

# **FRAUD PREVENTION & MANAGEMENT POLICY**

## **OBJECTIVE**

This policy details DWM commitment to prevent and control fraud.

It is the intent of DWM to promote consistent organisational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations in relation to fraud. DWM will take all necessary actions for the prevention of fraud and establish policies and procedures to aid in its detection. DWM will provide processes for the reporting and investigation of incidents, and protection of those who report suspected fraud.

## **SCOPE OF POLICY**

This policy applies to any irregularity, or suspected irregularity, involving personnel as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with DWM.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to DWM.

All personnel are required to comply with the spirit of this policy and its associated procedures and undertake any relevant training as required.

## **LEGISLATION**

- Criminal Code Act 1924 (Tas)
- Police Offences Act 1935 (Tas)
- Public Interest Disclosure Act 2002 (Tas)
- The Right to Information Act 2009 (Tas)
- Personal Information Protection Act 2004 (Tas)

## **OTHER RELEVANT POLICIES**

Nil

## **DEFINITIONS**

Personnel refers to DWM's Directors, Employees, Group Training Employees, Recruitment Agency Employees, Temporary staff, Contractors, Site Contractor Staff, Consultants and any other personnel associated with third parties.

Fraud is defined as the intentional false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury.

## **ACTIONS CONSTITUTING FRAUD**

Fraud can relate to the misappropriation and other fiscal irregularities referred to but not limited to below:

- any dishonest or fraudulent act
- misappropriation of funds, securities, supplies, or other assets
- impropriety in the handling or reporting of money or financial transactions
- profiteering as a result of insider knowledge of DWM activities
- disclosing confidential and proprietary information to outside parties
- disclosing to other persons activities engaged in or contemplated by DWM
- accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to DWM
- destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment
- any similar or related irregularity.

## **OTHER IRREGULARITIES**

Irregularities concerning moral, ethical, or behavioural conduct by persons referred to above, should be resolved by the CEO, or the Board Chair if the irregularity relates to the CEO.

If there is any question as to whether an action constitutes fraud, contact the CEO or the Board Chair for guidance.

## **POLICY STATEMENT**

### **General**

It is the responsibility of DWM's CEO to operate internal systems to make certain that high standards are applied and brought to the attention of DWM personnel. The CEO is also responsible for putting in the systems for the detection and prevention of fraud, misappropriations and other irregularities.

DWM has established procedures and controls to establish an environment which will minimise the opportunity for fraud. These procedures and controls help DWM conduct its business in a manner beyond reproach.

### **Prevention**

DWM shall have a sound and sustainable ethical culture through a process of awareness, training, benchmarking and monitoring.

All DWM personnel should have a general awareness of fraud and corruption and how they should respond if this type of activity is detected or suspected.

As fraud can occur at various levels, appropriate preventative techniques such as policies, procedures, training and communication that stop fraud from occurring are to be maintained.

### **Detection**

DWM will maintain systems aimed at quickly identifying instances of fraud in the event that prevention strategies fail.

Detection controls serve as the strongest deterrent to fraudulent behaviour. Detection methods include but are not limited to anonymous reporting mechanisms and proactive fraud detection procedures specifically designed to identify fraudulent activity.

### **Reporting**

DWM personnel are vital to the success of measures against fraud. DWM encourages personnel to report any concerns they may have without fear of being penalised.

Reports can be made to DWM's CEO or Directors without fear of reprisals and in the full knowledge that personal interests will be protected.

Any claim of fraud will be handled with confidentiality, as allegations of fraud, even if not proven, can cause damage to individual reputations and expose DWM to legal claims for damages.

All concerns raised will be promptly investigated and reporting persons will be informed of outcomes where possible. In the event of disagreement of outcome, the reporting persons will be advised how to pursue the matter formally.

### **Investigations**

The CEO has the primary responsibility for the investigation of all suspected fraudulent acts. If an investigation substantiates fraudulent activities have occurred, the CEO will report to the Board of Directors through the Audit & Risk Committee.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel as will final decisions on the case.

All personnel should be made aware that if a suspicion is reported and results in a prosecution or disciplinary hearing, their involvement as a witness in those processes may be necessary, unless other substantial reliable evidence is available.

The CEO will have:

- free and unrestricted access to all DWM records and premises; and
- the authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

### **Termination**

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the Directors and external legal counsel, if necessary, before any such action is taken.

## RESPONSIBILITIES

### CEO

The CEO is responsible for the administration, revision, interpretation, and application of this policy.

## REVIEW

This policy will be reviewed every four years unless directed otherwise by the Board, or earlier if a legislative change occurs.

REFERENCE			
<b>APPROVED BY:</b>	DWM Board of Directors	<b>MINUTE NO:</b>	MFID 1583844
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