughout HumanAbility to entrench a culture of high ethical behaviour and integrity
- Approve terms of reference for internal investigation into fraud or corruption by employees other than themselves; and
- Approve or endorse final action to be taken in response to actual incidents of fraud or corruption other than by themselves.

8.5. Senior Management:

- Ensure that there are programs and controls in place to address risk, including fraud and corruption risk, and that those controls are effective
- Oversee daily operations in which fraud or corruption risks may arise

-
- Be actively involved in planning activities to prevent, detect and respond to suspected fraud and corruption incidents; and
 - Respond to adverse trends identified from the fraud and corruption database.

8.6. Managers:

- Understand potential fraud exposures relevant to business operations and implement measures to manage and monitor
- Introduce and maintain controls to prevent incidents of fraud or corruption from arising in their area of responsibility
- Ensure that a fraud or corruption risk assessment has been conducted for their area of responsibility at least once annually
- Immediately notify all suspected fraud or corruption incidents that are detected within their jurisdiction to their manager; and
- Respond to the outcomes of any investigation or inquiry into any suspected fraud or corruption incident.

8.7. Employees Workers (Directors, executives, managers, employees, volunteers, contractors and consultants, regardless of whether working full time, part time, casual etc.):

- Be continually alert to the possibility of fraud or corruption incidents and to internal control lapses
- Inform their manager (or their manager's supervisor) of any suspected incidents or control lapses or weaknesses
- Alternatively, where reporting by normal channels is restricted, refer to the Whistleblower Policy for reporting incidents; and
- Not engage in any fraudulent or corrupt conduct.

8.8. External Auditor:

- Maintain awareness of the possibility of fraud or corruption during audit work.