

Prevention of Financial Wrongdoing

POLICY NAME	Prevention of Financial Wrongdoing
REFERENCE NUMBER	8-SI-PO-3
POLICY OWNER	SI CFO
POLICY APPROVER	SI Board
RESPONSIBLE COMMITTEE	Finance and Risk Committee
RELATED POLICIES	Financial Management Acceptance of Donations Procurement SB Finance Policy Duality of Interest Anti-Corruption Whistle Blower Complaints Handling Transparency
RELATED DOCUMENTS	SB Finance Procedures Risk Register Procurement Australian Procedures
ACFID CODE REFERENCE	8.2.1
APPROVAL DATE	20/08/2022
REVIEW DATE	20/08/2025

1 PURPOSE

Symbiosis International (SI) has responsibility to act as a good steward in sourcing funds and dispersing the funds for the benefit of its beneficiaries. Funds are to be used only for appropriate purposes and are to comply with all laws, regulations and responsibilities. SI does not condone or engage in fraud, corruption, money laundering and the finance of terrorism.

2 SCOPE

Symbiosis International, its board, staff and volunteers commit to this policy. Contractors and partner organisations are required to adhere to the principles articulated in this policy.

3 POLICY STATEMENT

It is the responsibility of all SI personal to be part of prevention, detection and reporting of financial wrongdoing. For the purpose of this policy, financial wrongdoing is defined as deliberate appropriation, direction or use of SI financial resources for any purpose other than that for which those resources have been allocated or approved. This may include, but is not limited to:

- fraud,
- corruption including bribery,
- money-laundering,
- terrorism financing and
- violation of sanctions

In this regard, SI will comply with the Australian Charities and Not-for-profit Commission's External Conduct Standards 1 - Activities and control of resources, 2 - Annual review of overseas activities and record-keeping and 3 - Anti-fraud and anti-corruption.

- 3.1 Counter Terrorism - SI will not knowingly provide funds to terrorism linked organisations or individuals. SI will undertake checks of potential partners (including key individuals in key partner organisations) and checks against all Bangladesh affiliated organisations or individuals on the Criminal Code list of terrorist organisations and the DFAT consolidated list of individuals and entities subjected to targeted financial sanctions.
- 3.2 Money Laundering - SI will comply with Australian and international regulations and procedures to prevent the money laundering.
- 3.3 Fraud - SI maintains financial management procedures, including internal and external auditing, to minimise the risk of fraud either within the organisation or between representatives of SI and external parties.

- 3.4 Investigations - Investigation and reporting of suspected financial wrongdoing will be according to the whistle blower and complaints handling policies.
- 3.5 Discipline - Financial wrongdoing by a member of staff may be grounds for disciplinary action. Where the financial wrongdoing contravenes criminal codes, SI will report the wrongdoing to the appropriate authorities.
- 3.6 Partners - This policy is to be extended to partners via an MoU. However, Due Diligence of Partners & MoU with partners are not a large part of the SI prevention of financial wrongdoing strategy, as SI undertakes most of its overseas activities via its own overseas divisions and subsidiaries rather than independent implementation partners.

4 Financial Risk Management

SI maintains a Risk register which is reviewed by the board from time to time, with involvement from key stakeholders including key Australian and Bangladeshi staff. It is ultimately the board's responsibility to ensure that appropriate controls are in place to eliminate or minimise risk.

SI acknowledges that it operates in diverse risk environments. It raises funds in developed countries (primarily Australia) which have a comparatively stable and modern financial system with limited cash economy. It operates to assist beneficiaries in developing countries (namely, Bangladesh) which have less developed financial systems and large cash economies. The organisational principles and policies governing finances apply across all environments SI operates but there is greater detail of the procedures used in Bangladesh compared to Australia. In the case of Bangladesh, finance operations have a detailed manual.

SI acknowledges that:

- Bangladesh is a country in which culture, relationships, commitment and respect are very important; and
- formal policies and procedures need the backing of the everyday values of honesty, integrity and transparency.

5 Role of Relationships

SI seeks to ensure that informal practices and formal policies and procedures are mutually reinforcing. As Symbiosis Bangladesh is the internal implementing division for SI, the close and long held personal relationships with key Symbiosis staff underpins the subjective qualities of honesty, transparency and especially integrity.

Another significant reinforcing mechanism are regular site visits and spot checks by both Bangladesh and expatriate (typically staff or Directors) personnel. These

consist of a mix of informal checking and formal internal audits on a regular basis.

Regular meetings (at least every 2 weeks) are held via electronic / online means between senior management from Australia and Bangladesh. These meetings cover a variety of topics and reinforce the relational underpinning. When regular site visits by expatriate personnel is not possible for extended periods eg during a global pandemic, more frequent online meetings are held.

Historically, risk management in the organisation has been very relationships focused. However, as the risk management program is slowly maturing over time, efforts are being made to introduce greater systematisation.