

## Fraud and Corruption Policy Summary

### Overview

LaunchVic promotes, values, recognises, demonstrates and expects ethical and lawful behaviour in all business practices. Individuals must conduct themselves in a manner consistent with community and corporate standards, and in compliance with all relevant legislation.

LaunchVic manages fraud and corruption by:

- articulating the Board's and senior management's commitment and responsibility to mitigate, detect and respond to fraudulent and corrupt activities by implementing appropriate policies;
- asserting that all employees and others refrain from fraudulent and corrupt conduct, and report suspected or witnessed instances of fraud or corrupt conduct; and
- providing a framework for investigation of all suspected fraudulent or corrupt conduct including the appropriateness of the organisation's response.

LaunchVic is guided by the principles of the *Code of conduct for Victorian public sector employees* and has applied them to LaunchVic's specific circumstances.

Definitions of key terms used in this Policy are set out in **Attachment 1**.

### Audience and Application

This policy applies to all people working with LaunchVic or its Controlled Entities, including Directors and Committee Members, and external parties engaging with LaunchVic either as suppliers or grant applicants.

### Policy Principles

In all of its decision-making, LaunchVic aims to operate efficiently, honestly and fairly. To this end, LaunchVic:

- Has zero tolerance for fraud and corruption.
- Does not make, and will not accept, facilitation payments or "kickbacks".
- Requires employees to not engage in conduct that may be seen or deemed as:
  - fraudulent, unconscionable, dishonest or corrupt;
  - designed to create or maintain artificial prices; or
  - entering into, or engaging in, fictitious transactions.
- Is committed to deterring, preventing, detecting, and responding to fraudulent or corrupt behaviour which is sought to be committed against, or may arise out of, any part of our business or related activities inside and outside of Australia.
- Requires all employees to act honestly and with integrity, and to safeguard LaunchVic's resources for which they are responsible. We are committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits.

Classification: Public

- Requires employees to report all suspected, attempted, or actual fraud or corruption incidents in accordance with this Policy. This includes incidents alleged to have been perpetrated by internal or external parties.
- Ensures all alleged cases of fraud and corruption committed against the organisation will be confidentially investigated. Action will be taken against any person found to have acted fraudulently or corruptly. Any damage or loss from fraud or corruption incidents will be minimised, prosecutions may be made by relevant authorities, and lessons from such incidents will be maximised by ensuring suspected and actual frauds and corruption are sensitively and promptly reported, investigated, and dealt with.

## **General Obligations**

Everyone who works for, or represents, LaunchVic has a responsibility to:

- avoid situations or actions that create, or may be perceived to create, a risk of fraud or corruption, or situations that may interfere with the exercise of sound judgement;
- avoid decisions and decision-making processes within LaunchVic that may generate personal gain, or a gain for an immediate family member or a close personal friend; and
- inform a manager, supervisor or another appropriate person where fraud or corruption is reasonably suspected of occurring or is likely to occur.

All suspected fraud or corruption must be reported immediately to ensure the preservation and safeguarding of evidence. If Improper Conduct (see the definition in the Whistleblower Policy) is suspected, a Public Interest Disclosure **must** be lodged with the Independent Broad-based Anti-corruption Commission (IBAC) as these matters cannot be dealt with internally to LaunchVic.

For matters that fall below the threshold of Improper Conduct, LaunchVic has appropriate internal reporting and management processes

Anyone raising concerns or reporting another's wrongdoing, in good faith under this policy, in relation to suspected fraudulent or corrupt action will be supported and will not suffer adverse consequences. However, LaunchVic will not tolerate malicious, frivolous or vexatious complaints. The making of a complaint of fraud or corruption without a reasonable basis for doing so, may amount to misconduct under the Harassment, Discrimination & Bullying Policy.

## **Breaches of the Policy**

Any behaviour that breaches this Policy will be managed through the applicable investigation and disciplinary processes. A proven breach may result in disciplinary action, up to and including termination of employment.

A proven breach of this Policy by a supplier or grant applicant may result in termination of any supply or grant contracts and exclusion from consideration for grants or supply agreements.

## Attachment 1

### Definitions Relating to Fraud and Corruption

Term	Definition
<b>Corruption</b>	<p>LaunchVic defines corruption as dishonest activity, in which one or more individuals of an entity act contrary to the interests of the entity and abuse his/her position of trust, in order to achieve a personal gain or advantage for himself/herself or another person or entity.</p> <p>Examples of corrupt conduct include but are not limited to:</p> <ul style="list-style-type: none"> <li>• payment of secret commissions (bribes or gratuities) in money, or some other value, to other businesses, individuals or public officials;</li> <li>• receipt of bribes from entities within or outside of Australia;</li> <li>• release of confidential information, for other than a proper business purpose, sometimes in exchange for either a financial or non-financial advantage;</li> <li>• profiting from insider knowledge of LaunchVic’s activities;</li> <li>• accepting or seeking anything of material value (including direct payment of money, payments in kind – shares, securities, gift vouchers, and hospitality such as meals, travel and accommodation) from grant applicants, contractors, vendors, or persons providing goods or services to LaunchVic or its Controlled Entities (refer also to the Gifts, Benefits &amp; Hospitality Policy);</li> <li>• any unauthorised modification of an information system/code to gain undue advantage contrary to the system’s original design;</li> <li>• manipulating a tender process to achieve a desired outcome; and</li> <li>• a conflict of interest involving a staff member acting in his/her own self-interest rather than the interests of LaunchVic (refer to the Conflicts of Interests Policy for more detail).</li> </ul>
<b>Cyber Attack</b>	<p>An act of external or internal unauthorised access, taking, inappropriately using, or tampering with confidential information that is not in physical form and exists on LaunchVic’s information technology systems.</p>
<b>Facilitation payments</b>	<p>Facilitation payments are typically small, unofficial, payments made to secure or expedite a routine government action by a government official.</p>

Term	Definition
<b>Fraud</b>	<p>LaunchVic defines fraud (both internal and external) as any intentional act by one or more individuals, involving the use of deception to obtain an unlawful advantage.</p> <p>Fraud can typically result in an actual or potential financial loss to any person or entity.</p> <p>Examples of fraud could include, but are not limited to:</p> <ul style="list-style-type: none"><li>• cyber attacks on LaunchVic’s information technology systems;</li><li>• misappropriation of funds, securities, stock, supplies or other assets including use of assets for private purposes;</li><li>• causing a loss to or creating a liability for LaunchVic by deception;</li><li>• impropriety in the handling or reporting of money or financial records;</li><li>• false invoicing for goods or services never rendered, or backdating agreements;</li><li>• submission of exaggerated or wholly fictitious accident, harassment or injury claims; and misuse of leave entitlements.</li></ul>