

## PURPOSE

The purpose of this policy is to:

- provide a clear statement that Fraud and Corruption (including bribery) will not be tolerated; and
- provide an overview of the Energy Queensland group of companies' (EQL) Fraud and Corruption Prevention framework.

This policy is fundamental to EQL being a safe, secure and sustainable organisation.

## POLICY STATEMENT

EQL has zero tolerance for Fraud or Corruption.

EQL is committed to promoting and achieving an ethical and transparent culture of integrity and best practice governance. Fraud and Corruption are incompatible with this culture and present a risk to the achievement of EQL's strategic objectives. EQL is committed to preventing, identifying and addressing Fraud and Corruption by raising awareness of Fraud and Corruption risks and implementing controls aimed at reducing the opportunity to commit Fraud or Corruption and increasing the likelihood of Fraud or Corruption being detected.

All allegations of Fraud or Corruption are treated seriously, investigated and appropriate action taken. EQL will notify and refer suspected or actual instances of Fraud or Corruption to the appropriate authorities as required. EQL does not tolerate victimisation or reprisals against persons who report suspected Fraud or Corruption.

## IMPLEMENTATION

### Scope

It is a fundamental principle of Energy Queensland Limited that all its business affairs should be conducted legally, ethically and with strict observance of the highest standards of integrity and propriety. EQL's Codes of Conduct set out the ethical values and the personal standards of behaviour expected. The EQL's Codes of Conduct provide, amongst other things, that we act with honesty, integrity and transparency, as this cultivates the trust of our customers, colleagues and the community.

This policy applies across EQL to directors, officers, employees, contractors and service providers (where applicable) and any other person notified that this policy applies to them.

### Principles

In alignment with the Crime and Corruption Commission's 'Fraud and Corruption Control: Best Practice Guide' (2018) and EQL's SKILLED values, EQL's Fraud and Corruption Prevention framework (comprising this Policy, the EQL Fraud and Corruption Prevention Strategy and the EQL Fraud and Corruption Prevention Plan) is based on the following principles:

#### 1. Leadership

Leadership at all levels demonstrate a commitment to, and promotion of, integrity, ethics and behaviour compliant with the EQL Codes of Conduct, this policy and anti-corruption legislation. Reporting instances (or suspected instances) of Fraud and Corrupt Conduct is supported and encouraged across all levels of EQL.

## 2. Awareness

EQL has internal controls, systems, processes, tools, education, training and awareness-raising activities to support a fraud-resistant culture at EQL. EQL promotes its mechanisms for reporting (and may be anonymous) suspected Fraud and Corruption including an externally administered confidential disclosure line (EQL's 24/7 Integrity Line 1800 822 965, [energyqintegrity@deloitte.com.au](mailto:energyqintegrity@deloitte.com.au) or via the online portal). Personnel who report Fraud and Corruption, or provide assistance in a Fraud and/or Corruption investigation, are supported and protected.

## 3. Integration

EQL identifies, assesses and mitigates its Fraud and Corrupt Conduct risks. EQL identifies, designs and implements controls to prevent, detect, investigate instances of Fraud and Corrupt Conduct and take appropriate action in response to allegations of Fraud and Corruption. These controls are integrated across business functions and day-to-day operations and include this policy, EQL's risk management framework, EQL's Compliance Management Policy, reporting mechanisms and processes, protections for disclosers, investigation procedures and EQL's Codes of Conduct which set the standards for ethical behaviour.

## 4. Evaluation

The adequacy, effectiveness and efficiency of Fraud and Corruption controls are evaluated annually and improved (where necessary). Any systemic issues and trends are identified and improved. Emerging risks are identified, reported, evaluated and appropriate action taken to implement suitable controls. Learnings are shared (where appropriate) to facilitate continuous improvement.

### **Responsibility and Accountability**

Fraud prevention and upholding the standards of behaviour detailed in EQL's Codes of Conduct are everyone's responsibility. Energy Queensland expects all directors, officers, employees, contractors and service providers across the EQL Group to:

- Perform their duties with honesty, integrity and in an ethical manner; and
- Report fraudulent or corrupt activity if they see it or suspect it.

Specific roles and responsibilities are set out in the table in **Annexure A**.

## **REFERENCES**

P001. Director Code of Conduct (Policy)

P004. Employee Code of Conduct (Policy)

P006. Employee Entertainment, Hospitality and Gifts (Policy)

P015. Compliance Management (Policy)

P043. Risk Management and Resilience (Policy)

P047. Public Interest Disclosure (Policy)

*AS 8001-2008 for Fraud and Corruption Control*

*AS/NZS ISO 31000:2009 for Risk Management – Principles and guidelines*

*Crime and Corruption Act 2001 (Qld)*

*Criminal Code Act 1899 (Qld)*

*Public Interest Disclosure Act 2010 (Qld)*

*Crime and Corruption Commission (CCC) publication (2018) 'Fraud and Corruption Control: Best Practice Guide'*

## DEFINITIONS

<b>Fraud</b>	Fraud is dishonest activity causing actual or potential loss to any person or entity and is normally characterised by deliberate deception. Common examples include theft of moneys, intellectual property or other assets by personnel or persons external to EQL, false invoicing and release or use of misleading or inaccurate information.
<b>Corruption or Corrupt Conduct</b>	Corruption (also 'Corrupt Conduct') is defined in the <i>Crime and Corruption Act 2001 (Qld)</i> and involves a breach of trust in the performance of official duties. Common examples of corrupt conduct include fraud and theft, extortion, unauthorised release of information, obtaining or offering a secret commission (bribe) and nepotism (awarding jobs to friends or relatives).
<b>Personnel</b>	Directors, officers, employees, contractors and agents of EQL.
<b>This policy</b>	This policy and any related documents.

## ENFORCEMENT

Reporting Fraud and Corruption is everyone's responsibility. Reports of a frivolous or vexatious nature are not consistent with this policy or the EQL Codes of Conduct.

A breach of this policy may also breach the *Public Interest Disclosure Act 2010 (Qld)*, *Crime and Corruption Act 2001 (Qld)* or other legislation and regulations (including being an offence under the *Criminal Code Act 1899*) and should be reported to your line manager (i.e. direct supervisor, workgroup manager or the Chief Executive Officer) if appropriate and if not, to another manager, the General Manager – Risk, Compliance, Integrity and Resilience, General Manager – Internal Control and Audit, General Counsel or the Company Secretary.

Fraud or Corruption may result in disciplinary action (including termination) and/or criminal or civil prosecution.

## VARIATION

This policy is not intended to detract from, or add to, any rights held by a person covered by this policy under a contract of employment or enterprise agreement. Subject to any consultation obligations, EQL may vary, add to, withdraw, or replace this policy, at its discretion, at any time.

## CATEGORY

Governance

# FRAUD AND CORRUPTION PREVENTION POLICY



## Annexure A – Roles & Responsibilities

The table below sets out specific roles and responsibilities for Fraud and Corruption Prevention. These responsibilities are in addition to those that apply to everyone as set out in the policy.

Division/Position	Responsibility
Board	Retains ultimate accountability for the EQL Fraud and Corruption Prevention framework. Oversees, reviews and ensures the effectiveness of the EQL Group’s fraud and corruption prevention.
Audit Committee	Assists the Board (as outlined in the Audit Committee Charter) in fulfilling its oversight of the EQL Fraud and Corruption Prevention framework, assess and review complaints of corrupt conduct to the CCC and ensuring compliance with public interest disclosure requirements.
Risk and Compliance Committee	Assists the Board (as outlined in the Risk and Compliance Committee Charter) in fulfilling its oversight responsibility of the EQL Risk Management and Resilience Policy and framework and EQL Compliance Management Policy and framework.
CEO	<p>Accountable to the Board for fraud and corruption prevention including:</p> <ul style="list-style-type: none"> <li>• Responsibility for ensuring appropriate governance mechanisms and fraud control frameworks are in place and operating as designed</li> <li>• Endorsing and supporting EQL’s Fraud and Corruption Prevention Policy and Plan</li> <li>• Appointing and retaining adequate resources with the skill, authority and capacity to act independently to investigate suspected fraud or corruption</li> <li>• Encouraging everyone across the EQL Group to carry out their duties in an ethical and responsible manner, protecting the community interest and the organisation’s integrity</li> </ul> <p>The CEO is the Responsible Person for the purposes of Crime Corruption Commission reporting obligations.</p>
Executive General Managers	<p>Each Executive General Manager is responsible for:</p> <ul style="list-style-type: none"> <li>• Supporting the implementation of EQL’s Fraud and Corruption Prevention Policy</li> <li>• Promoting sound fraud risk management practices within all activities for which they are responsible</li> <li>• Encouraging everyone across the EQL Group to carry out their duties in an ethical and responsible manner, protecting the community interest and the organisation’s integrity</li> </ul>

# FRAUD AND CORRUPTION PREVENTION POLICY



<p>Chief Risk Officer</p>	<p>Accountable for:</p> <ul style="list-style-type: none"> <li>ensuring Personnel are trained on EQL's Fraud and Corruption Prevention Policy and relevant legislations, codes and guidelines;</li> <li>Overseeing the development, implementation and communication of the Fraud and Corruption Prevention Policy and the Fraud and Corruption Prevention Strategy to ensure that fraud and corruption risks are adequately identified, mitigated and reported to the Risk and Compliance Committee and/or the Audit Committee.</li> </ul>
<p>General Manager Risk, Compliance, Integrity and Resilience</p>	<p>Responsible for:</p> <ul style="list-style-type: none"> <li>developing and implementing the Fraud and Corruption Prevention Plan,</li> <li>advising and making recommendations to support the CEO in discharging external reporting obligations in relation to allegations or findings of Fraud or Corrupt Conduct;</li> <li>Following receipt of authority from the CEO (unless the allegation/s involve the CEO), externally reporting Fraud or Corrupt Conduct in accordance with the <i>Crime and Corruption Act</i>;</li> <li>developing, implementing, reviewing and managing the EQL Group's Fraud and Corruption Prevention Strategy and the Fraud and Corruption Prevention Policy. The EQL Fraud and Corruption Prevention Policy is to be reviewed, as a minimum, every two years; and</li> <li>developing, implementing, communicating and improving supporting Fraud and Corruption investigation and internal and external reporting protocols.</li> </ul> <p>For the purposes of fraud and corruption prevention, investigation and reporting, the General Manager – Risk, Compliance, Integrity and Resilience, has the support of the Board and the CEO to access:</p> <ul style="list-style-type: none"> <li>all levels of the EQL Group, including access to the Chair of the Board, Audit Committee and Risk and Compliance Committee Chair, Executive General Managers and General Managers; and</li> <li>all documents, information and data needed to support fraud and corruption prevention, investigation and reporting.</li> </ul>
<p>General Manager Internal Control and Audit</p>	<p>Responsible for performing periodic audits of EQL's Fraud and Corruption Prevention Plan, including:</p> <ul style="list-style-type: none"> <li>Testing fraud prevention and detection controls; and</li> <li>Forensic data analysis.</li> </ul>

# FRAUD AND CORRUPTION PREVENTION POLICY



<p>General Managers, Managers and Supervisors</p>	<ul style="list-style-type: none"><li>• Supporting EQL's Fraud and Corruption Prevention Policy and Plan</li><li>• Promoting sound fraud risk management practices within all activities for which they are responsible</li><li>• Encouraging everyone across the EQL Group to carry out their duties in an ethical and responsible manner, protecting the community interest and the organisation's integrity</li><li>• Ensuring the effective operation of preventative and detective controls to minimise the opportunity for fraud in their areas.</li></ul>
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