



## FRAUD / THEFT POLICY

### 1. Purpose

The purpose of the Fraud/theft Policy (the policy) is to:

- define fraud/theft
- promote ethical behaviour and awareness about fraud/theft
- outline that Floral Art New Zealand has “zero tolerance” towards fraud/theft
- provide clarity on what to do if fraud/theft is suspected
- set out responsibilities in relation to preventing and reporting fraud/theft
- outline how people who report suspected fraud/theft will be protected
- set out the action that will be taken if fraud/theft is discovered.

### 2. Overview

Floral Art New Zealand is committed to protecting its revenue, information and any other assets from any attempt to gain financial or other benefits from it by deceit. This policy outlines the FANZ position on fraud/theft, and provides information on preventing, reporting and investigating fraud/theft.

The policy is supported by the operational document which outlines key activities to mitigate fraud/theft and corruption risk.

### 3. Definitions

Term	Definition
Act	In this policy “Act” refers to the Protection of Whistleblowers Act 2022
Fraud/theft	<p><b>Fraud</b> is an intentional act by one or more individuals involving the use of deception to obtain unjust or illegal advantage. This includes all acts of deception, corruption, misrepresentation, or omission committed with the intention of gaining an unjust or illegal financial advantage or to cause an unjust or illegal loss of disadvantage.</p> <p><b>Theft</b> or stealing is the act of dishonesty and without claim of right, taking any property with intent to deprive any owner (FANZ) permanently of that property or of any interest in that property (reference Crimes Amendment Act 2003 Section 219 (15))</p> <p>Fraud/theft behaviour includes, but is not limited to:</p> <ul style="list-style-type: none"><li>• forgery or alteration of documents or accounts</li><li>• disclosing confidential information to third parties</li><li>• misappropriation, theft or improper disposal of funds, stock or any other asset</li><li>• any irregularity in handling or reporting of money transactions</li></ul>

	<ul style="list-style-type: none"> <li>• accepting or seeking anything of material value from suppliers or persons</li> <li>• bribery, corruption, or abuse of office</li> <li>• manipulating reporting to obscure impropriety</li> <li>• obtaining funds or any other benefit that misleading claims, representations or by false pretenses</li> <li>• any claim for reimbursement of expenses that were not made for the exclusive benefit of FANZ</li> <li>• presenting false credentials, qualifications or identity</li> <li>• supporting others in fraud/theft or not reporting fraud/theft when it is suspected</li> <li>• theft</li> <li>• any of the above for personal gratification and/ or edification whether there is pecuniary gain</li> </ul>
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#### 4. Scope

This policy applies to:

- FANZ Management Board including appointments or co-opted Board officers
- any FANZ affiliated members
- any person engaged or contracted for services to do work in support of FANZ

#### 5. Policy Statement

Floral Art New Zealand has a zero-tolerance policy towards fraud/theft.

##### 5.1 Prevention

FANZ will take all reasonable steps to prevent fraud/theft by having clear procedures, processes, and expectations of behaviour. There will be internal controls on procurement, payment, and cash management.

Activity	Actions
Promotion	<ul style="list-style-type: none"> <li>• promoting this policy encouraging people to report suspected fraud/theft/theft</li> </ul>
Training	<ul style="list-style-type: none"> <li>• appropriate fraud/theft awareness induction for new Management Board members and appointees</li> </ul>
Monitoring	<ul style="list-style-type: none"> <li>• establish a continuous monitoring system for detecting unusual activities</li> <li>• implement regular audits</li> <li>• monitor key risk indicators</li> </ul>
Expectations	<ul style="list-style-type: none"> <li>• clearly communicate expectations regarding ethical conduct and fraud/theft prevention</li> <li>• foster a culture of transparency</li> <li>• provide a method of protected reporting on suspicious activities</li> </ul>

## 5.2 Report suspected fraud/theft

All instances of suspected fraud must be reported, according to the Protected Disclosures – Whistleblower Policy.

The Code of Conduct for members sets out the process for investigating suspected breaches. FANZ Management is committed to protecting individuals who report suspected fraud/theft.

## 5.3 How FANZ will respond to a suspected fraud/theft report

FANZ Management Board will respond to suspected fraud/theft in accordance with sections 5.4 and 5.5 of this policy and the respective Codes of Conduct. Upon receiving a report, the organisation will initiate a thorough and impartial investigation. Investigations will be conducted by an independent investigator appointed by Management where additional expertise is deemed necessary, to determine the validity of the allegations.

Investigation Process:

1. Immediate Response: upon receiving a fraud/theft report, an immediate response is initiated to secure relevant evidence and prevent further damage. A designated investigation team is appointed.
2. Preliminary Assessment: a preliminary assessment is conducted to determine the scope and nature of the alleged fraud/theft.
3. Formal Investigation: if the preliminary assessment warrants further investigation, a formal process is initiated. The investigation team conducts detailed interviews, gathers additional evidence, and assesses relevant financial records.
4. Forensic Analysis: forensic experts may be involved to conduct a detailed analysis of financial transactions, electronic data, and any other relevant evidence.
5. Legal Consultation: legal experts are consulted throughout the investigation to ensure compliance with legal requirements. Guidance is sought on the admissibility of evidence, potential legal actions, and cooperation with law enforcement agencies.
6. Reporting: a comprehensive investigation report is prepared, detailing the findings, evidence, and recommendations.

## 5.4 How FANZ will respond to fraud/theft

Disclosure of identified fraud/theft will be in line with legal obligations in relation to privacy and confidentiality. The findings of fraud/theft investigations will be disclosed appropriately within the organisation in line with legal obligations. Confidentiality and privacy will be maintained to the extent possible while addressing the need for transparency.

## 5.5 Sanctions and actions

Concerns regarding fraud/theft will be addressed as outlined in the code of conduct for elected members, appointments, contractors and volunteers.

Fraud/theft is a criminal offence. As appropriate, instances of fraud/theft will be reported to the NZ Police / Ngā Pirihimana o Aotearoa and/or the Serious Fraud Office / Te Tari Hara Taware.

Appropriate actions and sanctions will be taken against individuals found guilty of engaging in fraudulent/theft activities. This may include legal actions, termination of membership or contract or other disciplinary measures as deemed necessary. Recovery of lost money or other property will be pursued wherever practical and appropriate.

## 6. Improvements

The organisation is committed to a continuous improvement process regarding fraud/theft prevention. Regular assessments and reviews of policies, procedures, and controls will be conducted to identify areas for enhancement. The Fraud/theft Policy will be reviewed triennially. Appointed or co-opted members are integral to this process, and their cooperation is essential for maintaining a secure and ethical working environment. Where possible, FANZ MB will also make system and process improvements if fraud/theft occurs, to try and prevent future fraud/theft.

## 7. Roles and Responsibilities

The below table outlines the roles and responsibilities of elected members, appointments, contractors and volunteers in relation to fraud/theft.

ROLE	RESPONSIBILITIES
All in the scope of this policy	<ul style="list-style-type: none"><li>- demonstrating the highest standards of ethical behaviour</li><li>- being aware of this Fraud/theft policy and its content</li><li>- reporting any suspected fraud/theft</li><li>- taking reasonable steps to safeguard FANZ funds and assets against fraud, theft, unauthorised use, and misappropriation</li><li>- staying informed about updates and changes to fraud/theft prevention measures</li><li>- cooperating fully with any internal or external investigations related to suspected fraud/theft.</li></ul>
Management team being all elected, appointed and any co-opted members	<ul style="list-style-type: none"><li>- supporting fraud/theft awareness</li><li>- fostering an effective anti-fraud/theft culture</li><li>- recovering lost money or property wherever practical and appropriate</li><li>- maintaining confidentiality regarding ongoing investigating and the identity of individuals involved.</li><li>- Have overall ownership and administration of this policy</li></ul>

	<ul style="list-style-type: none"> <li>- Conduct investigation of suspected fraud/theft and appoint independent investigators when deemed necessary</li> <li>- Provide constructive feedback on fraud/theft prevention measures and policy</li> <li>- Review triennially</li> <li>- Completing an annual return of their conflicts of interests, especially any pecuniary interests.</li> </ul>

*Relevant Legislation*

Crimes Act 1961

Protected Disclosures (Protection of Whistleblowers) Act 2022

Privacy Act 2020

Serious Fraud/theft Office Act 1990

Crimes Amendment Act 2003

*Relevant documents*

Code of conduct

For	FANZ Management Board, with reference to all members
Approved / adopted FANZ Management Board	26 November 2025
Effective date	30 November 2025
Next review	30 November 2028