

# Prevention of Fraud & Corruption Policy

<b>Type:</b>	Internal	<b>Implementation date:</b>	1 October 2024
<b>Policy owner:</b>	Board	<b>Date of next review:</b>	1 October 2026
<b>Content owners:</b>	GM – Sustainability and Group Legal Counsel		

## Vision & Values

1. Timberlands (**us, our, we**) vision is to be the best and safest production forest in the world - mō ake tonu atu.
2. Our conduct will reflect our values of care (manaaki), collaborate (mahi tahi) and grow (whanaki).

## Purpose

3. The purpose of this policy is to outline our commitment to preventing, detecting, and responding to fraudulent and corrupt activities within our business operations. The policy applies to our directors and staff when undertaken their duties or any activity on behalf of our business.

## Definitions

4. The terms “fraud” and “corruption” are defined in the schedule to this policy.

## Zero tolerance

5. We do not tolerate fraudulent or corrupt behaviour and we have a zero tolerance approach to identified behaviour or incidents involving fraud and corruption. This means:
  - (a). all instances of suspected fraud or corruption will be investigated with appropriate action taken.
  - (b). all confirmed fraudulent or corrupt activities will be treated as serious misconduct in accordance with our disciplinary policy and will be referred to the New Zealand Police, Serious Fraud Office or other appropriate enforcement agency where statutes may have been breached, or loss suffered, for prosecution consideration.
  - (c). we will take all appropriate measures to recover any loss or expenditure attributable to fraudulent or corrupt behaviour, this includes, but is not limited to recovery of, intellectual property, physical assets, money, third party expenses incurred and investigation costs.

## Reporting

6. If any of our employees suspects that a fraudulent or corrupt act is occurring or has occurred, they must report this immediately. Suspected incidents of fraud or corruption can be reported by:
  - (a). e-mail or telephone to the Chief Executive Officer or any member of the senior leadership team.
  - (b). via e-mail to [legal@ttl.co.nz](mailto:legal@ttl.co.nz)
7. Suspected incidents of fraud or corruption can also be reported in accordance with our protected disclosures (whistle-blower) policy via e-mail to [whistleblower@ttl.co.nz](mailto:whistleblower@ttl.co.nz).
8. Sufficient information should be provided to enable investigation of the suspected fraud or corrupt act. This should include details about the events or acts constituting the suspected fraud or corrupt act, dates, times and persons alleged to be involved together with any documentary evidence or verifiable facts that support the allegation.
9. All information about suspected fraud or corruption is to be treated confidentially.

## Stakeholders

10. While this policy is intended to govern the conduct of our directors and employees, we recognise that contractors, partners, and other stakeholders also play a crucial role in upholding our commitment to preventing, detecting, and responding to fraudulent and corrupt activities within our business.
11. If a contractor or any other stakeholder has a concern about fraudulent or corrupt practices by our employees or any of our contractors, we strongly encourage them to report the concern directly to us via e-mail ([legal@ttl.co.nz](mailto:legal@ttl.co.nz)). All reports will be treated confidentiality and will be investigated. If required a report can also be made to the New Zealand Police, Serious Fraud Office or other appropriate enforcement agency.



**Schedule**

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The term **fraud** refers to the deliberate practice of deception in order to receive unfair, unjustified or unlawful gain. For the purposes of this policy this includes all forms of dishonesty. Within this definition, examples of fraud and dishonesty may include, but are not limited to:

- (a). knowingly providing false, incomplete or misleading information to us for unfair, unjustified or unlawful gain.
- (b). unauthorised possession, use or misappropriation of our funds or assets (or a third party's).
- (c). deliberate mishandling of or misreporting money or financial transactions.
- (d). unauthorised access and misuse of our systems and information for unfair, unjustified or unlawful gain.
- (e). destruction, removal, or inappropriate use of records, furniture, fixtures, or equipment for unfair, unjustified or unlawful gain.
- (f). deliberate misuse of our resources (including work time, internet, computers, and vehicles) for unfair, unjustified or unlawful gain.
- (g). forgery or alteration of any financial instrument.
- (h). forgery or alteration of any document or computer file or record belonging to us.

The term **corruption** means a lack of integrity or honesty (especially susceptibility to bribery) or the use of a position of trust for dishonest gain. It includes foreign and domestic bribery, coercion, destruction, removal or inappropriate use or disclosure of records, data, materials, intellectual property or assets, or any similar or related inappropriate conduct. Examples of corrupt conduct include, but are not limited to:

- (a). any person who has a business involvement with us, improperly using, or trying to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others, for example, fabrication of business travel requirement to satisfy personal situations.
- (b). knowingly providing, assisting or validating in providing false, misleading, incomplete or fictitious information to circumvent our procurement processes and procedures to avoid further scrutiny or reporting.
- (c). disclosing private, confidential or proprietary information to outside parties without implied or our expressed consent.
- (d). accepting or seeking anything of material value from contractors, vendors, or persons providing services or materials to us (also refer to our gifts policy).



Document management			
version:	author:	revisions made:	date
1	Group Legal Counsel	first draft for board review	26 August 2024
2	GM – Sustainability	policy renamed " <u>prevention</u> of fraud and corruption", values added (new clause 2), directors expressly included within scope of policy (clauses 3 and 10), and order of escalation amended in clause 11.	15 October 2024
3	Group Legal Counsel	adoption of policy by board (Chair acting under delegation)	16 October 2024

