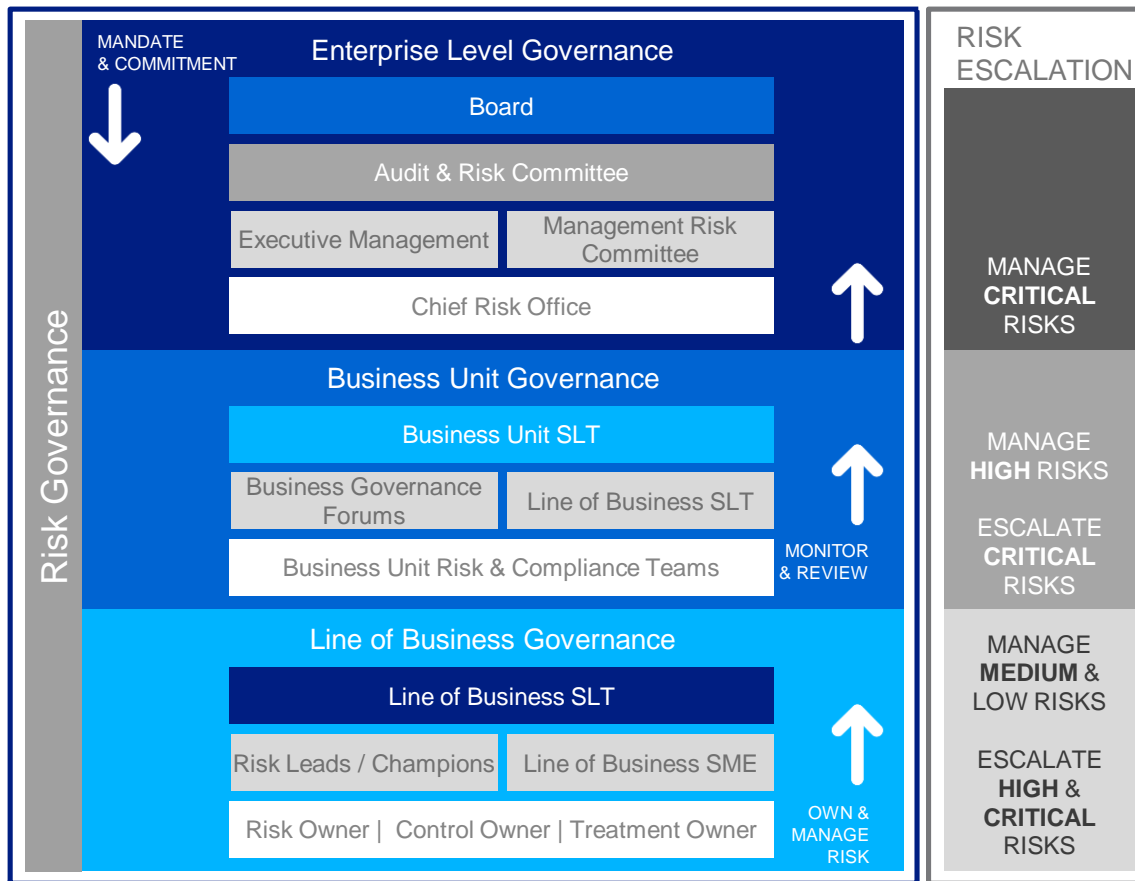


Risk Management Fraud and Ethical Behaviour

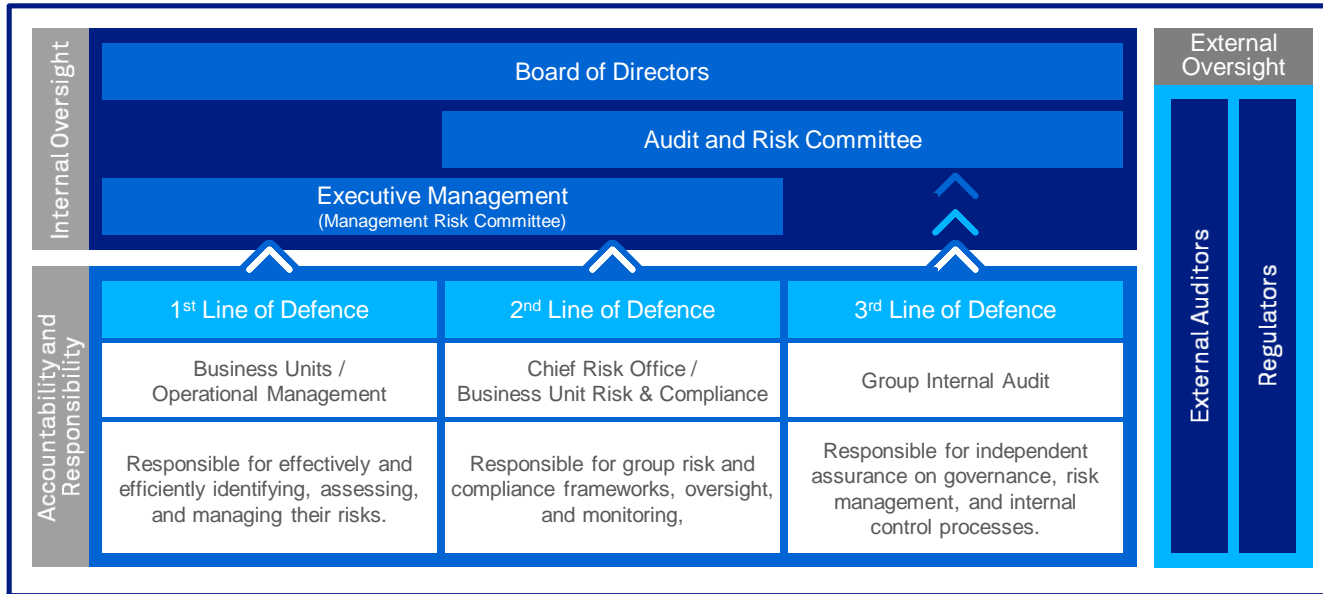
Matt Hildebrand



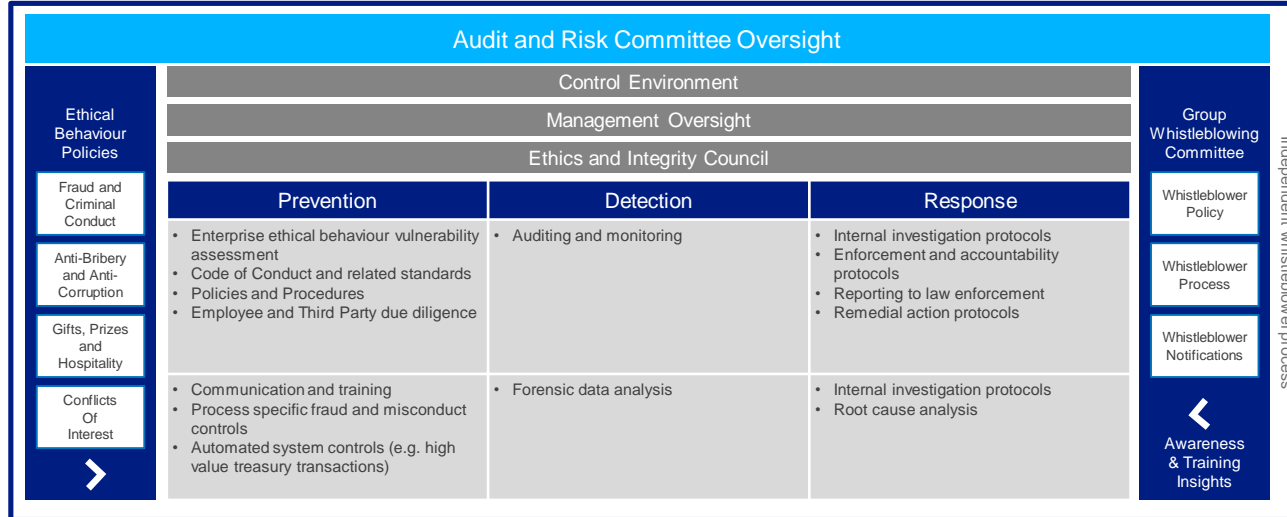
How we manage risk: An enterprise approach



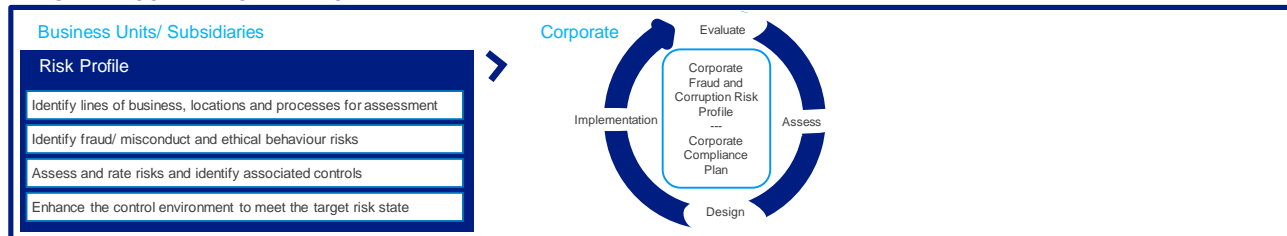
How we manage risk: Three Lines of Defence



Telstra's Ethical Behaviour Framework



RISK AND COMPLIANCE ENVIRONMENT



Build the foundation

Company Integrity Policies

Fraud and Criminal Conduct

Anti-Bribery and Anti-Corruption

Conflicts of Interest and Outside Activities

Gifts, Prizes and Hospitality

Whistleblower

Process and Procedures

Security Incident Reporting process

Investigation process and capability

Conflicts of Interest register and reporting

Gifts, Prizes and Hospitality register and reporting

Whistleblower process and independent reporting

Governance and Risk Management

Audit and Risk Committee

Ethics and Integrity Council

Group Whistleblowing Committee

Risk registers and mitigation strategies

Ethical Behaviour Vulnerability Assessment

Training, Monitoring and Compliance

Mandatory compliance courses

Risk training programs

Controls compliance program

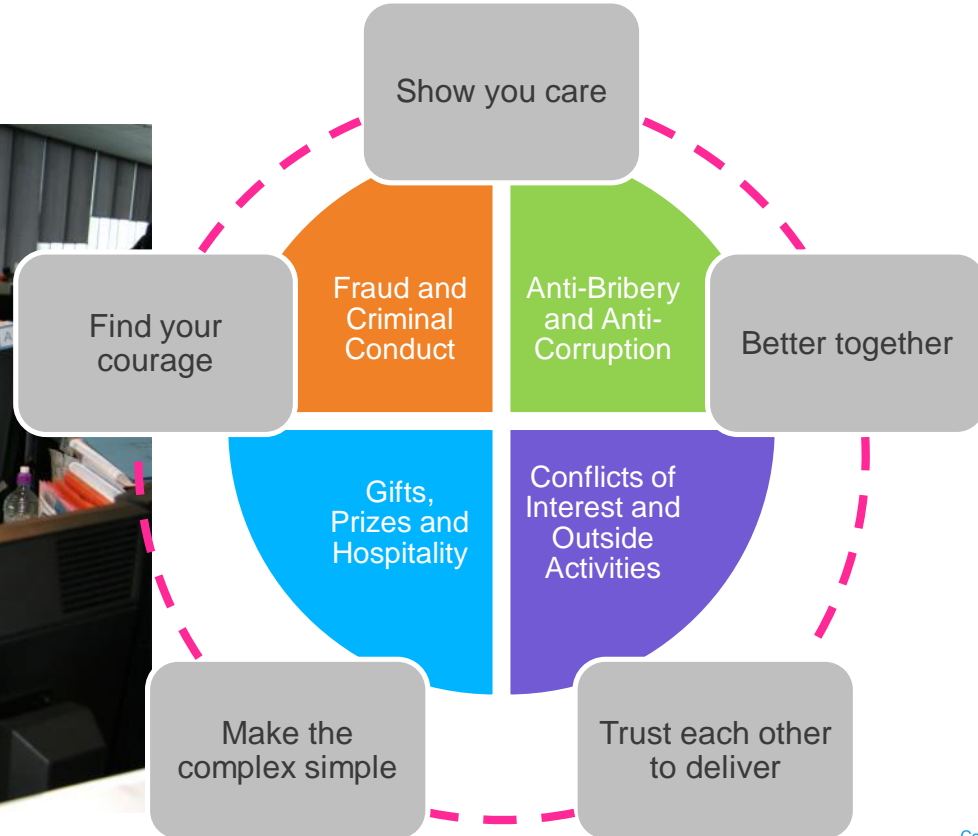
Ethics and Integrity Council reporting

Audit & Risk Committee reporting

Values-based integrity policies



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Employee awareness

THE RISK TEST
This test is designed to help you identify the risk level of your job and identify any conflict of interests, if you are involved. If you answered 'Yes' to any of these questions, don't panic, just have a chat with your 'Top Manager' about what to do to manage the risk.

BUSINESS	PERSONAL
1. Do you have an interest in: - Telstra, or any of its subsidiaries? - Work in Telstra or related areas? - Being directly or indirectly involved with suppliers or contractors? - Providing sponsorship? - Being a member, or being Telstra assets that would be used to promote goods? - Displaying, or using Telstra assets? - Contacting, or using Telstra assets to hold confidential information? - Being involved in advertising, promotional or marketing activities in a Telstra or Telstra-related business?	1. Run a family or private business? - Hold a second job, or a part-time position? - Be a director or trustee of a company? - Be a member of a public or non-profit organisation, sporting club, club, or association? - Be involved in a professional or consultancy business? - Have a family or personal relationship with a person, organisation, or business operating in the same industry? - Be a director or trustee of a company, or a Telstra-related business?
2. Do you have an interest in: - Telstra, or any of its subsidiaries? - Work in Telstra or related areas? - Being directly or indirectly involved with suppliers or contractors? - Providing sponsorship? - Being a member, or being Telstra assets that would be used to promote goods? - Displaying, or using Telstra assets? - Contacting, or using Telstra assets to hold confidential information? - Being involved in advertising, promotional or marketing activities in a Telstra or Telstra-related business?	2. Have a family or private business? - Hold a second job, or a part-time position? - Be a director or trustee of a company? - Be a member of a public or non-profit organisation, sporting club, club, or association? - Be involved in a professional or consultancy business? - Have a family or personal relationship with a person, organisation, or business operating in the same industry? - Be a director or trustee of a company, or a Telstra-related business?

WHAT TO DO NEXT:
If you answered 'Yes' to any of these questions, don't panic, just have a chat with your 'Top Manager' about what to do to manage the risk.

IT'S TIME WE CONNECT

THE CONFLICT OF INTEREST TEST
This test is designed to help you identify the risk level of your job and identify any conflict of interests, if you are involved. If you answered 'Yes' to any of these questions, don't panic, just have a chat with your 'Top Manager' about what to do to manage the risk.

CONTRACTORS & SUPPLIERS	CONFLICT OF INTEREST
1. Do you have an interest in: - Telstra, or any of its subsidiaries? - Work in Telstra or related areas? - Being directly or indirectly involved with suppliers or contractors? - Providing sponsorship? - Being a member, or being Telstra assets that would be used to promote goods? - Displaying, or using Telstra assets? - Contacting, or using Telstra assets to hold confidential information? - Being involved in advertising, promotional or marketing activities in a Telstra or Telstra-related business?	1. Do you have an interest in: - Telstra, or any of its subsidiaries? - Work in Telstra or related areas? - Being directly or indirectly involved with suppliers or contractors? - Providing sponsorship? - Being a member, or being Telstra assets that would be used to promote goods? - Displaying, or using Telstra assets? - Contacting, or using Telstra assets to hold confidential information? - Being involved in advertising, promotional or marketing activities in a Telstra or Telstra-related business?

WHAT TO DO NEXT:
If you answered 'Yes' to any of these questions, don't panic, just have a chat with your 'Top Manager' about what to do to manage the risk.

IT'S TIME WE CONNECT

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Policy support material



Acting with integrity



Communication



Reporting lines

BUSINESS ESSENTIALS 1

WORKING AT TELSTRA
GIFTS, PRIZES AND HOSPITALITY

Gifts, prizes or hospitality (GPH) can be an acceptable business practice, but it can create concerns that your judgement or impartiality may have been compromised.

We've got rules in place about GPH. It's really important that you read and understand the policy so you know what you can and can't do regarding GPH.

The rules cover:

- > GPH you can't accept
- > when you need your manager's approval and when you have discretion to accept GPH
- > when to notify the Chief Risk Office

If you're ever unsure about whether to accept GPH, or what the rules are, please read the policy first, then discuss it with your manager.

Read the GPH policy on the intranet to find out more.

IT'S TIME WE CONNECT

IT'S TIME WE CONNECT

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Education and training

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Establish reporting lines

People Managers

Legal counsel

HR support

Chief Risk Office

System tools

Whistleblower



What to do when serious misconduct is detected



Redress the issue, prevent it from reoccurring



Weaknesses and vulnerabilities

- Assess policy and procedures
- Assess systems and controls



Recommendations

- Additional accountabilities
- Values and culture
- New procedures
- Policy changes
- Communication
- Mitigations
- Awareness
- Education