

# Anti-Fraud and Financial Wrongdoing Policy

Policy no: 011

Version: 9

Approved on: 21 May 2026

Approved by: Health Equity Matters Board

## 1. Purpose

This policy outlines Health Equity Matters framework for the prevention, detection, reporting, investigation of and response to fraud and financial wrongdoing.

## 2. Scope

This policy applies to all personnel working with, acting for, or representing Health Equity Matters in all program and operational activities in its Australian and international operations, including:

- a. Health Equity Matters Personnel, including Board and Committees members, staff employed in Australia and by the AFAO Foundation, volunteers, contractors and consultants; and
- b. Health Equity Matters Partners, including implementing partner organisations contracted by Health Equity Matters domestically or internationally in the delivery of a Health Equity Matters program or project, including their Board members, staff, volunteers, contractors, consultants and partners.

## 3. Definitions

Term	Definition
Bribery	The offering, promising, giving, accepting, soliciting or acceptance of a benefit, with the intention of influencing a public official, or any other person to behave outside the responsibilities of their role, or not to act in good faith, in order to gain a personal advantage, or advantage for Health Equity Matters, that is not legitimately due.
Corruption	Is dishonest activity by an individual or entity involving the abuse of a position of trust to achieve personal gain or advantage or achieve a gain or advantage on behalf of Health Equity Matters. Examples of corruption include but are not limited to: <ul style="list-style-type: none"><li>• the payment of bribes or facilitation/seed/grease payments or the giving of gratuities or some other gift of value to other organisations, businesses, individuals, or public officials to directly or indirectly influence actions to provide favour (for example, to secure the expedition of a routine or necessary action).</li><li>• the receipt of bribes, facilitation/seed/grease payments, gratuities or an undeclared gift of value.</li><li>• collusion, false quotes, false invoices or price-fixing.</li><li>• release and/or use of confidential information for purposes other than those intended for.</li></ul>

	<ul style="list-style-type: none"> <li>• a conflict of interest involving Health Equity Matters Personnel acting in their own self-interest rather than the interests of Health Equity Matters, our partners or beneficiaries.</li> </ul>
Facilitation payment	A small payment to a government agency or public official as a means of ensuring that they perform their duty, whether more promptly or at all.
Fraud	<p>Is dishonestly obtaining a benefit or advantage, or causing a loss, by deception or other means through unlawful and/or unethical means. Examples of fraud include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• theft, misappropriation or misuse of funds, supplies, property or other assets.</li> <li>• impropriety in the handling or reporting of money or financial records, including the falsifying of signatures and documents.</li> <li>• bias, cronyism or nepotism.</li> </ul>
Financial wrongdoing	Is activity or behaviour that can be defined as bribery, corruption, fraud, money laundering and terrorism financing.
Gifts and benefits	<p><b>Gifts</b> refer to physical items with a monetary value, including cash, goods, services or vouchers for goods and services.</p> <p><b>Benefits</b> refer to prizes, special offers or customer-specific discounts on goods, services or other assets</p>
Good faith	Sincere belief or motive without the desire to cause damage to others.
Money Laundering	The process of concealing the origin, ownership, or destination of illegally or dishonestly obtained money and hiding it within legitimate economic activities to make it appear legally obtained.
Secret commissions	A non-disclosed financial incentive given to a party to promote a product or to influence customers to acquire goods and services from a supplier.
Terrorism financing	Intentionally providing or collecting funds and being reckless as to whether those funds would be used to facilitate or engaged in a terrorist act.
Zero-tolerance	Health Equity Matters will investigate all credible allegations, and that appropriate disciplinary measures or contractual remedies will be applied where allegations are substantiated. It may also lead to actions to recover any losses sustained by Health Equity Matters as a result of such fraud or financial wrongdoing.

## 4. Policy Statement

Health Equity Matters has a zero-tolerance approach towards fraudulent activity or behaviour, and any criminal or dishonest misuse of funds or resources. All Health Equity Matters Personnel and Partner Personnel working on Health Equity Matters programs and projects have a responsibility to prevent, detect and report suspected fraud and financial wrongdoing.

Health Equity Matters is committed to ensuring that all funds and donations received are used to achieve the objectives for which they were given, in line with their intended purposes. The accountability, transparency and good governance of the funds and resources which are entrusted to it by funders and donors are embedded in Health Equity Matters approach to financial and program management.

Health Equity Matters proactively monitors its partners to ensure that the use of funds aligns with their partnership agreements with Health Equity Matters.

## 5. Fraud Control Guidelines

Detailed operational guidance outlining procedures can be found in the Finance Management Manual. Risk management principles underpin Health Equity Matters approach to preventing, detecting and responding to fraud and financial wrongdoing within Health Equity Matters domestic and international operations.

### 5.1 Screening of Health Equity Matters Personnel

The vetting of Health Equity Matters Personnel is central to maintaining an organisational culture that is dedicated to the prevention of fraud. Health Equity Matters Personnel are vetted to ensure they are of suitable character and do not present a known risk to Health Equity Matters operations, as follows:

- Health Equity Matters recruitment procedures include interview questions and reference checks which seek to establish the integrity of an applicant;
- and recruitment/engagement is subject to an initial successful police check and terrorism check, and these are conducted on a regular basis following this engagement in line with the Recruitment and Selection Policy, Safeguarding Policy, and Counter-Terrorism Financing and Anti-Money Laundering Policy.
- Health Equity Matters Personnel are required to sign and comply with the Code of Conduct and Safeguarding Code of Conduct.

### 5.2 Screening and Ongoing Monitoring and Support of Partner Organisations

The selection of Health Equity Matters Partners is based on an initial due diligence process and a more detailed partnership assessment process which incorporates a review of the partner's demonstrated financial management capability, commitment to prevent fraud and financial wrongdoing, and the adequacy of their financial systems and procedures.

Key members of Partner Personnel undertake police or criminal record checks and any other security check deemed appropriate and are checked against the relevant Prescribed Lists.

Health Equity Matters partners are made aware of their responsibility to prevent, detect, and report financial wrongdoing and to have an appropriate anti-fraud policy in place that is implemented.

Contractual Partnership Agreements oblige partners to comply with Australian legislation (including that related to anti-bribery and corruption) and to read and comply with this policy.

Health Equity Matters conducts regular reviews of implementing partner's capacity in relation to financial management and provides financial capacity building support, as required, in order to strengthen financial performance.

### 5.3 Awareness-Raising and Training

Health Equity Matters is committed to providing all Health Equity Matters and Partner Personnel with anti-fraud and financial wrongdoing training appropriate to the size of the organisation, and relative to the roles and the risk profile of projects/programs.

All Health Equity Matters Personne and Partner Personnel will be made aware of this policy during onboarding or engagement including their responsibility to prevent, detect and report suspected fraud and financial wrongdoing. They will receive guidance and training to help them identify breaches of this policy.

#### **5.4 Financial Control Systems, Policies, and Procedures**

Health Equity Matters has appropriate and effective internal financial control systems in place to control and monitor financial activity and these are detailed in its Finance Policy, Delegations of Authority Policy and Finance Manual.

Health Equity Matters accounts for all expenditure against relevant budget lines and internal checks and controls can identify anomalies or discrepancies in spending. Financial control procedures provide sufficient segregation of duties, especially between operational and financial areas, to ensure that those who approve expenditure are not in a position to benefit from that expenditure.

The risk of fraud is regularly monitored by the Board, including review and engagement from the Audit and Risk Committee.

Health Equity Matters Personnel are required to declare conflicts of interest and an Interests Register is maintained and reviewed on an annual basis by the Audit and Risk Committee Board, to ensure interests are being appropriately and consistently management, including financial interests related to the work of Health Equity Matters.

Health Equity Matters has partnership agreements with its partners, staff working with partners are required to be familiar with the terms of those agreements and to ensure that funds are spent appropriately by partners and only items that are allowable under the partnership agreement.

#### **5.5 Auditing and Reporting**

Periodic auditing processes are embedded in Health Equity Matters practices.

- A qualified external auditor will examine Health Equity Matters financial accounts once a year in accordance with Health Equity Matters Constitution, the Australian Charities and Not-for-profits Commission Act 2012 (Cth), and the Australian Council for International Development's (ACFID) Code of Conduct;
- Health Equity Matters undertakes or participates in project and program-specific audits as required by donors;
- Auditing requirements of donors will be implemented with partners as required.

#### **5.6 Incident Reporting**

Health Equity Matters Personnel and Partner Personnel who have a reasonable basis for suspecting that fraud or financial wrongdoing connected to Health Equity Matters activities or operations has occurred must report the suspected act immediately. Any person who reports an actual or suspected fraud or financial wrongdoing in good faith is protected through the Whistleblower Policy.

All reports made will be treated with confidentiality and taken seriously. Anyone who makes a report can do so without fear of retaliation and may do so anonymously via the [Stopleveline](#). Reports should be made as detailed as possible.

The matter will be escalated to the CEO and appropriate action taken immediately. The CEO will liaise with funders or donors in relation to allegations of misconduct in accordance with the terms of Health Equity Matters contracts for those funds. The CEO will also inform the Board of any reports of fraud and/or financial wrongdoing.

If the CEO is implicated in any suspected incident, then the matter should be directly reported to the President, in line with the Whistleblower Policy.

If the incident relates to activities or funds received from external funders, the CEO will inform the funder as soon as possible and within the timeframe required by that donor.

Any suspected or real incidents of fraud involving DFAT funding must be reported to DFAT within 5 business days of Health Equity Matters becoming aware of the incident. Reporting incidents is done via [the Suspected or detected External Fraud/Corruption Referral Form](#).

If Health Equity Matters and its Partners become aware of fraudulent or corrupt activity involving DFAT staff, including locally engaged staff, they must also report it to the People Division within DFAT via email to [conduct@dfat.gov.au](mailto:conduct@dfat.gov.au).

For any suspected corrupt conduct, DFAT will determine if a matter warrants mandatory or voluntary referral to the National Anti-Corruption Commission (NACC). However, Health Equity Matters can also make a report direct to the NACC:

- Online: [www.nacc.gov.au](http://www.nacc.gov.au)
- Phone: 1300 489 844 International callers: +612 6105 9600
- Post: National Anti-Corruption Commission | GPO Box 605 | CANBERRA ACT 2601 AUSTRALIA

Any internal investigation to incidents will follow the investigation procedures outlined below.

Reported incidents will be recorded in Health Equity Matters Incidents Register and periodically reported to the Audit and Risk Committee and Board.

## **5.7 Investigating Financial Misconduct**

Health Equity Matters will investigate all reported cases of suspected, alleged or detected fraud or financial wrongdoing. Investigations will be conducted in a prompt, rigorous, professional, and impartial manner. After being notified of a report (as outlined above), Health Equity Matters will initiate an investigation as soon as practically possible, and within 3 business days.

If a complaint regarding suspected, alleged or detected fraud or financial misconduct is a whistleblower complaint, the Whistleblower Policy and relevant procedures will apply to this complaint.

The following measures will be taken as appropriate:

- hold/freeze any pending transactions where possible;
- seek assistance from internal or external experts as required to aid with investigations;
- require Health Equity Matters Partners to undertake an investigation at their own cost and provide a report to Health Equity Matters within the timeframe specified by Health Equity Matters;

- inform law enforcement agencies, where appropriate;
- limit disclosure of any discussion related to an investigation to people who have a legitimate need to know about the situation;
- Health Equity Matters CEO to inform a donor(s), if the misconduct relates to activities or funds received from external donors;
- securely store all documentation relating to a report, investigation and subsequent response.

Once all appropriate and necessary information has been gathered, the CEO or President will make a determination within 5 business days if it is believed that the allegations are substantiated, and an outline will be provided as to what action will be taken. The Board will be kept informed of the outcome of any investigation.

## **5.8 Responding to Misconduct**

Health Equity Matters will act promptly and with an appropriate and proportionate response to any substantiated report.

Where appropriate Health Equity Matters may be required to inform law enforcement agencies and donors of fraud and financial wrongdoing incidents. Disciplinary proceedings may be launched against Health Equity Matters Personnel deemed to have engaged in fraud or financial wrongdoing.

Where Health Equity Matters Partner Personnel cannot account for the proper use of funds, Health Equity Matters reserves the right to terminate the contract and require repayment of misused funds. Legal action may be pursued. Health Equity Matters may seek to recover misappropriated funds or assets.

Health Equity Matters will also:

- include all incidents on the organisation's Incident Register, and document the nature of the incident and the actions taken to investigate and respond;
- strengthen systems, safeguards, and procedures to guard against future fraud or financial wrongdoing; and
- identify where fraud and/or financial wrongdoing has occurred within a Health Equity Matters Partner, and work with that partner to assess if strengthened policies, procedures and systems need to be developed.

## **6. Facilitation Payments and Secret Commissions**

### **6.1 Facilitation Payments**

In general, all Health Equity Matters Personnel and Partner Personnel are prohibited from making facilitation payments.

### **6.2. Secret Commissions**

Health Equity Matters takes a zero tolerance approach to secret commissions.

## 7. Gifts, Benefits and Hospitality

All Health Equity Matters Personnel and Partner Personnel must exercise extreme care when offering or accepting gifts, benefits or hospitality, to maintain the good reputation of Health Equity Matters, protect it against allegations of misconduct, and ensure that anti-bribery and corruption laws are not breached.

As a general rule, Health Equity Matters Personnel and Partner Personnel should:

- avoid accepting gifts and benefits in connection with their business-related duties;
- consider the potential for any business-related gifts and benefits to undermine their reputation or the reputation of Health Equity Matters by creating a potential or perceived risk of fraud, corruption and/or conflict of interest;
- report all **reportable gifts and benefits** accepted in connection with their business-related duties to their line manager/President for approval and to the Principal Director, Corporate Services for inclusion on the **Gifts and Benefits Register**. The Gifts and Benefits Register will be shared with senior management and the Audit and Risk Committee.

### 7.1 Prohibited Gifts

All personnel must not give or accept the following items in connection with their business-related duties:

- monetary gifts or equivalent such as cash, cheques, money orders, traveller's cheques, gift cards, or direct deposits (except where small gifts are given by Health Equity Matters to members of the community as a token of appreciation for time volunteered on a Health Equity Matters activity or activities);
- any gift or benefit for any duties performed or not performed by the recipient particularly where acceptance may give rise to an actual, potential or perceived a conflict of interest;
- gifts and gratuities offered by pharmaceutical companies, in line with the [Pharmaceutical Industry Sponsorship Policy](#).
- gifts, benefits or hospitality that is inconsistent with community expectations, or could otherwise bring the integrity of Health Equity Matters into disrepute; and/ or
- gifts, hospitality or entertainment of an inappropriate nature or at an inappropriate venue.

### 7.2 Accepting Gifts

Personnel may accept:

- a gift of nominal value that does not exceed AUD \$100 (e.g. perishable items such as flowers or chocolates; seasonal or promotional items such as calendars, pens, paperweights; or items which, while they may have local cultural significance, are of negligible commercial value in Australian terms, such as souvenir items);
- meals or entertainment of a reasonable value if the purpose is to discuss Health Equity Matters related business or establish effective working relationships; and/or
- and must share these gifts within the organisation.

### 7.3 Disclosure of Gifts

All Health Equity Matters Personnel and Partner Personnel must disclose all reportable gifts and benefits that they are offered over the threshold of AUD \$100, regardless of whether the gifts or benefits are accepted.

Health Equity Matters Personnel should disclose the offer to their line manager, in the case of staff or consultants, or to the President, in the case of Directors, for approval. The responsible person can also give advice in relation to accepting or rejecting these gift and benefits offers.

## 8. Roles and Responsibilities

Who	Responsibility
<b>Board</b>	<ul style="list-style-type: none"> <li>• Cultivate and maintain a culture of zero-tolerance towards fraud and financial wrongdoing.</li> <li>• Have ultimate responsibility for the prevention and detection and investigation of financial wrongdoing and for ensuring that appropriate internal control systems are in place</li> <li>• Approve this policy.</li> </ul>
<b>Audit and Risk Committee</b>	<ul style="list-style-type: none"> <li>• Review risks associated with fraud and financial wrongdoing, as part of reviewing the Enterprise Risk Register every six months, or more often when risks are escalated for discussion and noting.</li> <li>• Review the Gifts and Benefits Register on an annual basis to ensure that these matters are effectively recorded and managed.</li> </ul>
<b>CEO</b>	<ul style="list-style-type: none"> <li>• Ensure internal control mechanisms are in place to support the organisation to meet its obligations under this policy.</li> <li>• Report incidents to the relevant authorities, donors, and the Board, as required.</li> </ul>
<b>Principal Director, Corporate Services</b>	<ul style="list-style-type: none"> <li>• Ensure robust financial controls and monitoring systems enable effective implementation of this policy.</li> <li>• Educate and train Health Equity Matters Personnel about this policy and its application across all Health Equity Matters activities.</li> </ul>
<b>Managers</b>	<ul style="list-style-type: none"> <li>• Ensure Health Equity Matters staff are aware of this policy and report any suspected breaches of this policy as soon as possible.</li> <li>• Ensure Health Equity Matters Partners are aware of this policy and have appropriate anti-fraud policies and processes in place.</li> </ul>
<b>Health Equity Matters Personnel</b>	<ul style="list-style-type: none"> <li>• Be familiar with and comply with Anti-fraud and Financial Wrongdoing Policy, conducting themselves with integrity and avoiding financial wrongdoing of any kind, and reporting of suspected fraud and financial wrongdoing activity.</li> </ul>
<b>Partners Personnel</b>	<ul style="list-style-type: none"> <li>• Be familiar with Health Equity Matters' Anti-fraud and Financial Wrongdoing Policy, having similar policies for partner organisations, conducting themselves with integrity and avoiding financial wrongdoing of any kind, and reporting of suspected fraud and financial wrongdoing activity</li> <li>• Responsible for working with the Principal Director, Corporate Services and team to alert them to suspected fraud and financial wrongdoing.</li> </ul>

## 9. Related Policies and Documents

Policy	Title and Hyperlink
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<b>045</b>	<a href="#">Conflict of Interest Policy</a>
<b>040</b>	<a href="#">Counter-Terrorism Financing and Anti-Money Laundering Policy</a>
<b>001</b>	<a href="#">Delegations of Authority Policy</a>
<b>003</b>	<a href="#">Finance Policy</a>
<b>029</b>	<a href="#">Partnership Policy</a>
<b>019</b>	<a href="#">Pharmaceutical Industry Sponsorship Policy</a>
<b>022</b>	<a href="#">Recruitment and Selection Policy and Procedure</a>
<b>037</b>	<a href="#">Risk Management Policy</a>

### Templates/Tools

Finance Manual
International Program Manual
Incident and Complaints Register

## 10. Policy History

<i>Date of update</i>	<i>Version</i>	<i>Key changes</i>	<i>Endorsed by</i>	<i>Approved by</i>	<i>Next review</i>
21 May 2026	9	Section 5 -Added further detail on our reporting obligations to DFAT under section 5.6 Incident Reporting.	Audit and Risk Committee	Board	May 2029

28 August 2025	8	<p>Section 3 – Definitions: Added definitions for money laundering and terrorism financing, consistent with those used in Policy 040 – Counter-Terrorism Financing and Anti-Money Laundering.</p> <p>Section 5.6 – Incident reporting: Included reference to the Stopline service and updated the language on whistleblower disclosure protections to align with the new Whistleblower Policy.</p> <p>Section 8 – Roles and Responsibilities: Clarified that the Board holds ultimate responsibility for the prevention, detection, and investigation of financial wrongdoing, and for ensuring appropriate internal control systems are in place. Also revised the roles and responsibilities of Health Equity Matters personnel and partner personnel.</p>	Audit and Risk Committee	Board	June 2028
26 June 2025	7	<p>Updated to change the name of Finance and Audit Committee to Audit and Risk Committee noting the name change was endorsed at 16 April 2025 Board meeting.</p> <p><i>*Note any references to Finance and Audit Committee in the Policy History is accurate as the name did not change until 16 April 2025</i></p> <p>Removal of “Business Operations and Finance Manager” and replacing with “Principal Director, Corporate Services”</p>	Audit and Risk Committee	Board	June 2028

11 July 2024	6	Updated to incorporate changes required in order to implement the Management Response to Corrs Legal Policy Compliance Review. Key changes relate to strengthening the definitions section and elaborating on facilitation payments, secret commissions, and the parameters for accepting gifts, benefits and hospitality	Finance and Audit Committee	Board	July 2027
24 August 2023	5	Updated to strengthen the requirement for Health Equity Matters to report incidents to donors, ensure partners have anti-fraud policies, strengthen partners financial management and anti-fraud systems, where required, and to update roles and responsibilities.	Finance and Audit Committee	Board	August 2026
February 2022	4	Delinked from previous Anti-Fraud, Money Laundering and Terrorism Policy.	Quality Principal	Board	February 2024
April 2020	3	Establishment of inaugural Anti-Fraud, Money Laundering and Terrorism Policy.		CEO	April 2022
October 2018	2	Strengthening of Anti-Fraud Policy.		CEO	October 2020
December 2016	1	Establishment of inaugural Anti-Fraud Policy.		CEO	December 2017