



## **Anti-Money Laundering and Counter-Terrorism Financing Policy**

### **Compliance with this policy is mandatory**

Human and Hope Association Incorporated (**HHA Australia**) aims to prevent, detect and not knowingly facilitate money laundering and terrorism financing in line with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (the **Act**). In doing so, HHA Australia recognises the need to have adequate systems and controls in place to mitigate the risk of the organisation being used to facilitate financial crime.

### **Responsibilities**

HHA Australia will ensure the risk of money laundering and terrorist financing is minimised through effective risk and compliance management activities. HHA Australia is committed to protecting funds and its reputation by ensuring that:

- HHA Australia adopts a risk-based preventive approach, adopting practices that identify, manage and mitigate money laundering and terrorism financing risk;
- transactions will be monitored for indicators of suspicious or unusual activity and reported internally and to the relevant law enforcement agency;
- records are maintained for the minimum prescribed period of seven (7) years;
- the HHA Australia Board of Directors is responsible for keeping informed of the requirements of the Act, the *Commonwealth Criminal Code Act 1995* (Cth) as they relate to anti-money laundering and counter-terrorism financing; and
- the HHA Australia Board of Directors is responsible for providing an annual self-certification on compliance with this policy.

All HHA Australia and partner staff should be suspicious of payments:

- from any organisation (e.g. an implementing partner or supplier) who wishes for the funds to be held in an HHA Australia bank account for any period of time and then returned to the implementing partner or supplier or passed to another organisation (known as conduit funding or channelling). This may arise in the context of reimbursement of funds paid to a supplier or implementing party or similar; or
- which has other unusual conditions attached; or
- which the person dealing with suspects may represent the proceeds of crime.

Other areas that all HHA Australia staff should consider as a risk are:

- entering partnership arrangements with organisations that may be fronts for criminal activities. It is important therefore to obtain referees and do due diligence before entering into significant relationships with new partners;
- use of an alternative banking system to move funds to areas of operation;



- use of conduits for funding (money held for the organisation in a conduit's name); and
- payment of facilitation charges in an area of operation where these amount to a private benefit rather than a lawful tax or duty.

### **Reporting**

All detected or suspected events thought to be money laundering or financing terrorist activities are to be:

- reported to HHA Australia management and escalated to the HHA Australia Board of Director as necessary; and
- reported to the relevant authorities as required.

### **Monitoring and Review of Policy**

- The HHA Australia Board of Directors is responsible for reviewing this policy annually (annually? Or once every two years? Could be helpful to specify a time to prevent the question "how often is 'regularly'?").
- Where compliance issues are identified, the HHA Australia Board of Directors will receive and consider reports from Human and Hope Association Cambodia (**HHA Cambodia**) personnel about the issues and work with HHA Cambodia personnel, as appropriate, to ensure that the issues are addressed promptly.
- Any updates and revisions to this policy must be approved by the HHA Australia Board of Directors.

### **Revision History**

- Policy adopted 15th April 2019
- Policy updated on 12<sup>th</sup> May 2020