

# Prevention of Terrorism Financing Policy

## 1. INTRODUCTION

Hagar Australia condemns all forms of violence against civilians, including terrorism, and is committed to taking essential measures to prevent the financing or support of terrorism or terrorist organisations. We understand that terrorists and terrorist organisations often target development and humanitarian non-government organisations (NGOs) to manipulate and misappropriate resources to finance their operations. We understand that this misappropriation can have serious consequences for NGOs and their Boards, including criminal penalties. We acknowledge that the two main ways terrorist and terrorist organisations can redirect resources away from an organisation's legitimate development activities are through the fraudulent collection of monies (including commingling and/ or interception of funds) and infiltration of an NGO (without the knowledge of staff or donors). As a result, Hagar Australia is committed to promoting and adhering to the highest standards of corporate governance, public accountability and financial management in its operations and programs.

Hagar Australia acknowledges its legal responsibility to ensure assets<sup>1</sup> are used for their intended development and humanitarian purposes, along with a duty of care to respect, protect and fulfil the rights of the affected communities it seeks to serve with the highest ethical standards in the implementation of its programs.

## 2. PURPOSE

This policy is intended to:

- ensure Hagar Australia acts in accordance with Australian legislation and guidance, and international treaties regarding prevention of terrorism financing
- provide guidance to all Hagar Australia personnel on understanding their responsibilities regarding the prevention of terrorism financing including management of the risk of terrorism financing occurring in the course of Hagar Australia work.

## 3. SCOPE

This policy applies to:

- Hagar Australia personnel (as defined)
- Contractors engaged by Hagar Australia,
- Hagar Australia-funded partners (as defined)

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<sup>1</sup> This includes funds, assets and other resources.

Hagar Australia management will take steps to ensure that all Hagar Australia personnel, contractors and partners are made aware of their obligations under this policy.

#### 4. PRINCIPLES

This policy is underpinned by three principles:

- 1) *Zero tolerance of inaction:* The financing of terrorism is illegal and accordingly Hagar Australia will not tolerate the financing of terrorism in any aspect of its operations. In this policy, Hagar Australia defines zero tolerance as acting on every allegation in a fair and reasonable way with due regard for procedural fairness.
- 2) *Preventing terrorism financing is a shared responsibility:* Hagar Australia recognises that all organisations, including those in partnership with Hagar Australia, have a collective responsibility to build capacity to deal sensitively and effectively with terrorism financing wherever there are opportunities for it to occur. Hagar Australia requires the commitment, support and investment of its partners for this policy to be effective.
- 3) *Stronger reporting will enhance accountability and transparency:* Hagar Australia supports strengthened reporting mechanisms in order to better monitor financial transactions, understand risks, improve assurance, and work with organisations to improve systems and controls accordingly.

#### 5. RISK AND RISK MANAGEMENT CONTROLS

##### *Risk Assessment*

Hagar Australia understands that assessing risk and designing appropriate mitigation strategies is a vital part of preventing terrorism financing. To mitigate the possibility of terrorism financing occurring, Hagar Australia will proactively assess its own organisational risks and manage its projects to ensure that activities are being carried out as intended; as well as providing support to its partners.

Hagar Australia will assess the level of partner risk, taking into consideration Hagar International (HI) support, using the following guide:

<b>Low Risk</b>	<b>Medium Risk</b>	<b>High Risk</b>
Close project oversight: <ul style="list-style-type: none"> <li>• HI Program Office (PO) exists and is in close proximity to partner/ project location</li> <li>• Monitoring visit by Hagar Australia within the last 12 months.</li> </ul>	Project oversight: <ul style="list-style-type: none"> <li>• HI Program Office (PO) exists but not in close proximity to partner/ project location</li> <li>• Monitoring visit by Hagar Australia within the last 18 months.</li> </ul>	Limited project oversight: <ul style="list-style-type: none"> <li>• No HI Program Office (PO)</li> <li>• Monitoring visit by Hagar Australia within the last 24 months or longer.</li> </ul>
The PO and partner organisations are implementing	The PO and partner organisations are	The PO and partner organisations are

activities in a country/ region where terrorist organisations are not known to be active.	implementing activities in a country/ region where terrorist organisations may be active.	implementing activities in a country/ region that is a conflict zone or there is significant known terrorist activity.
The PO and partner organisations have strong financial controls and financial mechanisms in place.	The PO and partner organisations have established financial controls in place with identified processes and systems, which need strengthening.	The PO and partner organisations have no or only recently established financial controls and mechanisms in place.
The PO and partner organisations have no affiliations with, or provide or collect funds by any means, directly or indirectly, to organisations based in very low risk locations.	The PO and partner organisations have affiliations with, or provide or collect funds by any means, directly or indirectly, to organisations based in a country/ region where there may be concerns regarding terrorism.	The PO and partner organisations have affiliations with, or provide or collect funds by any means, directly or indirectly, to organisations based in a country/ region that is a conflict zone or there is known terrorist activity.

Project risk will also be assessed at the start of collaboration, classifying them into high, medium or low risk categories, based on the nature of projects and their context. Hagar Australia will support partners in conducting organisational, project and activity risk assessments before the start of projects, which will include identification, treatment and escalation of terrorism financing risks; and regular reporting and register review timelines, based on the minimum interval guidance outlined below:

	<b>Low/Medium</b>	<b>High</b>
<i>Existing</i>	Start of new contract (if previous check more than 12 months before)	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Immediately (if key staff changes)</li> </ul>
<i>New</i>	Start of contract	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Immediately (if key staff changes)</li> </ul>

Risk assessments will be reviewed immediately if there are concerns of suspected or alleged terrorist activity, or major organisational change has occurred. Guarding against indirect support and the risk of a Hagar Australia associate being identified as a listed individual and/or terrorist organisation will be assessed and managed.

#### *Internal Risk Management Controls*

Hagar Australia's internal risk management controls are to:

- Clearly state Hagar Australia's commitment to integrity in recruitment materials, human resource policies, and all partnership agreements.
- Undertake police and verbal referee checks (including background and affiliations), prior to appointment, for all Hagar Australia personnel and contractors, and review if circumstances change (for example, disciplinary or court proceedings). This is to identify individuals who may

pose an unacceptable risk. Board members will, additionally, be screened against the Australian Securities & Investments Commission (ASIC)'s Register of Banned and Disqualified Persons.<sup>2</sup>

- Provide Hagar Australia's Prevention of Terrorism Financing Policy, including Code of Conduct, reporting requirements and procedures, to all Hagar Australia personnel and contractors; take steps to ensure they understand the Policy and sign the Code of Conduct, and discuss it with Hagar Australia personnel during annual Performance Reviews (where required).
- Include 'Risk,' supported by Hagar Australia's Risk Register, as a standing Board bi-monthly meeting agenda item to monitor Prevention of Terrorism Financing Policy compliance, ensuring that Board members are aware of the level of terrorism financing risk to which the organisation may be exposed.
- Detail who is permitted to use Hagar Australia's identity, facilities and equipment (name, office, bank account, credit cards, website, computer systems and telephone) and for what purpose in the organisation's Finance Manual (with clear delegations and separations of authority), Code of Conduct and partnership agreements.
- Maintain complete, accurate and up-to-date records of financial and operational activities with supporting documentation (including detailed project budgets, annual audits (both Hagar Australia and partners and/or projects), as well as partner and project performance reports).
- Undertake an annual review of Hagar Australia's internal controls and prevention of terrorism financing practices, and a more detailed periodic assessment (every 3 years) of the organisation's financial systems.

### *Programmatic Risk Management Controls*

All Hagar Australia funded partners are expected to act in accordance with the principles outlined in this policy. Non-compliance with these standards, where required, may lead to suspension or termination of funding arrangements.

Hagar Australia's programmatic risk management controls are to:

- Sign partnership and project-level funding agreements that reflect the principles and requirements in this policy, including details of the organisation ultimately responsible for the project, the Hagar Australia resources that will be required, what will happen to them at the project's conclusion, and detailed reporting and audit requirements. These agreements must be discussed with partners.
- Take steps to ensure that Hagar Australia has a deep understanding of terrorism financing issues within each operational context, including knowing its beneficiaries, partners and any third parties they engage with.
- Ensure that due diligence assessments are conducted for all partners who receive Hagar Australia funds, including police checks/ statutory declarations and verbal referee checks (including background and affiliations) for all personnel; ensure that all such personnel enter into compliant personnel agreements and sign Codes of Conduct, the latter to be summarised and

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<sup>2</sup> ASIC Register of Banned and Disqualified Persons, [https://connectonline.asic.gov.au/RegistrySearch/faces/landing/SearchRegisters.jspx?\\_adf.ctrl-state=v5a66rrpu\\_12](https://connectonline.asic.gov.au/RegistrySearch/faces/landing/SearchRegisters.jspx?_adf.ctrl-state=v5a66rrpu_12).

distributed in local languages to clients, their families and communities with reporting information.

- For Hagar Australia-funded partners working in medium to high-risk contexts, ensure they develop and implement their own Hagar Australia-compliant prevention of terrorism financing policy with clear investigation and reporting procedures, or formally adopt Hagar Australia's Prevention of Terrorism Financing Policy.
- Annually screen partners and all Hagar Australia personnel against the DFAT Consolidated List, the World Bank Listing of ineligible firms and individuals, the Asian Development Bank Sanctions List and Australian National Security website.<sup>3</sup>
- For projects assessed as medium to high risk, ensure the risk of terrorism financing is considered in project planning, monitoring and at the end of the project. Partner (annual) and project (bi-annual) terrorism financing risk and compliance for these projects will be reported to Hagar Australia throughout the project cycle.
- Support partners in their compliance with prevention of terrorism financing requirements, including only conducting financial transactions through regulated financial institutions, regularly assessing capacity, addressing training needs (including terrorism financing and/or improper activity indicators, types of financial crime, and control measures), explaining partnership and personnel obligations, and regular monitoring and review by Hagar Australia, including an annual fiduciary assessment.
- Undertake an annual review of the internal controls and prevention of terrorism financing practices of Hagar Australia's partners, and a more detailed periodic assessment (every 3 years) of organisational financial systems and risks.
- Make all reasonable efforts, where funds are provided to a third party, to ensure the third party is aware of, and seek assurance that it will comply with, all applicable laws and this policy.

## 7. CODE OF CONDUCT

All Hagar Australia personnel and contractors must read, sign and comply with Hagar Australia's Code of Conduct (Annex 1) which sets out strict standards of behaviour in relation to Hagar Australia resources.

## 8. PROCESSES FOR REPORTING CONCERNS OR ALLEGATIONS

### 8.1 How to Report

Any suspicious activity that might amount to suspected or actual terrorism financing must be reported immediately to Hagar Australia's Executive Director on **+61 3 9416 1960** or through the 'Fraud & Corruption' reporting page of Hagar Australia's website (<https://hagar.org.au/reporting>),

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<sup>3</sup> DFAT Consolidated List (<https://www.dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list>); World Bank List of ineligible firms & individual (<https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>); the Asian Development Bank Sanctions List (<https://lnadbg4.adb.org/oga0009p.nsf/sancALL1P?OpenView&count=999>); Australian National Security (<https://www.nationalsecurity.gov.au/Listedterroristorganisations/Pages/default.aspx>).

and the Australian Government's National Security Hotline  
(<https://www.nationalsecurity.gov.au/WhatAustraliaisdoing/Pages/TheNationalSecurityHotline.aspx>  
)-

- *In Australia:* 1800 123 400 (for an interpreter, phone 131 450)
- *From overseas:* +61 1300 123 401 (for an interpreter, phone +61 3 9268 8332)
- *Email:* [hotline@nationalsecurity.gov.au](mailto:hotline@nationalsecurity.gov.au)
- *SMS:* +61 429 771 822

If a terrorist incident is underway in Australia, phone triple zero (000) for police, fire or ambulance response.

Additionally, any suspected or alleged breaches of this Policy by anyone within its scope must be reported within 24 hours:

- At <https://hagar.org.au/reporting> (this can be anonymous and Google Chrome can assist with webpage translation; policy non-compliance reports will be received by the Executive Director) or email Hagar Australia's Board Secretary at [secretary@hagar.org.au](mailto:secretary@hagar.org.au), and
- Contact Hagar Australia's Executive Director or Board Secretary on **+61 3 9416 1960**.

If in doubt, Hagar Australia personnel and partners should report suspicious activity or policy non-compliance, in line with the principle of zero tolerance of inaction. Any person reporting in good faith will not be penalised. A failure to report or deliberately making a false allegation will be considered a breach of this policy and will be managed accordingly (see Section 8.3).

## **8.2 How the Report will be managed**

Any alleged breach of this policy is a serious matter which will be investigated by Hagar Australia, as follows:

- All reports will be handled confidentially on a 'need to know' basis, which will include the Executive Director and Board Chair, with transparency and procedural fairness to all parties. Any substantial allegation will be reported to the Board of Directors.
- An objective and impartial investigation will be conducted, overseen by the Executive Director, regardless of the position, title, length of service or relationship with the organisation of any party who might be the subject of such investigation.
- The Executive Director will, if appropriate, immediately issue a request to the Hagar Australia Finance Manager, Hagar Australia's bank and/or credit card company, and Hagar International (if necessary) to freeze all resources. This may include funds to a partner organisation.

### 8.3 Sanctions

If it is determined that a person or an organisation has failed to comply with this Prevention of Terrorism Financing Policy or Code of Conduct, then Hagar Australia may apply an appropriate sanction as follows:

- dismissal, suspension or transfer to other duties for any employee who breaches the Prevention of Terrorism Financing Policy and Code of Conduct;
- cancellation of a contract or relationship;
- if the incident is criminal, reporting to the relevant law enforcement agencies, in Australia or overseas, in cooperation with Hagar International.

Hagar Australia will pursue every reasonable effort to recover losses and report any incident to relevant institutional donors, the Australian Charities and Not-for-profits Commission (ACNC) and the Australian Council for International Development (ACFID).

Hagar Australia strictly prohibits any form of retaliation for raising a concern or reporting in good faith a violation of this policy, or for assisting or participating in any investigation or other proceeding. Any person who is found to have engaged in retaliation will be subject to disciplinary action up to and including termination of employment.

## 9. DEFINITIONS

Term	Definition
Hagar Australia personnel	Hagar Australia's Board of Directors, employees (full time, part-time and casual) and volunteers.
Hagar Australia-funded partners	This includes Hagar International, its Program Offices and other entities, such as sub-partners, engaged to perform any part of a Hagar Australia-funded activity. These entities have agreed roles and responsibilities monitored by Hagar.
Listed individual	Those terrorist persons and organisations on the Australian Government's Department of Foreign Affairs and Trade (DFAT) Consolidated List, World Bank Listing of ineligible firms and individuals, the Asian Development Bank Sanctions List and/or Australian National Security website. <sup>4</sup>
Terrorist organisation	An organisation that is directly or indirectly engaged in preparing, planning, assisting in or fostering the doing of a terrorist act; or advocates the doing of a terrorist act.
Terrorism	The systematic use of violence and threats to intimidate or coerce for political, religious or ideological purposes.
Terrorist act	An act, or a threat to act, intended to coerce or influence the public or any government by intimidation to advance a political, religious or ideological cause; and causes death, serious harm or danger to a person; serious damage to property, a serious risk to the health or safety of the public, and/or serious

<sup>4</sup> DFAT Consolidated List (<https://www.dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list>); World Bank List of ineligible firms & individual (<https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>); the Asian Development Bank Sanctions List (<https://lnadbg4.adb.org/oga0009p.nsf/sancALL1P?OpenView&count=999>); Australian National Security (<https://www.nationalsecurity.gov.au/Listedterroristorganisations/Pages/default.aspx>).

	interference with, disruption to, or destruction of critical infrastructure, such as a telecommunications or electricity network.
Terrorism financing	<p>The financial support, in any form, of terrorism or those who encourage, plan or engage in terrorism. This generally falls into two broad funding categories:</p> <ul style="list-style-type: none"> <li>• <u>Operational costs</u> associated with terrorist acts, for example, expenses for travel, explosive materials, weapons and vehicles;</li> <li>• <u>Organisational costs</u> associated with maintaining a terrorist network, organisation or cell, for example, training, salaries, propaganda and compensation for wounded fighters or families of terrorists who have died.</li> </ul> <p>A person finances terrorism when they:</p> <ul style="list-style-type: none"> <li>• intentionally collect or provide money, and/or</li> <li>• are reckless about whether the money will be used to facilitate or engage in a terrorist act.</li> </ul> <p>It does not matter if they provide or collect the money on behalf of someone else, the terrorist act does not happen and/or the money is intended for a specific terrorist act or more than one terrorist act.</p>

## 10. RELEVANT LEGISLATION AND CONVENTIONS

Hagar Australia personnel, contractors and Hagar Australia-funded partners must adhere to local and international criminal laws relating to terrorism. These include Australian Commonwealth and international conventions, and local laws in the countries where Hagar Australia works.

### **Australian legislation**

- a) *Charter of the United Nations Act 1945*
- b) *Criminal Code Act 1995*
- c) *Autonomous Sanctions Act 2011*

### **International counter-terrorism instruments that Australia is a signatory to**

- a) *International Convention for the Suppression of the Financing of Terrorism*

Each Hagar office is legally obliged to comply with relevant country laws relating to the prevention of terrorism financing.

## 11. RELATED POLICIES AND PROCEDURES

- Prevention of Fraud & Corruption Policy
- Conflict of Interest Policy
- Whistleblowing Policy
- Feedback & Complaint Handling Policy
- Risk Management Policy
- Incident Reporting Procedure

## **12. POLICY REVIEW**

This policy will be reviewed at least every three years, or as required, incorporating lessons learned.

### **Contact:**

For questions about this policy, contact Hagar Australia's Executive Director on +61 3 9416 1960.

## Annex 1: Hagar Australia Code of Conduct

In keeping with its vision and values, Hagar Australia is committed to maintaining the highest degree of ethical conduct amongst its personnel, representatives and visitors. The Hagar Australia Code of Conduct provides to Board members, staff, consultants/ contractors, volunteers, representatives and visitors to Hagar Australia-funded projects overseas guidance on the mandatory standards of personal and professional conduct required of a representative of Hagar Australia at all times. These standards, in conjunction with all Hagar Australia policies, should inform decision-making that exemplifies Hagar Australia's values of Respect, Integrity, Compassion and Excellence; as well as transparency and accountability. Acknowledging the above, in my role with Hagar Australia,

### I WILL-

- Uphold the **integrity** and **reputation** of Hagar Australia by ensuring that my professional and personal conduct is consistent with the organisation's values and standards.
- Contribute to a **safe, fair, inclusive, equitable and collegial work environment** free from harassment and discrimination, where all people are treated with respect and dignity.<sup>5</sup>
- Comply with Australian and local **legislation** (including child<sup>6</sup> and adult labour laws), and immediately disclose all charges, convictions and other outcomes of any offences that relate to exploitation and abuse (particularly of children), terrorist activity, financial misconduct and/or discrimination, including those under traditional law; which occurred before or during my association with Hagar Australia.
- Comply with all Hagar Australia policies and **immediately report** any concerns or allegations of wrongdoing, exploitation and abuse (particularly of children); policy non-compliance, and/or breaches of this Code of Conduct to <https://hagar.org.au/reporting> and Hagar Australia's Quality Officer (Safeguarding & Reporting Focal Person) or Executive Director on +61 3 9416 1960. Please note: Making an allegation known to be false is considered a breach of this Code of Conduct and will be treated accordingly.
- Maintain an environment in which Hagar Australia personnel, partners, representatives, visitors, the people who are participants in, and are directly affected by, Hagar Australia-funded projects know expected standards of behaviour and how to **raise complaints and concerns without fear** of reprisal, harassment or victimisation.
- Be **accountable** for my behaviour and not place myself in a position where there is a risk of allegations being made, particularly avoiding actions or behaviours that could be perceived by others as exploitation and/or abuse.
- Wherever possible, ensure that **another adult is present** when working near children and adult beneficiaries<sup>7</sup> (the 'two adult rule').

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<sup>5</sup> Regardless of sex, gender, age, language, ethnicity, ability, sexual orientation, intersex status, religious or political beliefs, educational level, professional skills, work experience, cultural and socio-economic background.

<sup>6</sup> A 'child' is any person under the age of 18 years.

<sup>7</sup> 'Beneficiaries' or 'primary stakeholders' are the women and men, boys and girls who Hagar Australia seeks to support and are participants in, and are directly affected by, Hagar Australia-funded development initiatives.

- Exercise due care in all matters of official business and not disclose any **confidential information** received in the course of exercising official duties unless that disclosure has been authorised by Hagar Australia, or is required by law.
- Protect the organisation from **fraud, theft, waste and misuse** of resources.
- Be sensitive to **local values, culture and customs** when engaged in international contexts on behalf of Hagar Australia.
- Respect the **environment** by engaging in environmentally-friendly work practices.

*Regarding children & adult beneficiaries:*

- Be a **positive role model** and provide a **welcoming, inclusive and safe environment** for all children, young people and adult survivors.
- Encourage **open communication** between children, young people, parents and Hagar personnel, and allow children and young people to participate in the decisions that affect them.

When photographing or filming a child or adult survivor, or using their images for work-related purposes:

- Take care to ensure **local traditions** or restrictions for reproducing personal images are adhered to before photographing or filming a child or adult survivor.
- Obtain documented **informed consent**<sup>8</sup> from the child and parent(s) or guardian(s) of the child, as well as adult survivors, before photographing or filming a child and/ or adult survivor; and inform them of their rights to have a support person present, to withdraw consent at any point, to access information about them and seek its correction (if desired, unless there are legal or safety reasons to prevent this), and to make a complaint to the Hagar Program Office Executive Director, <https://hagar.org.au/reporting> or the Australian Council For International Development (ACFID) at [code@acfid.asn.au](mailto:code@acfid.asn.au) (marked 'Confidential').
- Ensure photographs, films, videos and DVDs present child and adult survivors in a **dignified and respectful manner**, and not in a vulnerable or submissive manner. Child and adult survivors should be adequately clothed, and not in poses that could be seen as sexually suggestive.
- Ensure images are **honest representations** of the context and facts.
- Ensure all images of child and adult survivors are obscured with **name changes**, no identifying **background features**, Global Positioning System **tracking** turned off and **stored securely**, in accordance with Hagar International's Communications Policy.
- Ensure file labels, meta data or text descriptions do not reveal **identifying information** about a child or adult survivor when sending images electronically or publishing images in any form.

*Regarding Prevention of Sexual Exploitation, Abuse & Harassment (PSEAH):*

- Inform the Executive Director or Board Chair if I become engaged in a **personal relationship** which may be perceived as inappropriate or exploitative.

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<sup>8</sup> Taking steps, in local language, to ensure that contributors (the people sharing their stories) understand: 1) Why Hagar wishes to document stories about them; 2) Who the audience is likely to be; 3) How their stories may be used now and in the future; 4) How their stories will be stored, how long for and how they will be destroyed.

*Regarding conflicts of interest:*

- Avoid (where possible), disclose and manage any actual, potential or perceived **conflicts of interest**.
- Notify of any known or perceived form of **corruption** and not offer, promise or accept bribes.
- Declare any financial, personal or family (or close intimate relationship) **interest** in matters of official business which may impact on the work of Hagar Australia.
- Refuse or return any **gift**, however minor, that appears to be given with an expectation of reward or influence.
- Seek permission before agreeing to being nominated as a **prospective candidate** or other official role for any political party.

*Regarding the safety, health & welfare of others:*

- Adhere to all **health and safety requirements** at my location of work.
- Comply with any **local security guidelines** overseas and be pro-active in informing management of any necessary changes to such guidelines.
- Behave in a manner which **avoids any unnecessary risk** to the safety, health and welfare of myself and others, including partner organisations and communities with whom we work.

*Regarding use of information, assets & resources during my engagement with Hagar Australia:*

- Notify Hagar Australia immediately if I become aware of **Hagar Australia property**, resources or funds being used other than for their authorised purposes.
- Ensure that I consider **value for money** (spending funds economically, efficiently, effectively and ethically) when procuring assets and resources on behalf of Hagar Australia.
- Ensure that I use the intellectual and physical **property, assets and resources** entrusted to me by Hagar Australia in a **responsible manner**, including treating and maintaining them with due care, securing them against theft and misuse, and accounting for all money and property.

I WILL NOT-

- Seek to make contact, spend time with and/or **develop relationships** with children, young people or adult beneficiaries outside of Hagar Australia-related work and work hours.
- Act in a way that shows unfair and **differential treatment** of children or adult beneficiaries, including through the provision of gifts, payment or inappropriate attention. This includes providing payment to another person to solicit any form of advantage or sexual favour from a child or adult beneficiary.
- Invite unaccompanied children or adult **beneficiaries into private residences** or other private location, unless they are at immediate risk of injury or in physical danger.
- **Hold, kiss, cuddle or touch** a child or adult beneficiary in inappropriate, unnecessary or culturally insensitive ways.
- Use **language or behaviour** (towards children and/or adults) that is harassing, abusive, sexually provocative, inappropriate, discriminatory/exclusionary or generally intended to shame, humiliate, belittle, degrade or exploit.
- **Misuse Hagar Australia property**, information or my status through my engagement with Hagar Australia for personal gain.

- Work under the influence of **alcohol** or use, or be in possession of, **illegal substances** on Hagar Australia premises or accommodation.
- Use computers, mobile phones, video cameras, photographic cameras or other technology inappropriately to **exploit or harass children**, in particular; or access and/or disseminate exploitative material, including but not limited to pornography or depictions of child abuse, through any medium.

*Regarding children:*

- Condone or engage in **behaviour that is illegal and/or unsafe**, including giving or allowing children to use illegal drugs, alcohol or restricted substances.
- Do things of a **personal nature** that a child can do for him/herself, such as assistance with toileting or changing clothes.
- Smack, hit, assault or **physically punish** children.
- Engage children in **sexual relationships** or any form of sexual intercourse or activity, including paying for sexual services (transactional sex). Mistaken belief that a child is over 18 years of age is not a defence.
- **Sleep close to unsupervised children**, including in the same area or bed, unless absolutely necessary, in which case the supervisor's permission must be obtained and another adult should be present if possible (noting that this does not apply to an individual's own children).
- **Hire children** for domestic or other labour: which is inappropriate given their age or developmental stage; which interferes with their time available for education and recreational activities; or which places them at significant risk of injury.

*Regarding Prevention of Sexual Exploitation, Abuse & Harassment (PSEAH):*

- Engage in **sexual relationships** with program participants or beneficiaries. These relationships are inherently based on unequal power dynamics and undermine the credibility and integrity of Hagar Australia.
- Engage in any conduct that may be considered, or has the potential to be considered, **sexual exploitation, abuse or harassment**, including fraternisation.<sup>9</sup>
- Exchange money, employment, goods or services for sex (**transactional sex**), including sexual favours. This includes any exchange of assistance that is due to beneficiaries and a prohibition on engaging the services of sex workers even when it is legal to do so. This further prohibits the procurement of sex for others or the use of a third party to do so.
- Use Hagar Australia or partner organisation facilities, vehicles, personnel, or **resources** for the purpose of arranging or facilitating access to sex workers by any person, including visitors to Hagar Australia or partner offices or programs.

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<sup>9</sup> Any relationship that involves, or appears to involve, partiality, preferential treatment or improper use of rank or position including but not limited to voluntary sexual behaviour. It could include sexual behaviour not amounting to intercourse, a close and emotional relationship involving public displays of affection or private intimacy and the public expression of intimate relations.

*Regarding conflicts of interest:*

- Allow personal interests, or the interests of any associated person, to **conflict with the interests** of Hagar Australia.
- Be involved in awarding benefits, contracts for goods or services, employment or promotion within Hagar Australia, to any person with whom I have financial, personal or family (or close intimate relationship) **interests**.
- Accept **significant gifts or any remuneration** from governments, communities with whom we work, donors, suppliers and other persons, which have been offered to me as a result of my engagement with Hagar Australia and which appear to have been offered with an expectation of reward or influence.

*Regarding use of information, assets & resources during my engagement with Hagar Australia:*

- Use **Hagar Australia property**, resources or funds other than for their authorised purposes.
- Use Hagar Australia IT equipment, software or e-mail and social media platforms to **engage in activity that is illegal** under local or international law, or that encourages conduct that would constitute a criminal offence. This includes any activity that intimidates or harasses any group based on protected characteristics, or that encourages extremism.

### **Breach of the Code of Conduct**

The Code of Conduct forms part of all Hagar Australia personnel contracts and a breach of this Code may be grounds for disciplinary action, including dismissal,<sup>10</sup> the ending of a relationship or contract with Hagar Australia, or the cancellation or ending of a visit to Hagar Australia, its partners and projects. Any breaches, if criminal in nature, will be reported to relevant law enforcement agencies, both in Australia and overseas, where it is safe to do so and in accordance with the wishes of victims/survivors.

I declare that I have read and understood the Hagar Australia Code of Conduct, and agree to abide by its standards and behaviour protocols-

*Name:*

*Signature:*

*Date:*

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<sup>10</sup> A person will be dismissed after an investigation if a safeguarding incident is found to have occurred.

## Annex 2: Reporting and Investigation Procedure

- 1) *Initial review:* Upon notification of a suspected, alleged or actual incident – see sidebar, the Report Receiver (Safeguarding Focal Person, Executive Director, or Secretary or Chair of the Board) of Hagar Australia will promptly carry out an initial review (see sidebar) and determine potential support needs of the victim/survivor (if relevant) and whether further investigation is needed – see sidebar. If further investigation of a safeguarding incident is required, the person accused will be suspended/transferred to other duties for the duration of the investigation. The needs of victims/survivors will be prioritised, including identifying a support person, accessing medical care, counselling, legal support and/or finding a safe place to stay. If related to financial wrongdoing, relevant records and information may be removed, and placed in a secure location with limited access, and the individual suspected of committing the incident prevented from accessing them.
- 2) *Legal support:* The Report Receiver will seek limited disclosure permission from the victim/survivor/report-maker and coordinate the investigation (see sidebar) with the appropriate Head of Hagar office, local law enforcement officials or external investigator, depending on whether the incident took place in Australia/overseas and the wishes of the victim/survivor, within 3 working days. Internal or external legal representatives may be involved in the process, as deemed appropriate.
- 3) *Incident substantiated:* If a suspicion or allegation is substantiated by the investigation, disciplinary action, up to and including dismissal (or termination of an individual’s right to work as a contractor or volunteer), will be taken by the Executive Director or Board Secretary, and communicated to the offender, victim/survivor/report-maker and the Board, using de-identified information. The Board will discuss further action to be taken. Regarding property, Hagar Australia will pursue every reasonable effort, including court-ordered restitution, to obtain recovery of any losses from the offender.

Where a case has been established, the matter shall be referred to local authorities. If an allegation is made in good faith but not substantiated by the investigation, no action will be taken against the report-maker and, where the investigation relates to an employee, their file will not contain any record of the allegation, investigation or report. Hagar Australia will reflect on learnings to improve its own and partner practices.

### Actual or Alleged Incident

This may be related to child protection, sexual exploitation, abuse and harassment; fraud and corruption, health, safety and security; and/or breach of Hagar Australia’s Code of Conduct and/or any of its policies. It may also be in the form of whistleblowing.

### Initial Review

Initial review will involve assessing the report (without pre-judgement) and determining the immediate needs of the people involved, and the organisation.

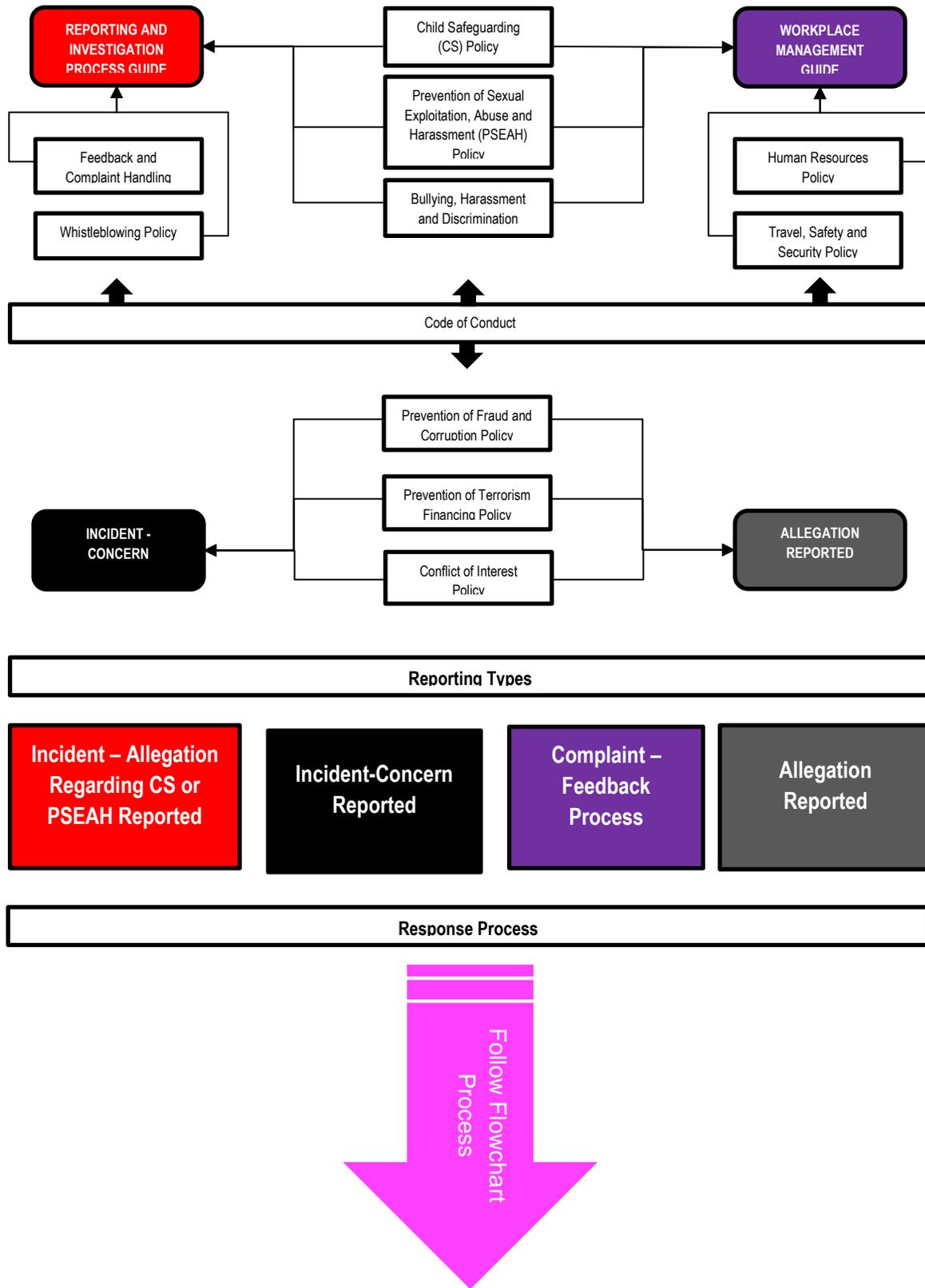
### Further Investigation

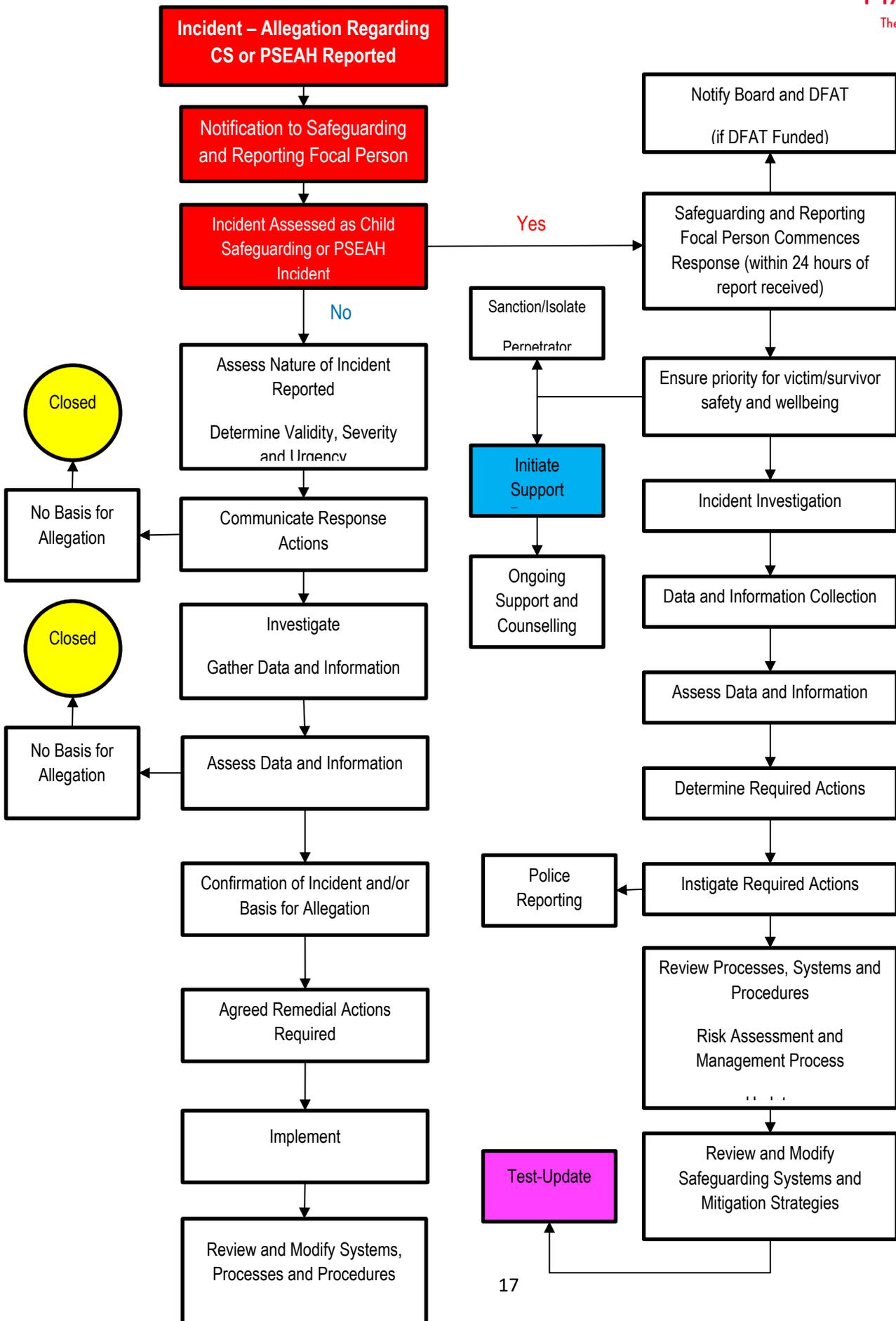
The threshold for ‘further investigation’ is if one or more of these answers is ‘yes’: ‘Does it require support outside of usual management processes?’, ‘Will business operations be affected for more than 24 hours?’, ‘Is it likely to become a critical incident or crisis?’, ‘Does the person responsible require support in making the decisions needed to contain or resolve the situation?’, ‘Is it medium risk or above?’, ‘Does it affect Hagar’s reputation?’

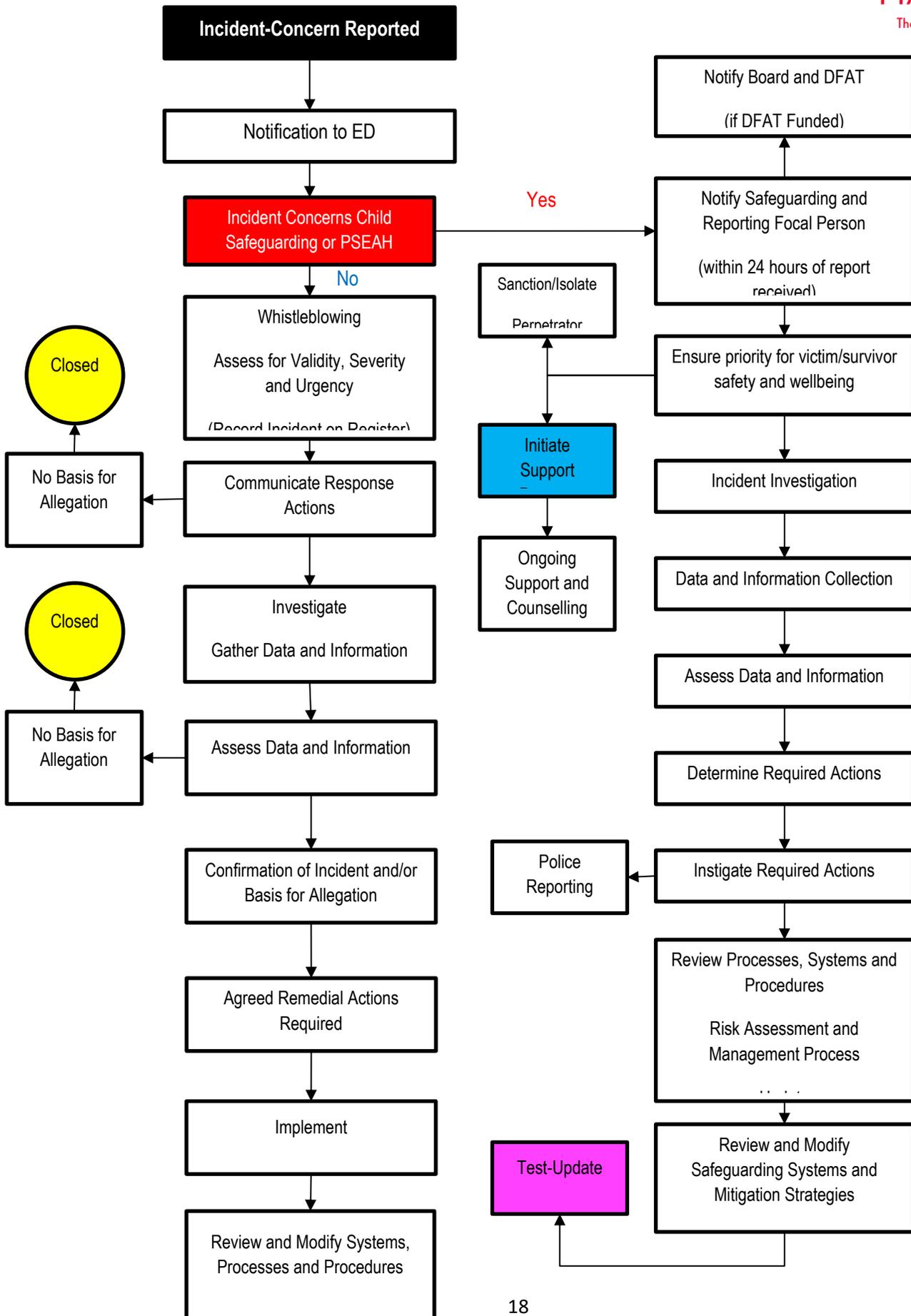
### Investigation Process

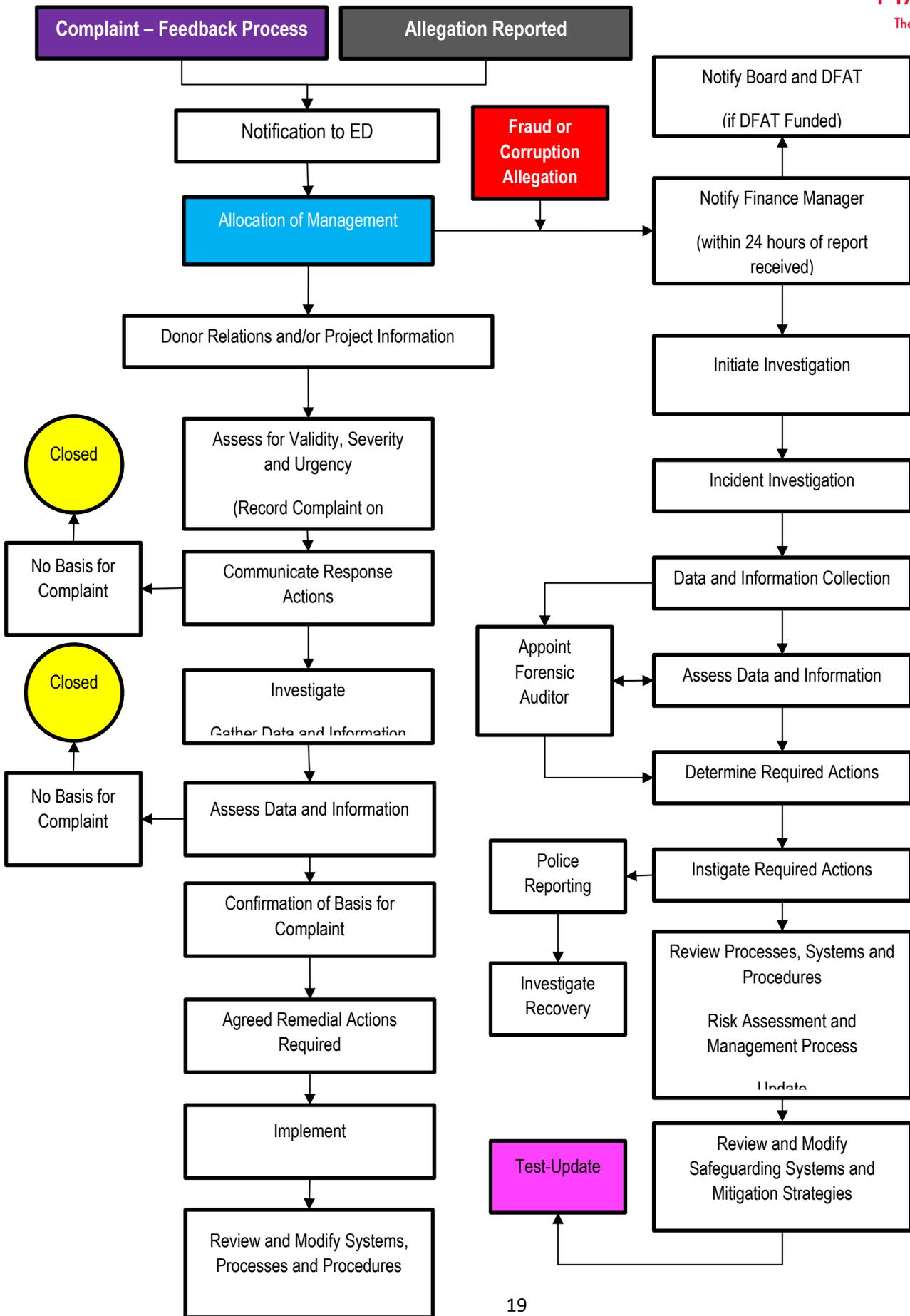
This investigation is to determine exactly what happened, when, where and who was involved/present by interviewing the person(s) who made the allegations and/or other witnesses to

Quick Reference Guide to Reporting & Investigation









## Supporting Information

### 1) Reporting

Who has an obligation/ is able to report different matters?

			Reporting Obligation/ Ability to Report								
Incident/ Concern	Reporting Requirement	Report Timing	Personnel	Contractors	Representatives	Visitors	Funded Partners	Suppliers	Associates	Family of Whistleblower	Public
Child Safeguarding	Mandatory	Immediate	X	X	X	X	X				X
Sexual Exploitation, Abuse & Harassment (SEAH)	Mandatory	Immediate	X	X	X	X	X				X
Fraud & Corruption	"Must"	Prompt	X	X			X				X
Terrorism Financing	"Must"	Immediate	X	X			X				X
Whistleblowing			X	X	X		X	X	X	X	
Bullying, Harassment & Discrimination (BHD)			X	X	X	X					
Conflict of Interest (Col)	"Must"	Prompt	X	X							
Feedback/ Complaint			X	X	X	X	X	X	X		X

<b>Approved by:</b> Hagar Australia Board	<b>Date Policy Took Effect:</b> 2 <sup>nd</sup> March, 2021
<b>Review Date:</b> 2 <sup>nd</sup> March, 2024	<b>Responsible Person:</b> HAUS Board Secretary

Who should receive reports for different matters?

Incident/ Concern	Acknowledgement Response Time (Bus. Days)	Report Receiver							
		Safeguarding Focal Person	Executive Director	Board Secretary	Board Chair	ACFID	DFAT	Auditor	National Security Hotline
Child Safeguarding	1	X	X				X		
SEAH	1	X	X				X		
Fraud & Corruption	1		X	X					
Terrorism Financing	1		X	X					X
Whistleblowing	1		X	X				X	
BHD	1		X	X					
Col	1		X	X	X				
Feedback/ Complaint	5		X	X		X			

## Ways to report

- Website: <https://hagar.org.au/reporting>
- Email: [secretary@hagar.org.au](mailto:secretary@hagar.org.au)
- Phone: +61 3 9416 1960
- In person

## Process

1. *BHD & Col*: First step is to address the issue with the person concerned.
  - *BHD*: If not comfortable or behaviour continues, report to Executive Director or Board Secretary.
  - *Col*: Also report to Executive Director, Board Secretary or Chair.
2. Report receiver assesses report to determine whether formal, in-depth investigation is required, informs Board Chair of all serious matters and acts-
  - *Child Safeguarding, SEAH & BHD*: Also whether a child or adult is in immediate danger or has any other urgent needs;
  - *Whistleblowing*: Also whether the report qualifies for protection and whether a person is in immediate danger/ has other urgent needs;
  - *Fraud & corruption, terrorism financing & Col*: Also whether immediate request to the HAUS Finance Manager, HAUS bank and/or credit card company, and HI (if necessary) to freeze all resources is required. This may include funds to a partner organisation.

3. If report receiver determines an investigation is required, they will then decide:
- Nature and scope of the investigation
  - Person(s) within and/or outside of HAUS that may need to be consulted
  - Nature of any technical, financial or legal advice that may be required
  - Timeframe (considering any potential delays)

2) **Investigation**

*What are the follow-up times of investigators for different matters (depending on their urgency)?*

The Board Chair will be informed of all serious matters and, with whistleblower permission, may be involved in whistleblowing investigations:

Incident/ Concern	Follow-up Interview Response Time (Bus. Days)	Investigator							
		Safeguarding Focal Person	Manager/ ED	Board Sec	Board Chair	ACFID	DFAT	Auditor	National Security Hotline
Child Safeguarding	1-3	X	X		X		X		
SEAH	1-3	X	X		X		X		
Fraud & Corruption	1-3		X	X	X				
Terrorism Financing	1-3		X	X	X				X
Whistleblowing	3-5		X	X	X			X	
BHD	1-3		X	X	X				
Col	5		X	X	X				
Feedback/ Complaint	5		X	X	X	X			

What is the timeframe for reporting to institutional donors, particularly DFAT?

Incident/ Concern	DFAT Reporting (Bus. Days)	Contact	More Information (02) 6178 5100
Child Safeguarding	2	<a href="mailto:childwelfare@dfat.gov.au">childwelfare@dfat.gov.au</a> (use Child Incident Notification Form on website)	<a href="http://www.dfat.gov.au/childprotection">www.dfat.gov.au/childprotection</a>
SEAH	2 (alleged incident) or 5 (alleged policy breach)	<a href="mailto:seah.reports@dfat.gov.au">seah.reports@dfat.gov.au</a> (use SEAH Incident Notification Form on website)	<a href="http://www.dfat.gov.au/pseah">www.dfat.gov.au/pseah</a>
Fraud & Corruption	5	<a href="mailto:fraud@DFAT.gov.au">fraud@DFAT.gov.au</a> (use Fraud Referral Form at <a href="https://www.dfat.gov.au/about-us/publications/Pages/suspected-or-detected-fraud-referral-form">https://www.dfat.gov.au/about-us/publications/Pages/suspected-or-detected-fraud-referral-form</a> )	<a href="https://www.dfat.gov.au/about-us/corporate/fraud-control/Pages/fraud-control">https://www.dfat.gov.au/about-us/corporate/fraud-control/Pages/fraud-control</a>
Terrorism Financing	2	<a href="mailto:counter-terrorism.resourcing@dfat.gov.au">counter-terrorism.resourcing@dfat.gov.au</a>	<a href="https://www.dfat.gov.au/international-relations/security/counter-terrorism/terrorism-resourcing-risk-management-statement">https://www.dfat.gov.au/international-relations/security/counter-terrorism/terrorism-resourcing-risk-management-statement</a>
Environmental & Social Safeguards	2	<a href="mailto:aidsafeguards@dfat.gov.au">aidsafeguards@dfat.gov.au</a> (any project that has/ likely to have a significant environmental impact should be identified early and referred for advice under the EPBC Act).	<a href="https://www.dfat.gov.au/aid/topics/aid-risk-management/Pages/environmental-and-social-safeguards">https://www.dfat.gov.au/aid/topics/aid-risk-management/Pages/environmental-and-social-safeguards</a>

1. Report receiver contacts the report-maker and has a confidential discussion regarding (please de-identify notes)-
  - The investigation and resolution process (confidential, impartial, prompt, thorough)
  - Expected timeframe for action
  - The need for referral/ additional support (if necessary) and permitted investigation team (eg. ED/ Board Sec and external third party)
  - The report-maker's likely involvement in the process
  - Possible outcomes (report-maker will not be informed of details of disciplinary action)
  - *Child Safeguarding, SEAH, Whistleblowing, BDH & Feedback/ Complaints Policies:* What the report-maker and/ or the person involved (child/ adult/ associate of HAUS/ member of the public) want to happen (from possible outcomes).
  - Support the report-maker may need in relation to the report (what HAUS can do/ referral support)
  - *Whistleblowing:* Rights (eg. protection) and obligations (eg. non-disclosure); confidentiality (ie. how they wish to communicate- may be anonymous but investigation cannot proceed if HAUS unable to contact); permission to disclose identity to Board Chair/ ED to arrange work protection (if necessary) and/or specific third party for investigation purposes; help in identifying any aspects of their report that could inadvertently identify them.

- Avenues for review/ complaint:

Incident/ Concern	Board	ACNC	ASIC
Child Safeguarding	X	X	
PSEAH	X	X	
Fraud & Corruption		X	X
Terrorism Financing		X	X
Whistleblowing			X
BHD	X	X	
Col		X	
Feedback/ Complaint	X	X	

2. Report receiver:

- Assembles permitted investigation team
  - Arranges support for report-maker (including work modifications for whistleblower, if necessary)
3. Permitted investigation team reviews process and timeframe, and begins confidential, impartial, prompt yet thorough investigation (all notes with report-maker information de-identified).
  4. Report receiver updates report-maker at the start, part-way through, within 5 days of the investigation's completion and if timeframe is unable to be met, explaining any reasons for delay.
  5. Report receiver will advise individual who is subject of report regarding subject matter, as and when required by principles of natural justice and procedural fairness, and prior to action being taken; also offering appropriate support.
  6. The findings of the investigation will be documented, de-identified and reported to the Hagar Australia Board of Directors and relevant staff for learning and improvement of systems and processes.

- *Feedback & Complaints:* Review of Feedback & Complaints Register every Board meeting and annual process review, including number of complaints received, outcome and where resolved (eg. first point of contact), issues arising, systemic issues, and number of requests for review (internal/ external).

### 3) Sanctions

If it is determined that a person has engaged in wrongdoing, or a person or an organisation has failed to comply with Hagar Australia policies or Code of Conduct, then Hagar Australia will apply an appropriate sanction as follows:

Incident/ Concern	Warning	Counselling	Dismissal	Suspension	Transfer to other duties	Cancellation of contract	End of relationship	Termination of visit	Reporting to law enforcement (Aust &/or overseas)
Child Safeguarding			X			X	X	X	X
PSEAH			X			X	X	X	X
Fraud & Corruption			X	X	X	X	X		X
Terrorism Financing			X	X	X	X	X		X
Whistleblowing			X			X	X		X
BHD	X	X	X	X	X	X	X	X	X
Col			X			X	X		X
Feedback/ Complaint	X	X		X	X				

#### Sanctions apply for:

- Deliberately making a false allegation;
- Retaliating against anyone who raises a concern or makes a report in good faith, or assists/ participates in an investigation or other proceeding;
- *Child Safeguarding, SEAH, Fraud & Corruption, Terrorism Financing, Col*: Failing to report; or
- *Whistleblowing*: Breach of Whistleblower confidentiality.

*Fraud & Corruption, & Terrorism Financing*: HAUS will pursue every reasonable effort to recover losses and report any incident to relevant institutional donors, the ACNC and ACFID.

4) **Review**

After any incident, the systems strengthening questions that will be discussed at an operational level and reported on to the Board are:

1. How and why did the incident occur?
2. How can this be prevented in the future?