

Anti-Fraud and Anti-Corruption Policy

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1. Purpose

The purpose of this fraud and anti-corruption policy is to minimise fraud through a series of measures, including clear policies and processes, regular internal and external audits, and training. The measures apply to all persons working for Integrity Research and Consultancy (Integrity) or on our behalf in any capacity (together, “staff & Consultants”), wherever they are located.

Integrity has zero tolerance for fraud and corruption.

Integrity recognises that fraud and corruption is a prevalent issue, has harmful effects on staff & consultants, the organisation and society, and is a threat to our vision, mission and values.

Fraud and corruption awareness, prevention, reporting and response are critical parts of the accountability and compliance systems and culture at Integrity. They are of great importance to our stakeholders including our staff, consultants, partners, clients and donors. Our internal and external stakeholders have a right to expect that we conduct all our activities to the highest ethical standards.

This policy sets out the minimum standards and procedures that all Integrity personnel are obliged to follow. It addresses the awareness, prevention, identification, reporting, investigation and close-out of any instance of fraud and corruption. The policy adheres to the requirements established in law and contractually with our clients and donors.

2. Scope

It is Integrity’s policy to conduct all its business and operations in an honest and ethical manner and to maintain an untainted reputation with its clients, partners, beneficiaries and vendors. We take a zero-tolerance approach to fraud and corruption and are committed to acting professionally, fairly and with integrity in all our business operations.

Integrity will uphold all laws relevant to countering fraud and corruption in all jurisdictions where we operate. However, we remain at minimum bound by UK laws including the Fraud Act 2006, in respect of our conduct both in the UK and overseas.

Integrity is committed to investigating all suspected acts of fraud, misappropriation, or other similar irregularity. We consider that detecting fraud and corruption is everyone’s responsibility and, if any incident or potential incident is discovered, Staff & Consultants are expected to report it immediately, as required in Integrity’s Whistleblowing policy.

All staff & consultants are expected to maintain integrity in all actions and must avoid circumstances that compromise their decisions or actions. All staff & consultants must ensure that this policy and the wider ethical business practices and interests of the organisation are observed.

While this policy is non-contractual, and may therefore be amended at any time, adherence to all Integrity policies remains a contractual responsibility.

3. Definition

There are many different types of fraud. The methods used, particularly given recent technological advancements, are constantly evolving. Generally, speaking, fraud is a form of dishonesty and all acts of fraud include some element of deceit or deception.

In the UK, the Fraud Act 2006 provides for three types of offence:

- by false representation,
- by failure to disclose information, or
- by abuse of position

in each case, to make a gain for themselves or another or to cause or expose another to a risk of loss.

Fraud and corruption are the acts of intentionally deceiving someone to gain an unfair or illegal advantage of any value, or the abuse of entrusted power for private gain (financial, political or otherwise).

The Fraud Act also includes other fraud related offences including, possessing, making, or supplying articles for use in fraud and obtaining services dishonestly with an intention to avoid payment.

4. Examples

Examples of fraud include, but are not restricted to, the following:

- Embezzlement or other financial irregularities.
- Misappropriation, misapplication, removal, or concealment of the organisation's property;
- Forgery, falsification, or alteration of documents and/or information (e.g., checks, bank drafts, deposit tickets, promissory notes, travel expense reports, contractor agreements, purchase orders, electronic files, etc.) with the intent to obtain an unauthorised financial benefit;
- Deviations from standard procedures in the handling or reporting of money, cash equivalents or financial transactions, including procurement cards with the intent to obtain an unauthorised financial benefit;
- Theft or misappropriation of funds, securities, supplies, inventory, or any other asset (including furniture, fixtures or equipment, data, trade secrets and intellectual property);
- Authorising payment to vendors when it is known that the goods were not received by the organisation, or services were not performed, with the intent to obtain an unauthorised financial benefit or cause financial harm to the organisation;
- Falsification of work/employment records related to salary and benefits with the intent to obtain an unauthorised financial benefit;

- Misuse of organisation facilities, such as vehicles, telephones, mail systems, or computer-related equipment in violation of policy with the intent to obtain an unauthorised financial benefit;
- Violation of purchasing procedures and requirements with the intent to obtain an unauthorised financial benefit;
- Engaging in bribery, kickbacks, or seeking unauthorised rebates with the intent to obtain an unauthorised financial benefit;

Falsification, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account (including, but not limited to timesheets, payroll, accounts, travel and expense reports, procurement documents or inventory/asset registers)
- Forgery or alteration of a cheque, bank draft, or any other financial documents
- Misappropriation of funds, commodities, securities, supplies, equipment, or other assets
- Impropriety in the handling or reporting of money, financial transactions, or bidding procedures
- Accepting or seeking anything of material value from suppliers or persons providing services/materials as provided by applicable policies on gifts
- Destruction or misappropriation of records, furniture, fixtures, or equipment
- Diversion, alteration, or mismanagement of documents or information, and/or any similar or related irregularity
- Any malicious use of internet and IT documents or messages
- Cybercrime and/or identity theft

5. Statement

Integrity does not tolerate fraud or corruption by staff or related third parties, including any of Integrity's agents, consultants, vendors, partners, or counterparts. Integrity staff, consultants and partners are required to be watchful for fraud, corruption, or any suspicious behaviour, and report it through appropriate channels including management chains or the whistleblowing policy. All reported incidents will be appropriately investigated, disclosed to relevant management, governance bodies and the client, remediated, and closed out.

All Staff and Consultants must ensure that they read, understand, and comply with this policy.

All staff and consultants must notify their line manager or the Chief Financial Officer as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future.

6. Mitigation

Integrity's Management is responsible for periodically advising and training its staff, consultants, sub-contractors, and partners of the content of this policy and for monitoring its implementation. Written agreements with external parties should to the maximum extent possible include a written reference to this policy.

Integrity adopts the following anti-fraud measures to minimise its risk from fraudulent activity:

- Clear policies on the expected conduct of staff & consultants in the organisation, for example Anti-Bribery Policy and Code of Conduct communicated as part of the induction programme and updates to staff & consultants in team meetings.
- Records and investigations of all incidences, including suspected and confirmed fraud, in line with Integrity's Guidance on Conducting a Fraud investigation.
- Implementing robust controls and informing staff & consultants about the procedures and measures in place.
- Ensuring records of all income and expenditure are kept and receipts, invoices and supporting documents are adequate.
- Checking that financial controls are not overridden, by-passed or ignored.
- Reconciling bank accounts on a monthly basis and conducting spot checks.
- Using tiered delegated authority and signature levels for all payments as well as dual payment authentication procedures
- Restricting and closely monitoring access to sensitive information.
- Reviewing processes and procedures on a risk basis.
- Establishing clearly defined roles for staff & consultants that include segregation of duties.

7. Penalties

Any offence under the Fraud Act is punishable by a fine or imprisonment for up to ten (10) years, or both. Any person convicted of an offence involving dishonesty or deception will also automatically be disqualified from holding their position.

As such, Integrity has a zero tolerance to fraud and corruption. It is a major violation of Integrity's policies for staff & consultants to knowingly conceal, falsify or misrepresent a material fact relating to any transaction.

Integrity will apply robust sanctions to combat fraud and corruption including disciplinary action and reporting suspected criminal activity to the relevant authorities. Proven violations will lead to disciplinary action up to dismissal from employment and legal action.

8. Monitoring and Review

Integrity's Board has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Chief Finance Officer has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

Integrity's Management is responsible for periodically advising and training its staff, consultants, sub-contractors, and partners of the content of this policy and for monitoring its implementation. Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.