

Annexure L: Whistleblower Policy

1. POLICY APPROVAL, REVIEW AND GOVERNANCE COMPLIANCE

1.1. Board approval

This policy was approved by the Board on the specified on the title page and takes effect from that date.

1.2. Review of policy

This policy is to be reviewed by the CEO every two years and was last reviewed on the 18th February 2022.

Proposed changes to the Policy must be approved by the Board.

1.3. Delegation to the CEO

The CEO is responsible to the Board for overseeing compliance with this policy and ensuring that the policy:

- remains appropriate to the circumstances of the Credit Union; and
- is being implemented in accordance with its terms.

The CEO is also responsible to the Board for ensuring that whistleblowers do not suffer personal disadvantage from reporting in good faith suspected instances of improper conduct.

1.4 Reporting requirements

The Whistleblower Protection Officer/Dispute Resolution Officer must prepare a general summary of the number and type of reports of reportable conduct received and the outcomes.

These summaries must be provided quarterly to the:

- CEO and the Chief Risk Officer (or more frequently at the request of the CEO); and
- Board Risk Committee.

A consolidated summary must be provided to the Board Risk Committee at the end of each year.

1.5 Policy breach

A breach of this policy may be regarded as misconduct and may result in disciplinary action. A breach of this policy may also amount to a criminal or civil liability or contravention for breach of relevant legislation, giving rise to significant penalties and enforcements. Any alleged breach of this policy by any officer, employee or contractor will be taken seriously by The Capricornian Ltd (TCL) and if appropriate may be the subject of a separate investigation and/or disciplinary action.

2. INTRODUCTION TO THIS POLICY

This Whistleblower Policy details the framework for receiving, investigating and addressing allegations of Reportable Conduct.

This policy applies to Whistleblowers, who can be current and former, employees, directors, officers, associates and suppliers of TCL. It also includes the relatives, dependents and spouses of those people and TCL's contractors, consultants, third party providers, brokers and auditors.

This policy has been adopted to provide a safe and confidential environment where such concerns can be raised by whistleblowers without fear of reprisal or detrimental treatment.

This policy sets out:

- who is entitled to protection as a whistleblower under this policy;
- what protections whistleblowers are entitled to under this policy;
- to whom and how disclosures can be made by whistleblowers in accordance with this policy;
- how TCL will investigate and handle a protected disclosure; and
- how TCL will ensure fair treatment of any whistleblower under this policy.

Complaints and grievances are out of scope for this policy and as such will be dealt with in accordance to section 6.6 - Staff Grievances in the Human Resources Policy.

3. PURPOSE OF THIS POLICY

TCL is committed to ensuring compliance with the law and the highest ethical standards in the conduct of its business. TCL promotes a culture of compliance, honesty and ethical behaviour and encourages the disclosure of actual or suspected wrongdoing (Reportable Conduct).

The purpose of this Policy is to support that commitment by:

- discouraging improper conduct;
- enabling whistleblowers to report suspected improper conduct in good faith without risk of personal disadvantage from making the report; and
- facilitating the investigation of such reports.

The purpose of this policy is to prevent corruption and misconduct before it occurs. It is imperative to enable and strengthen a pro-disclosure culture with greater transparency and a commitment to accountability and integrity.

4. RELATED POLICIES

Refer to the Fit & Proper Policy for details of The Capricornian's compliance with the whistleblower requirements of *CPS 520: Fit & Proper*.

5. REPORTABLE CONDUCT

This policy supports the reporting of allegations of serious wrongdoing (Reportable Conduct) or improper conduct in relation to TCL.

Reportable Conduct includes but is not limited to the following;

- any conduct that is illegal, dishonest, unethical or improper;
- corrupt or criminal activity;
- offering or accepting a bribe;
- theft, fraud, money laundering or misappropriation;
- a serious breach of policies and/or procedures, laws and/or regulations;
- disclosure of confidential information;
- damage/sabotage, violence, drug & alcohol sale/use;
- endangering or causing risks to the health and safety of workers;
- bullying, discrimination, harassment or abuse;
- victimising someone for reporting Reportable Conduct;
- recrimination against someone because of their participation in an investigation or review;
- any instruction to cover up or attempt to cover up serious wrongdoing;
- conduct likely to cause financial or non-financial loss to TCL; or
- otherwise detrimental to the interests of TCL.

6. DISCLOSING REPORTABLE CONDUCT

As a first step, TCL whistleblowers are encouraged to speak to someone they are comfortable talking to. If they then wish to report Reportable Conduct and have their report dealt with by way of this policy, they can ask the person to whom they have been talking to escalate the matter on their behalf or they can make a report themselves.

Should a whistleblower seek additional information before formally making their disclosure it should be done by contacting the Whistleblower Protection Officer/Dispute Resolution Officer. Minimal details about the suspected entity and conduct should be provided.

To ensure appropriate escalation and timely investigation of matters under this policy, TCL encourages reports to be made in writing or by phone, anonymously and/or confidentially, securely and outside of business hours to any of the following;

- The Whistleblower Protection Officer/Dispute Resolution Officer;
- The CEO;
- The CFO;
- Any other TCL Executive/ Senior Manager;
- The Board Chair;
- The Board Risk Committee Chair; or
- Any other Board member.

Alternatively, a disclosure can be made to an auditor, or member of an audit team conducting an audit on TCL.

Disclosures can be made to a journalist or parliamentarian as a Public Interest Disclosure or Emergency Disclosure. However, certain criteria and circumstances must be met to qualify

for protection. To make a public interest disclosure or emergency disclosure; the disclosure must have previously been made to the Australian Securities and Investment Commissioner (ASIC), the Australian Prudential Regulation Authority (APRA) or another prescribed Commonwealth body, and written notice provided to the body to which the disclosure was made. In the case of a public interest disclosure, at least 90 days must have passed since the previous disclosure.

Disclosures to a legal practitioner for the purposes of obtaining legal advice or legal representation are protected by the contents of this policy.

Contact details for the above people can be provided on request by the Executive Assistant (or any member of the management team).

Whistleblower Protection Officer/Dispute Resolution Officer Contact Details:

- **Phone: (07) 4931 4932**
- **E-mail: dro@capricornian.com.au**
- **In writing to: The Capricornian Ltd**
Attention: Whistleblower Protection Officer
PO Box 1135
Rockhampton Qld 4700

7. ANONYMITY AND CONFIDENTIALITY

TCL is committed to the protection of individuals who disclose information about illegal and improper conduct occurring within the organisation. When making a disclosure, you may do so anonymously. Whistleblowers are encouraged to share their identity to make it easier to seek further information and address the disclosure, however there is no requirement to do so.

TCL will not disclose a whistleblower's identity unless the whistleblower consents to the disclosure of their identity, or if the disclosure of the whistleblower's identity is made to:

- the Australia Federal Police (AFP); or
- ASIC; or
- APRA; or
- a legal practitioner for the purpose of obtaining legal advice or legal representation.

There is no obligation to protect the anonymity of the whistleblower if:

- disclosure is required by law; or
- disclosure is necessary to prevent or lessen a serious threat to a person's health or safety; or
- disclosure is necessary to protect or enforce TCL's legal rights; or
- it is established to the satisfaction of the Board that the information about the disclosure was submitted maliciously and without any proper basis.

Disclosures that are not about reportable conduct do not qualify for protection under this policy however, may be protected under other legislation (eg. Fair Work Act).

A whistleblower must keep all information relating to any allegation confidential at all times, both during any investigation process and following any resolution of an allegation.

Breaching the confidentiality protection of a whistleblower's identity and information that is likely to lead to the identification of a whistleblower is a criminal offence and those involved may be subject to criminal, civil and/or disciplinary proceedings.

The Whistleblower Protection Officer/Dispute Resolution Officer will ensure that all files and documents are kept secure. To minimise the risk of a breach of confidentiality, where appropriate, action may be taken, including the partial redaction of reports, the use of appropriate language in communications, and the use of pseudonyms or non-identifying descriptors when referring to the disclosing whistleblower.

8. INVESTIGATING REPORTABLE CONDUCT

The Whistleblower Protection Officer/Dispute Resolution Officer is responsible to the CEO for receiving and investigating information from a whistleblower about suspected improper conduct.

The CEO must appoint another person (either an employee or an appropriately qualified external adviser) to complete the investigation if that is more appropriate. The appointment of another employee may be appropriate to ensure an independent investigation. The appointment of a qualified external adviser may be appropriate if the report involves serious improper conduct. Reports received from external advisers must be tabled at the Board as soon as practicable following receipt.

If the information of suspected improper conduct concerns the CEO or CFO, details of the suspected improper conduct must promptly be provided to the Board Chair and the Board Risk Committee Chair.

The Whistleblower Protection Officer/Dispute Resolution Officer will complete a preliminary review of the whistleblower's disclosure will be assessed to determine whether the allegations raised should be investigated and whether they related to reportable conduct.

All reports of reportable conduct must be thoroughly investigated. The objective of the investigation is to locate evidence that either substantiates or refutes the report of reportable conduct.

Investigations will follow a fair process, be conducted in a timely manner. Investigations must follow the rules of natural justice, that is:

- they must be free from actual or apparent bias; and
- the person against who the allegation is made must be given the opportunity to respond.

The outcome of the investigation must be reported to the CEO or, if the report concerns an allegation of reportable conduct by either the CEO or the CFO, to the Board.

The CEO (or Board) must determine what action to take. This may include:

- disciplinary action against the perpetrator(s);
- action to rectify the improper conduct; and
- action to mitigate the risk of the improper conduct being repeated.

Where possible, the outcome of the investigation should be verbally communicated to the whistleblower.

9. PROTECTION FOR WHISTLEBLOWERS

TCL is committed to protecting:

- the confidential information, including the identity of whistleblowers; and
- whistleblowers from any detriment, retaliation, reprisal, discrimination, harassment, victimisation or adverse action as a result of making a report.

No person at TCL may cause, victimise or threaten any detriment to any person for any reason which includes that they or any other person:

- is or proposes to be a whistleblower; or
- is suspected or believed to be, or could be, a whistleblower.

TCL will not tolerate this and disciplinary action may be taken against any person who engages in such conduct. Retaliation or causing detriment in this way is reportable conduct.

Detriment includes but is not limited to:

- dismissal;
- injury to an employee in their employment;
- alteration of an employee's position or duties to their disadvantage;
- discrimination, harassment or intimidation;
- harm or injury including psychological harm;
- damage to property, reputation or business;
- taking action against a whistleblower to enforce a right or subjecting them to any liability; or
- action simply because they have made a disclosure of reportable conduct.

TCL will focus on the quality of the information in regard to reportable conduct, not the motivation of the whistleblowers. Reports made in bad faith, be they, trivial, malicious or vexatious do not qualify for protection under this policy and a person who makes such a report may be disciplined.

A whistleblower that is found to be implicated in improper conduct is not immune from disciplinary action merely because he or she reported the improper conduct.

A whistleblower can still qualify for protection even if their disclosure turns out to be incorrect.

Personal work related grievances relating to reportable conduct may fall within the scope of this policy and may qualify for protection under certain circumstances.

10. EDUCATION AND TRAINING

TCL will ensure that this policy is published by:

- providing a copy to each director, employee and contractor upon commencement;
- making the policy available on TCL's intranet for all staff to access; and
- making the policy available on TCL's external website.

Education and training of this policy will be included as part of the induction program and the refresher training.

The induction program for all new directors, employees and contractors must include:

- TCL's commitment to ensuring compliance with the law and the highest ethical standards in the conduct of its business;
- the existence of this policy to facilitate good faith reports of suspected improper conduct without risk of personal disadvantage;
- the Credit Union's Code of Conduct; and
- information on the sort of improper conduct to be particularly aware of.

Refresher training must be provided on a regular basis as appropriate.