

FRAUD POLICY

1. PURPOSE

The purpose of Oceania Healthcare Limited's ("**Oceania Healthcare's**") Fraud Policy ("**Policy**") is to:

- (a) identify the risk of any potential for fraud;
- (b) facilitate the prevention of fraud;
- (c) set out Oceania Healthcare's attitude to fraud;
- (d) outline the obligations for reporting any suspected fraud; and
- (e) establish protocols around the maintenance of reports, records and communication in the event of fraud.

2. WHO IS THIS POLICY APPLICABLE TO?

This Policy is applicable to the Board, all employees, consultants and contractors of Oceania Healthcare and its subsidiaries ("**Employees**"), in connection with any allegation or instance of fraud.

3. SCOPE

Fraud is any dishonest act or omission, deception or false representation by means of a statement or conduct, that causes loss to Oceania Healthcare or results in any unauthorised benefit or advantage gained, whether to the person responsible for the act or omission or to a third person. Fraud includes but is not limited to the following examples:

- (a) misappropriation of what rightfully belongs to Oceania Healthcare;
- (b) forgery or alteration of documentation, computer files or data, including the intentional misrepresentation of financial or personal information, and this includes intentionally failing to update records or documentation, to maintain their accuracy;
- (c) theft of cash or property (including intellectual property);
- (d) diversion of payments, including forgery or alteration of any cheque, bank draft or any other financial instrument;
- (e) attempting to procure payment by sending false invoices for payment;
- (f) accepting or seeking for personal gain anything of value from contractors, vendors or other suppliers providing material or services to Oceania Healthcare, except as permitted under any other Oceania Healthcare policy;
- (g) use of Oceania Healthcare's assets, property (including intellectual property), equipment, materials or records for personal advantage or gain;



- (h) submitting personal expense claims for reimbursement of expenses not incurred for the benefit of Oceania Healthcare;
- (i) falsification of time records or authorising or receiving payment for time not worked;
- (j) provision of Oceania Healthcare's confidential information to a third party;
- (k) failure to disclose conflicts of interest;
- (l) accessing customer accounts inappropriately;
- (m) use of a corporate credit card or fuel card for personal expenses;
- (n) identity theft, accessing a computer for dishonest purposes or any other security breach;
- (o) altering, or making misrepresentations or omissions in, Oceania Healthcare's financial statements or accounting records, or in relation to any other financial transaction;
- (p) collaborating with a third party to commit an act of fraud; or
- (q) bribery or coercion.

The above examples are indicative only and may also fall within the scope of other Oceania Healthcare policies.

4. OCEANIA HEALTHCARE'S EXPECTATIONS OF ITS EMPLOYEES

4.1 Oceania Healthcare's Attitude to Fraud:

- (a) Oceania Healthcare values the integrity of its Employees and relies on Employees to act at all times in an ethical and honest manner (see Code of Values and Conduct).
- (b) Fraudulent behaviour or the concealment of fraudulent behaviour is not acceptable at Oceania Healthcare.
- (c) All allegations of fraud will be investigated and may be reported to the New Zealand Police and/or other appropriate agencies.
- (d) All Employees are expected to be vigilant in the identification of fraud and have a responsibility to Oceania Healthcare to help in the prevention and detection of fraud.

4.2 Where an Employee Suspects Fraud:

- (a) Any Employee who is aware of or suspects fraudulent behaviour must promptly report such behaviour.
- (b) Any suspicion or allegation of fraud must be reported to the Chief Executive Officer, unless the suspicion or allegation of fraud relates to the Chief Executive Officer, in which case it should be reported to the Chair of the Board.
- (c) Managers advised of any allegation of fraud, must treat the allegation seriously and inform the Chief Executive Officer, unless the allegation of fraud relates to the Chief Executive Officer, in which case it should be reported to the Chair of the Board.



- (d) An Employee who in good faith reports an allegation of fraud, will not be threatened, intimidated or dismissed by Oceania Healthcare for doing so.
- (e) Fraud is a 'serious wrongdoing' within the meaning of the Protected Disclosures Act 2000. Any Employee reporting a suspected fraud and wanting their disclosure to be protected under the Protected Disclosures Act 2000, must, in accordance with that Act, invoke the protection provisions granted to a person making a disclosure of a serious wrongdoing.

4.3 Investigating Allegations of Fraud:

- (a) Subject to the requirements of an investigation, Management will treat all allegations of fraud seriously and in confidence.
- (b) The Chief Executive Officer is responsible for initiating an investigation into the alleged fraud, unless the allegation of fraud relates to the Chief Executive Officer, in which case the investigation should be initiated by the Chair.
- (c) Depending on the nature and seriousness of the alleged fraud, an investigation may require consultation or engagement with other persons, such as technical experts or forensic accountants, Oceania Healthcare's auditors and external agencies (such as the New Zealand Police or the Serious Fraud Office).
- (d) Oceania Healthcare regards all correspondence and records of correspondence such as, but not limited to, emails, letters, phone calls and text messages or other social media made during the normal course of business as an Employee of Oceania Healthcare or using Oceania Healthcare property, as belonging to Oceania Healthcare.
- (e) Any data, record or property belonging to Oceania Healthcare may be examined as part of any fraud investigation process, including the authority to examine, copy and remove records and data, without prior knowledge or consent of any Employee who may have custody of such items.
- (f) An allegation of fraud may give rise to serious employment or criminal legal issues and accordingly every care should be taken to ensure evidence is obtained, investigation records maintained and that internal and external communications are conducted in a manner that does not compromise the proper resolution of the investigation.
- (g) The Legal Counsel will maintain a register and record of all reports of alleged fraud and the process and outcome of each fraud investigation.

4.4 Disciplinary Action Following Fraud and Recovery of Loss:

- (a) Any Employee who commits fraud against Oceania Healthcare will be subject to disciplinary action, which may include termination of employment.
- (b) Oceania Healthcare may report any Employee who is suspected of committing fraud to the New Zealand Police or any other relevant authority.
- (c) Oceania Healthcare will seek repayment of losses incurred as a result of fraud wherever possible and practicable.

4.5 Responsibility for Identification and Prevention of Fraud:



- (a) The primary means to prevent or minimise the risk of fraud is by the implementation and continued operation of systems of internal control, supported by written policies, standards and procedures. These controls include, but are not limited to, segregation of duties, appropriate delegations and authorisation levels, active risk management assessment and monitoring through internal audit, financial planning, budgeting, reporting and monitoring.
- (b) All Employees have a responsibility to adhere to Oceania Healthcare's systems of internal control.
- (c) Managers must ensure all Employees are aware of the existence and reasons for such controls and the expectation that they will be complied with.
- (d) Managers must familiarise themselves with the types of improprieties that might occur in their areas of responsibility and be alert for any indication of irregularity.
- (e) Following the completion of any investigation into a suspected fraud, where any lesson, improvements or additional controls are identified, that could warn against or prevent or minimise future fraudulent behaviour, Managers, in consultation with the Chief Executive Officer, will take steps to adopt and communicate any recommendations as appropriate.

4.6 Governance Reporting:

- (a) The Chief Executive Officer is responsible for reporting all instances of fraud to the Audit Committee and the Board at least quarterly.
- (b) The Legal Counsel is responsible for ensuring all instances of fraud are reported to Oceania Healthcare's insurers and external auditors.
- (c) The Chief Executive Officer will report all instances of fraud or allegations of fraud, likely to give rise to media attention or involving potential loss over \$50,000 to the Board as soon as practicable.

4.7 Communications in Connection with Fraud:

All internal and external communication arising in connection with any allegation or instance of fraud will be managed by the Chief Executive Officer in conjunction with the Legal Counsel, subject to any specific communication protocols established for any particular allegation or instance of fraud.

4.8 Exceptions to This Policy:

Departures from the reporting lines set out in this policy will be made only in the event the person to whom a report or disclosure is to be made is the subject of the allegation. In such an event any allegation should be reported to another senior manager, the Chief Executive Officer, Chair or other Directors as appropriate.

5. REFERENCES

Other relevant policies:

- Remuneration Committee Charter;
- Audit Committee Charter;



- Code of Values and Conduct; and
- Trading in Company Securities Policy.

6. REVIEW

This Policy was reviewed by the Board in December 2020 and will be reviewed every 24 months.



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