FINANCIAL WRONGDOING & COUNTER TERRORISM POLICY

AFRICA FOUNDATION

APPLICABILITY: All Hillsong Africa Foundation staff, volunteers, board Members and Implementing Partners.

VERSION: v0124 (July 2024)

AUTHORISED BY: HAF Managing Director

SCHEDULED REVIEW DATE: December 2025

CONTENTS

INTRODUCTION 3

PREAMBLE 3

PURPOSE 3

SCOPE 4

REGULATORY CONTEXT 4

RELATED POLICIES 4

RESPONSIBILITIES 4

FINANCIAL WRONGDOING PREVENTION AND RISK MANAGEMENT 5

POLICY 5

RISK ASSESSMENT 5

EDUCATION 5

REPORTING PROCEDURE 6

RESPONDING TO SUSPECTED FINANCIAL WRONGDOING 6

REPORTING FINANCIAL WRONGDOING TO AUTHORITIES 7

FINANCIAL WRONGDOING CONNECTED TO THIRD PARTY PROGRAMS 7

COUNTER TERRORISM 8

COMPLIANCE WITH THIS POLICY 8

REVIEW 8

INTRODUCTION

PREAMBLE

As a registered Section 18A NPO, Hillsong Africa Foundation (HAF) must ensure that its funds are used for its intended purpose.

Hillsong Africa Foundation is committed to the responsible stewardship of the resources entrusted to us. We have zero tolerance for any financial wrongdoing attempted or committed in relation to those resources. We will promote this commitment on our website and in other public materials. Any detected cases of financial wrongdoing will be reported to appropriate authorities and may result in disciplinary action including dismissal, or cessation of funding agreements.

This policy demonstrates HAF's commitment to prevent all forms of financial wrongdoing from occurring in our operations and programs. This policy is based on the principles of building trust, being accountable, honest and transparent in all our dealings.

The prevention of financial wrongdoing is the responsibility of all staff, governing body members, volunteers and partners and HAF wants to promote consistent organisational behaviour by providing guidelines and assigning responsibilities for the development of risk management controls.

Financial wrongdoing includes behaviour that is illegal or immoral with regards to financial transactions, including:

- **Bribery** – the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages.
- **Corruption** – the abuse of entrusted power for private gain.
- **Fraud** – Dishonestly obtaining a benefit, or causing a loss, by deception or other means.
- **Money Laundering** – the process of concealing the origin, ownership or destination of illegally or dishonestly obtained money and hiding it within legitimate economic activities to make them appear legal.
- **Terrorism Financing** – intentionally providing or collecting funds and being reckless as to whether those funds would be used to facilitate or engage in a terrorist act.

PURPOSE

The purpose of this policy is to:

- ensure that all employees and volunteers are aware of their responsibilities regarding the identification and prevention of financial wrongdoing;

- ensure that all employees and volunteers understand who to report to in the event that they suspect financial wrongdoing; and
- provide a step-by-step guide to respond to an allegation regarding fraudulent activity.

SCOPE

This policy applies to all HILLSONG AFRICA FOUNDATION People, including:

- All Hillsong Africa Foundation **Staff** including but not limited to employees, contractors and consultants.
- All HILLSONG AFRICA FOUNDATION **Volunteers** including but not limited to office and event-based volunteers.
- All Hillsong Africa Foundation **Board Members**.
- All Hillsong Africa Foundation **Implementing Partners.**

RELATED POLICIES

Based on the nature of the complaint, it could be directly or indirectly related to other HAF policies such as:

- HAF Complaints Handling Policy
- HAF Partnership Policy

REGULATORY CONTEXT

HAF Senior Management are required to take reasonable steps to protect Hillsong Africa Foundation's assets and ensure funds are being used for Hillsong Africa Foundation's charitable purpose.

RESPONSIBILITIES

It is the responsibility of the HAF Board adn Managing Director to ensure that:

- Financial wrongdoing is prevented and detected within Hillsong Africa Foundation;
- Hillsong Africa Foundation assesses and take steps to mitigate or remove risks;
- appropriate and effective internal control systems are in place; and
- any breaches of this policy that come to the attention of the HAF Senior Management team and are dealt with appropriately.

It is the responsibility of the HAF Managing Director and Operations Manager to ensure that:

- this policy is implemented and compliance is monitored;

- HAF staff are aware of and understand the policy;
- instances of financial wrongdoing reported to the Operations Managers are dealt with and investigated in accordance with this policy.

It is the responsibility of HAF staff to ensure that they:

- assess the risk of financial wrongdoing within their area of control;
- educate staff/volunteers/contractors/implementing partners about the prevention and detection of financial wrongdoing; and
- facilitate the reporting of suspected financial wrongdoing.

FINANCIAL WRONGDOING PREVENTION AND RISK MANAGEMENT

POLICY

HAF will not tolerate any financial wrongdoing attempted or committed in any aspect of its operations.

Hillsong Africa Foundation will:

- assess financial wrongdoing related risks and take mitigating steps;
- educate board members, staff and volunteers on prevention and detection of financial wrongdoing;
- have mechanisms for reporting of suspected financial wrongdoing; and
- respond to suspected financial wrongdoing.

RISK ASSESSMENT

The HAF Managing Director will include financial wrongdoing related risks as part of the Hillsong Africa Foundation Risk Assessment.

The HAF Managing Director will:

- assess and prioritise risks identified; and

- approve any additional or amended controls to remove or lessen financial wrongdoing related risks.
- implement approved controls.

EDUCATION

HAF's Managing Director and Operations Manager will ensure that induction processes for employees, volunteers and Board members include training and education on this policy, prevention, reporting and detection of financial wrongdoing.

REPORTING PROCEDURE

- All HAF Staff, volunteers, contractors and implementing partners have the responsibility to report suspected financial wrongdoing.
- Any Hillsong Africa Foundation Staff, volunteers, contractors and implementing partners who suspect financial wrongdoing must immediately notify their oversight or the HAF Managing Director about the concern.
- In situations where the staff member, volunteer or contractor notifies their oversight, the oversight must then notify the HAF Managing Director and where the suspected financial wrongdoing involves the oversight or HAF Managing Director, the HAF Board needs to be notified.
- Any person reporting a financial wrongdoing suspected, attempted or committed, shall not be penalised for raising a concern of this nature.
- Complaints can be submitted to HAF via the following contact details:
  - Reports can be made through the link: HAF Complaints Handling Report
  - When a report is submitted, it remains confidential and is sent directly to the HAF Managing Director, who will then launch a response with other HAF Confidential Incident Report members of senior management in alignment to our procedure stated below
  - If you have any questions, you can contact reports@hillsongafrica.com
  - If the allegation is against the HAF Managing Director, then inform the Human Resource Manager via email: heilana.cilliers@hillsong.co.za (please do not complete the HAF Complaints Handling Report)

RESPONDING TO SUSPECTED FINANCIAL WRONGDOING

- Upon notification of an allegation pertaining to financial wrongdoing, the Operations Manager and Managing Director will promptly arrange to carry out an initial review into the allegation.

- After an initial review and a determination that the allegation warrants additional investigation, the Operations Manager and Managing Director shall coordinate the investigation with the appropriate law enforcement officials or external investigator as deemed appropriate. Internal or external legal representatives will be involved in the process, as deemed appropriate.

- Once an allegation is reported, immediate action must be taken to prevent the theft, alteration or destruction of relevant records. Such actions include, but are not necessarily limited to, removing relevant records / information and placing them in a secure location, limiting access to the location where the records / information currently exists, and preventing the individual suspected of committing the fraud from having access to the records / information.

- If an allegation is substantiated by the investigation, disciplinary action, up to and including dismissal (or termination of an individual's right to work as a staff member, contractor or volunteer), shall be taken by the appropriate level of management.

- Hillsong Africa Foundation will also pursue every reasonable effort to obtain recovery of any losses from the offender.

REPORTING FINANCIAL WRONGDOING TO AUTHORITIES

The Managing Director must notify the police or relevant law enforcement authority of any suspected criminal activity.

FINANCIAL WRONGDOING CONNECTED TO THIRD PARTY PROGRAMS

Hillsong Africa Foundation pursues its charitable purposes in part through collaborating with a third party or third parties to deliver programs within South Africa and Africa.

The Managing Director and HAF Senior Management Team must determine what level of oversight it requires in relation to financial wrongdoing connected to third parties, with reference to matters including the:

- level of risk associated with the operations;
- relationship with the third party;
- prevention and risk management controls within the third party; and
- consequences of financial wrongdoing connected to operations not being acted upon.

The Managing Director must consider whether it is appropriate to:

  - impose financial wrongdoing prevention and risk management obligations on third parties through a Memorandum of Understanding or other agreement;

  - offer training to third parties on financial wrongdoing prevention and risk management;

  - require third parties to produce their own Financial Wrongdoing Policy or procedure (or provide one for them to adopt); and/or

- implement Hillsong Africa Foundation's own controls and monitoring systems to prevent and detect financial wrongdoing in the third party's operations.

COUNTER TERRORISM

HAF condemns all forms of violence including terrorism which has caused harm to thousands of people around the world. As a non-for-profit, we recognise that terrorist organisations or individuals may seek ways to use finances to support terrorist activities, with or without people's knowledge. In a charitable setting, this may include:

- Using charity funding.
- Using charity assets.
- Using the charity's name and status.
- Cleaning money through charities.
- Committing financial abuse within a charity; and
- Setting up a charity for an illegal or improper purpose. For this reason, Hillsong Africa Foundation seek to have policies and clear risk management procedures in place to ensure that every reasonable effort is made to minimise the risk of any inadvertent association with terrorist individuals, organisations or acts.

HAF will take reasonable effort to minimise the risk of any inadvertent association with individuals, organisations or acts. This includes, but is not limited to:

- Commitment to provide ACCIR with third party details to conduct checks in relation to terrorism.
- Ensure all HAF People are aware and comply to South African law in relation to counter terrorism.
- Provide ongoing training for staff, volunteers and implementing partners to raise awareness of risks associated with terrorism, fraud and corruption, mitigation strategies and policies and procedures.
- Immediately report any activities associated or suspected to be associated to terrorism activities.
- HAF will immediately cease any further transfer of funds to that partner and notify the authorities.

COMPLIANCE WITH THIS POLICY

If the HAF Senior Management team or Managing Director have reason to believe that this policy has not been complied with, they must investigate.

If it is found that a person has failed to comply with this policy, the Board or Managing Director may take action against them, including disciplinary action up to and including dismissal (or termination of an individual's right to work as a staff member, contractor or volunteer).

REVIEW

This Policy will be reviewed every **three years** by the Operations Manager and Managing Director in collaboration with other stakeholders as required.