



Aldar Properties PJSC

Fraud Policy



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APPROVAL AND REVISION HISTORY

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1. INTRODUCTION

Fraud is defined as the intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/ or the perpetrator achieving a gain. Aldar Properties PJSC (ALDAR) recognises the risks of fraud endemic to any business especially those sectors ALDAR is primarily engaged in.

1.1. Objectives

This document set the framework and the related internal controls to be followed for managing activities geared toward guarding against fraud occurring at ALDAR. The objectives of this Policy are to:

- Facilitate the development of controls that shall aid in the prevention and detection of fraud against ALDAR; and
- Promote consistent organizational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigation.

1.2. Scope

This policy applies to any irregularity, or suspected irregularity, involving employees, executive management, directors as well as shareholders, consultants, contractors, suppliers and/ or any other parties having any business relationship with ALDAR.

Any investigative activity required shall be conducted without regard to the suspected wrongdoer's length of service, position/ title, or relationship to ALDAR.

This Policy must be read in conjunction with ALDAR's Code of Business Conduct (CBC) as well as the Whistleblower Policy.

2. POLICIES

2.1. General Policy

- Executive management (i.e. CEO and his/ her direct reports: N & N-1) is responsible for the prevention and detection of fraud, misappropriations and other irregularities.



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- Each member of the executive management shall be familiar with the types of improprieties that might occur within his or her area of responsibility and be alert for any indication of irregularity.
- Any irregularity that is detected or suspected must be reported immediately to the Head of Internal Audit (IA) who has the primary responsibility for the investigation of suspected reportable conducts.

2.2. Actions Constituting Fraud

- The terms defalcation, misappropriation, and other irregularities refer to, but are not limited to:
 - Any dishonest or fraudulent act;
 - Misappropriation of funds, securities, suppliers or other assets;
 - Impropriety in handling or reporting of money or financial transactions;
 - Profiteering as a result of insider knowledge of ALDAR's activities;
 - Disclosing confidential and proprietary information to outside parties;
 - Disclosing to other persons securities activities engaged in or contemplated by ALDAR;
 - Accepting or seeking anything of material value from contractors/ consultants, suppliers or persons providing services/ goods to ALDAR; and
 - Destruction, removal, or inappropriate use of records, furniture and fixture, and other assets of ALDAR.

2.3. Other Irregularities

- Irregularities concerning an employee's moral or behavioural conduct shall be resolved by the Head of the Department/ Business Unit and the Head of People, Culture & Performance.
- Employees are advised to contact the Head of IA if there are questions as to whether an action constitutes fraud for guidance.

2.4. Investigation Responsibilities

- All reported incidents shall be disclosed to the Audit Committee (AC) and approval sought for cases requiring further investigations.
- IA has the primary responsibility for the investigation of suspected fraudulent acts.



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- Should the suspected fraudulent activity require a qualified third party to carry an investigation, the AC shall approve the appointment of an Investigation Officer for this purpose.
- All reported allegations shall be thoroughly investigated to the extent that relevant information is available to the investigating team with the objective of identifying evidence to substantiate or refute the claims.
- If the investigation substantiates that fraudulent activities have occurred, a report shall be issued to the CEO to action the recommendations and copied to the Management Committee, AC and the Chairman of the Board.
- Decisions on appropriate disciplinary actions including termination shall be made by the CEO upon the consultation/ recommendation from the concerned Chief, Head of People, Culture & Performance and Head of Legal and in accordance with the DOA.
- Decisions to prosecute or refer the investigation results to law enforcement and/ or regulatory agencies for independent investigation shall be made by the AC in consultation with the Head of Legal.
- Aldar has a zero tolerance policy towards fraud.

2.5. Confidentiality

- The investigating team shall treat all information received confidentially.
- Any employee who suspects dishonest or fraudulent activities shall notify the Head of IA immediately or report the concern anonymously through the third party managed Whistleblower system in case he/ she does not wish to be identified. Furthermore, the employee should not report his/ her suspicions to his/ her direct line manager and should not attempt to personally conduct investigations or interviews/ interrogations related to any suspected fraudulent act.
- Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect ALDAR from potential civil liability.

2.6. Authorization for investigating suspected fraud

- Members of the investigation team shall have:
 - Free and unrestricted access to all of ALDAR's records and premises, whether owned or rented.



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- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, electronic equipment (e.g. laptop) and other storage facilities on the premises without prior knowledge or consent of any individual who use or have custody of any such items or facilities when it is within the scope of their investigation.

2.7. Reporting Procedures

- Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is underway.
- An employee who discovers or suspects fraudulent activity shall contact the Head of IA immediately. Alternatively, the employee or other complainant may report the suspected irregularity anonymously through the third party managed Whistleblower system.
- All inquiries concerning the activity under investigation from the suspected individual, his or her legal counsel or representative, or any other inquirer should be directed to the investigation team's authorized representative.
- No information concerning the status of an investigation shall be given out. The proper response to any inquiries is "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation", "the crime", "the fraud", "the forgery", "the misappropriation" or any other specific reference.
- The reporting individual shall be informed of the following:
 - Not to contact the suspected individual in an effort to determine facts or demand restitution.
 - Not to discuss the case, facts, suspicions, or allegations with anyone including their line manager unless specifically asked to do so by the IA team.

3. REFERENCES

- Delegation of Authority (DOA)
- Code of Business Conduct (CBC)
- Whistleblower Policy
- Whistleblower System Quick User Guide