



# Fraud, Anti-Bribery & Corruption Policy

Owner	CFO
Application	SCA Property Group
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## 1. Purpose

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### 1.1 Responsibilities

The prevention, detection and reporting of fraud, bribery and other forms of corruption is the responsibility of all **Employees** (including contract or temporary employees), SCA's service providers, or those under SCA's control e.g. contractors.

## 2. What is fraud, bribery & corruption<sup>1</sup>?

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### 2.1 Fraud

Fraud is intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise).

In terms of employee fraud, key categories are: asset misappropriation; fraudulent accounting and financial reporting; and corruption<sup>2</sup>.

Examples of employee fraud include:

- creating "ghost" employees or not deleting ex-employee records and having the salary of these "ghost" employees paid into the fraudster's bank account
- creating bogus suppliers, with payment being made to the fraudster's bank account
- creating bogus purchase orders of a bona fide supplier and substituting the supplier's bank account details with fraudster's bank account details
- obtaining kickbacks or bribes from suppliers or contractors
- associates of the staff providing services to the business at inflated prices
- personal use of business resources
- inflated/bogus reimbursement claims
- manipulation of data to receive performance based bonuses
- falsifying time sheets
- private purchases through business accounts/business credit cards
- providing discounted (or free) goods or services to friends and associates.

### 2.2 Bribery

**Bribery** is the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for action which is illegal, unethical or breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.).

**Facilitation Payments** are small bribes made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement.

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<sup>1</sup> As defined by Transparency International

<sup>2</sup> <https://www.cpaaustralia.com.au/~media/corporate/allfiles/document/professional-resources/business/employee-fraud.pdf?la=en>

Under Australia's Commonwealth Criminal Code Act, in relation to bribing foreign officials:

- bribing a foreign public official is an offence if a connection to Australia is established; and
- it is an offence to make a false accounting document for the purpose of concealing or enabling bribes to a foreign public official.

Each Australian State and Territory has legislation criminalising the bribery of both public officials and private individuals.

SCA may be criminally liable for bribery committed by its Employees or agents.

Where directors have failed to take proper measures to prevent and detect bribery it may be a breach of their duties under the *Corporations Act 2001* (Cth).

Where a contract has been entered into as a result of bribery of an agent the contract may not be enforceable, even if a bribe is small in nature.

### 2.3 Corruption

**Corruption** is the abuse of entrusted power for private gain.

In most Australian States and Territories there are requirements to file returns or make public disclosure of donations in some circumstances.

In NSW, political donations from property developers are unlawful and persons who make a development application must disclose all reportable political donations.

## 3. SCA's Policy

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SCA strictly prohibits and does not condone any form of fraud, bribery or corruption.

Neither SCA nor its Employees are authorised to provide or receive anything of value specifically with the expectation of receiving a favourable decision or special treatment. This applies to SCA's dealings with other businesses and governments (whether local, state, federal or international).

Employees must not offer, give, authorise, request or receive "bribes", "secret commissions" or "kickbacks" in the form of money, gifts, preference, privilege or anything of value that alters or is intended to alter the behaviour of any recipient, including recipients acting in an agency or fiduciary capacity.

SCA will not offer facilitation payments.

Employees who breach this Policy or the law may face disciplinary action which could include dismissal.

### 3.1 Gifts and benefits

SCA Employees must not accept, directly or indirectly, payments, loan services, travel offers, gifts, entertainment or any other gratuities from any Provider<sup>3</sup> with which a Group company conducts or

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<sup>3</sup> A "provider" includes any supplier or company. Gifts/benefits from Providers that are controlled by a single ultimate parent or Providers that use the same brand should be aggregated for the purposes of applying this Policy. If you are unsure

may conduct business if they are likely to influence (or be perceived to influence) their judgement or choice of goods or services.

A bribe does not include gifts or benefits where the value would not reasonably be considered an inducement to act dishonestly and that are transparent.

Refer to the Code of Conduct for details of recording of gift/benefit and the making of donations.

### **3.2 Conflicts of Interest**

All Employees are expected to act in the best interests of the Unitholders and refrain from being placed in a position that could result in a conflict between personal activities, financial affairs and their responsibility owed to any of SCPRE, a Fund or Unitholders. All Employees as part of their induction process, are required to provide a declaration in relation to any conflicts of interest they may have. These declarations are updated on at least an annual basis or as a conflict arises in accordance with the Related Party Transactions & Conflicts of Interest Policy.

## **4. Duties and Responsibilities**

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### **4.1 Monitoring compliance**

SCA's CEO, CFO & General Counsel/Company Secretary, will monitor and ensure compliance with SCA's code of conduct and this Policy and will:

- Ensure sufficient resources are allocated at SCA to meet the organisational needs based on fraud risks;
- Establish and maintain an effective system for dealing with allegations of fraud, bribery and corruption
- Promote a culture and reporting mechanism which encourages staff to raise issues of legitimate concern
- Ensure that allegations of fraud, bribery or corruption are immediately notified to SCA's Protected Disclosure Committee to undertake and lead any investigation<sup>4</sup>, while retaining overall responsibility themselves
- Seek financial redress where SCA suffers a loss as a result of fraud, bribery or corruption
- Notify the ARMCC of any reports of fraud, bribery or corruption.

### **4.2 Managers**

Managers have an important role to play in informing staff of SCA's Code of Conduct and, in particular, expectations in relation to fraud and bribery, and must:

- Be aware of SCA's fraud and anti-bribery and corruption policy
- Ensure that internal controls are being complied with

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whether a Provider is controlled by a single ultimate parent refer the matter to your manager prior to accepting the gift/benefit.

<sup>4</sup> Refer to SCA's Whistleblower Policy for details

- Ensure that background, reference, bankruptcy and police checks are completed on all new employees
- Ensure that all staff complete required fraud, anti-bribery and corruption training
- Report any actual or suspected events of fraud or corruption without delay to SCA's 24hr "Your Call" Hotline<sup>5</sup>

#### 4.3 Employees

All staff must comply with all SCA processes and procedures to prevent fraud events and must:

- Seek advice from an appropriate manager where a colleague's behaviour is perceived to be in breach of SCA's Code of Conduct, and report any suspected corrupt, criminal or unethical conduct in accordance with the process set out in Appendix A of the Code of Conduct
- Protect the assets, including property and information, of SCA and its Unitholders
- Keep confidential any information relevant to an investigation of suspected fraud. Information may not be disclosed except for the purposes of an investigation and no information relating to an investigation can be disclosed to any person or organisation who may be implicated in the case
- Comply with all applicable laws and regulation relating to ethical business behaviour, procurement, personal expenses, conflicts of interest, confidentiality and the acceptance of gifts and hospitality
- Act in accordance with SCA's Code of Conduct.

#### 4.4 External Audit

SCA's Audit, Risk Management and Compliance Committee (**ARMCC**) undertakes an annual review with the external auditors to ensure that the external audit procedures are aimed at detecting material misstatements in SCA's financial statements, including due to fraud or error. If the external auditor detects any instances of fraud, bribery or corruption it must report back to the ARMCC.

### 5. Reporting & investigating suspicions of fraud, bribery & corruption

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Any person with a concern about fraud, bribery or corruption must at the earliest opportunity report it:

1. to SCA's 24 hr "Your Call" hotline on:
  - Telephone **1300 790 228**  
This is a free call telephone service within Australia and is available between 9am and 12 midnight, recognised business days, AEST; or
  - Website <https://www.yourcall.com.au/report>  
This option is available 24/7.

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<sup>5</sup> Refer to SCA's Whistleblower Policy for details

Any disclosure will be required to be entered using SCA's unique identifier code **SCA5**; or

2. in accordance with other reporting channels detailed in SCA's Whistleblower Policy.

The Whistleblower Policy is available at: <https://www.scaproperty.com.au/about/governance/>

Whilst staff would ordinarily report their concerns through their own line manager, to avoid the risk of an investigation unknowingly being compromised or that the extent of others' potential involvement may be unknown, staff are encouraged to report their concerns via the 24hr "Your Call" Hotline or the other avenues of reporting set out in the Whistleblower Policy.

Investigations of concerns about fraud, bribery or corruption will be undertaken in accordance with the investigation process set out in the Whistleblower Policy.

## 6. How does SCA manage fraud, bribery & corruption?

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Internal controls at SCA forming part of the risk framework to prevent fraud, bribery & corruption include:

- Policies & visible support from the "top" articulating the importance of preventing fraud, bribery & corruption
- Separation of financial duties
- Asset register reconciliations and separation of duties
- Bank account reconciliations
- Insider trading policy
- Managerial messages about intolerance of fraudulent or rogue behaviour where controls are bypassed or over-ridden
- Protections offered to whistleblowers
- Financial management policies
- Delegations of authority
- Risk assessments to identify and evaluate exposure to fraud, bribery & corruption
- Quarterly & annual monitoring of service provided by key service providers
- Pre-employment screening
- Provision of training on relevant policies
- Due diligence on service providers

## 7. Related policies

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- Code of conduct
- Related party transactions & conflicts of interest
- Outsourcing policy
- Supplier code of conduct
- Whistleblower policy