

## Fraud Risk Management Policy

The Directors of Stubbs Constructions have ultimate responsibility for the prevention and detection of fraud and are responsible for ensuring that appropriate and effective internal control systems are in place. The purpose of this policy is to:

- ensure that all parties are aware of their responsibilities for identifying exposures to fraudulent activities and for establishing controls and procedures for preventing such fraudulent activity and/or detecting such fraudulent activity when it occurs;
- provide guidance to employees as to what action should be taken where they suspect any fraudulent activity;
- provide a clear statement forbidding any illegal activity, including fraud; and
- provide assurance that any and all suspected fraudulent activity will be fully investigated.

All managers must ensure that there are mechanisms in place within their area of control to:

- assess the risk of fraud;
- educate employees about fraud prevention and detection;
- facilitate the reporting of suspected fraudulent activities;
- all employees share in the responsibility for the prevention and detection of fraud in their areas of responsibility and must report any suspected fraud to senior management. Any employee who suspects fraudulent activity must immediately notify senior management; and
- a fraud by any employee may constitute grounds for instant dismissal.

All complaints of suspected fraudulent behaviour will be investigated, whilst also providing protection of those individuals making the complaint and natural justice to those individuals being the subject of any such complaint. Where a prima facie case of fraud has been established the matter shall be referred to police. Any action taken by police shall be pursued independently of any employment-related investigation by the organisation.

Fraud prevention accounting procedures shall be incorporated in the organisation's procedures related to cash management, credit card use, commercial transactions and investments. Recruitment strategies shall incorporate fraud prevention. Applicants may be required to undergo police checks where required by the duties of the position, or as directed by management. Previous employers and referees shall be contacted. Transcripts, qualifications, publications and other certification or documentation shall be validated.

A handwritten signature in black ink, appearing to read 'Wayne Licht', is positioned above the printed name and title.

Wayne Licht  
**Managing Director**  
**Stubbs Constructions Pty Ltd**

Date: 30 June 2022

Review Date: 30 June 2024