

CR009 POLICY ON FRAUD AND RESPONSIBILITIES

Introduction

Like all organisations, Virtua is faced with risks from wrongdoing, misconduct, dishonesty and fraud. As with all business exposures, we must be prepared to manage these risks and their potential impact in a professional manner.

The impact of misconduct and dishonesty may include:

- the actual financial loss incurred
- damage to the reputation of our organization and our employees
- negative publicity
- the cost of investigation
- loss of employees
- loss of customers
- damaged relationships with our contractors and suppliers
- litigation
- damaged employee morale

Our goal is to establish and maintain a business environment of fairness, ethics and honesty for our employees, our customers, our suppliers and anyone else with whom we have a relationship. To maintain such an environment requires the active assistance of every employee and manager every day.

Our organization is committed to the deterrence, detection and correction of misconduct and dishonesty. The discovery, reporting and documentation of such acts provides a sound foundation for the protection of innocent parties, the taking of disciplinary action against offenders up to and including dismissal where appropriate, the referral to law enforcement agencies when warranted by the facts, and the recovery of assets.

Purpose

The purpose of this document is to communicate company policy regarding the deterrence and investigation of suspected misconduct and dishonesty by employees and others, and to provide specific instructions regarding appropriate action in case of suspected violations.

Definition of Misconduct and Dishonesty

For purposes of this policy, misconduct and dishonesty include but are not limited to:

- Acts which violate the organization's Code of Conduct

- Theft or other misappropriation of assets, including assets of the company, our customers, suppliers or others with whom we have a business relationship
- Misstatements and other irregularities in company records, including the intentional misstatement of the results of operations
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties
- Forgery or other alteration of documents
- Accepting or seeking anything of value from contractors, vendors, or other persons providing services/materials to the company.
- Fraud and other unlawful acts
- Any similar acts.

The company specifically prohibits these and any other illegal activities in the actions of its employees, managers, executives and others responsible for carrying out the organization's activities.

Policy and Responsibilities

Reporting

It is the responsibility of every employee, supervisor, manager and executive to immediately report suspected misconduct or dishonesty to their supervisor. Supervisors, when made aware of such potential acts by subordinates, must immediately report such acts to their supervisor. Any reprisal against any employee or other reporting individual because that individual, in good faith, reported a violation is strictly forbidden.

Due to the important yet sensitive nature of the suspected violations, effective professional follow up is critical. Managers, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstances perform any investigative or other follow up steps on their own. Concerned *but uninformed* managers represent one of the greatest threats to proper incident handling. All relevant matters, including suspected but unproved matters, should be referred immediately to those with follow up responsibility.

Additional Responsibilities of Supervisors

All employees have a responsibility to report suspected violations.

However, employees with supervisory and review responsibilities at any level have additional deterrence and detection duties. Specifically, personnel with supervisory or review authority have three additional responsibilities.

First, you must become aware of what can go wrong in your area of authority.

Second, you must put into place and maintain effective monitoring, review and control procedures that will prevent acts of wrongdoing.

Third, you must put into place and maintain effective monitoring, review and control procedures that will detect acts of wrongdoing promptly should prevention efforts fail.

Authority to carry out these three additional responsibilities is often delegated to subordinates. However, accountability for their effectiveness cannot be delegated and will remain with supervisors and managers.

Assistance in effectively carrying out these responsibilities is available upon request through the Finance and HR department.

Questions or Clarifications Related to This Policy

All questions or other clarifications of this policy and its related responsibilities should be addressed to Human Resources Finance Director, who shall be responsible for the administration, revision, interpretation, and application of this policy.

Approval



(Finance Director)

11/08/2022

Date

=====

Acknowledgment

My signature signifies that I have read this policy and that I understand my responsibilities related to the prevention, detection and reporting of suspected misconduct and dishonesty.

I further acknowledge that I am not aware of any activity that would require disclosure under this or other existing company policy or procedure statements.

Signature: _____

Print Name: _____

Date signed: _____



POSSIBLE ADDITIONAL CONTENT - INCIDENT FOLLOW UP

Reported Incident Follow Up Procedure

Care must be taken in the follow up of suspected misconduct and dishonesty to avoid acting on incorrect or unsupported accusations, to avoid alerting suspected individuals that follow up and investigation is underway, and to avoid making statements which could adversely affect the company, an employee, or other parties.

Accordingly, the general procedures for follow up and investigation of reported incidents are as follows:

1. Employees and others must immediately report all factual details as indicated above under Policy.
2. The Finance and HR department has the responsibility for follow up and, if appropriate, investigation of all reported incidents.
3. All records related to the reported incident will be retained wherever they reside.
4. Do not communicate with the suspected individuals or organisations about the matter under investigation.
5. In appropriate circumstances and at the appropriate time, Finance or HR department will notify the officer of the employee's organization.
6. The Finance Director will also notify the Managing Director - Internal Audit of all reported incidents so that it may be determined whether this matter should be brought to the attention of the legal authorities.
7. The Finance department may also obtain the advice of a legal department at any time throughout the course of an investigation or other follow up activity on any matter related to the report, investigation steps, proposed disciplinary action or any anticipated litigation.
8. Neither the existence nor the results of investigations or other follow up activity will be disclosed or discussed with anyone other than those persons who have a legitimate need to know in order to perform their duties and responsibilities effectively.
9. All inquiries from an attorney or any other contacts from outside of the company, including those from law enforcement agencies or from the employee under investigation, should be referred to the legal department.

Investigative or other follow up activity will be carried out without regard to the suspected individual's position, level or relationship with the company.

POSSIBLE ADDITIONAL CONTENT -AUTHORITY FOR INVESTIGATION

Responsibility and Authority for Follow Up and Investigation

The Finance and HR department has the primary responsibility for all investigations involving the company and all subsidiaries. They may request the assistance of internal audit in any investigation, including access to internal audit's periodic examinations and evaluations of internal controls.

Properly designated members of the investigative team will have:

- * free and unrestricted access to all company records and premises, whether owned or rented

- * The authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities (whether in electronic or other form) without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of investigative or related follow up procedures.

All investigations of alleged wrongdoing will be conducted in accordance with applicable laws and company procedures.