SCHWARZ

Family Practice

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Fraud Prevention Policy

This Fraud Prevention Policy applies to all Employees of the business.

The objective of the policy is to promote awareness of the risks and consequences of fraud.

The requirement is for all staff to comply with Fraud Prevention Policy.

Procedures (not required)

Purpose

The purpose of this Fraud Prevention Policy (the "Policy") is to establish and communicate a clear framework for the prevention, detection, and response to fraudulent activities within Schwarz Family Practice (the "Company"), an Australian business. This Policy aims to protect the Company's assets, reputation, and the interests of its stakeholders by promoting a culture of integrity, transparency, and ethical conduct.

Objective

The objectives of this Policy are:

- To promote awareness among employees, contractors, and stakeholders about the risks and consequences of fraud.
- To establish a robust system for the identification, assessment, and mitigation of fraud risks.
- To provide clear guidelines for the reporting and investigation of suspected fraudulent activities.
- To ensure the consistent application of appropriate disciplinary and legal actions against individuals involved in fraudulent activities.
- To maintain compliance with applicable Australian laws and regulations related to fraud prevention.

Definitions

Fraud: Any intentional act of deception or misrepresentation committed to obtain an unfair or unlawful advantage, resulting in financial loss, damage, or harm to the organization or its stakeholders.

Fraudulent Activities: Examples include theft, embezzlement, forgery, bribery, false accounting, unauthorised use or disclosure of confidential information, corruption, kickbacks, collusion, and any other dishonest or unethical conduct intended to deceive or manipulate for personal gain.

Policy Requirements

To achieve the objectives stated above, the Company has established the following requirements:

- **Fraud Risk Assessment:** The Company shall periodically conduct a comprehensive fraud risk assessment to identify and evaluate potential areas of vulnerability. This assessment will be used to inform the development and implementation of effective fraud prevention and mitigation strategies.
- **Fraud Awareness and Training:** The Company shall provide ongoing fraud awareness and training programs for employees and contractors, emphasizing the importance of ethical conduct, adherence to internal controls, and the consequences of fraudulent activities.
- **Prevention:** Code of Conduct outlines the guidelines that all employees, contractors, and stakeholders are expected to follow. The code outlines the expected standards of behaviour,

integrity, and ethical conduct. This includes guidelines on avoiding conflicts of interest, maintaining confidentiality, reporting suspicious activities, and protecting company assets.

- **Reporting Mechanisms:** We maintain a confidential and anonymous reporting mechanism, such as a whistleblower hotline or an email address, to encourage employees and stakeholders to report suspected fraudulent activities. Reports will be taken seriously, and appropriate action will be taken to investigate and address the allegations.
- **Investigation and Response:** When fraud is suspected or reported, the company will promptly initiate an investigation. This may involve internal resources or engaging external experts, depending on the nature and complexity of the alleged fraud. The investigation will be conducted impartially, thoroughly, and confidentially.
- **Disciplinary Actions:** If an employee or stakeholder is found guilty of fraud, appropriate disciplinary actions will be taken, which may include termination of employment, legal action, restitution, or other measures deemed necessary.
- **Reporting Obligations:** In cases involving significant fraud, we will comply with all legal and regulatory reporting requirements. This includes reporting to law enforcement agencies, regulatory bodies, and affected parties, as necessary.
- **Remediation and Recovery:** We will take steps to recover any losses incurred due to fraudulent activities. This may involve initiating legal proceedings, implementing stronger internal controls, reviewing, and enhancing policies and procedures, and providing additional training and awareness programs to prevent future occurrences.
- **Internal Controls:** The Company shall implement and maintain a robust system of internal controls designed to prevent and detect fraud, including but not limited to, segregation of duties, authorisation and approval processes, and regular monitoring and review of financial transactions.
- **Monitoring and Review:** The Company shall regularly review the effectiveness of its fraud prevention measures, making necessary improvements to enhance the overall effectiveness of the Policy. The results of these reviews will be reported to the Board of Practice Managers and senior management.
- **Compliance:** The Company shall comply with all relevant Australian laws and regulations related to fraud prevention, including the Corporations Act 2001, the Australian Securities and Investments Commission Act 2001, and the Criminal Code Act 1995, as well as any other applicable legislation.

By adhering to the requirements outlined in this Fraud Prevention Policy, Schwarz Family Practice demonstrates its commitment to fostering a culture of integrity, transparency, and accountability, thereby safeguarding the interests of its stakeholders, and upholding its reputation as a responsible and ethical Australian business.

The practice Manager is responsible for communicating the Fraud Prevention Policy to all persons working for or on behalf of the organisation and making it available to interested parties.