

SPEAK UP (Whistleblower) REPORTING and PROTECTION POLICY

This Policy applies to current or former Board Directors, employees, volunteers, members of the extended ParaQuad and BrightSky community, contractors or suppliers plus their associates and their family members.

Policy Objective

Is to:

- Encourage *Whistleblowers* to report *misconduct* or an improper state of affairs;
- Establish process for reporting and investigating *misconduct*, and
- Ensure *Whistleblower* protection against retribution.

Policy

All ParaQuad, including BrightSky employees adhere to ethical work practices that are compliant with relevant legislative and regulatory requirements. Employees are supported to disclose potential *misconduct* without fear of retribution.

ParaQuad encourages and enables the reporting of actual, or given reasonable grounds, potential *misconduct* that is:

- Against the law or any legal code;
- Dishonest, unethical;
- Creating an unsafe environment;
- Breaching any of our organisational policies;
- Discrimination/bullying/harassment, including sexual harassment;
- Any conduct which is harmful to ParaQuad and could cause financial or non-financial loss.

Refer to definitions on *reportable matters* for further clarity.

Anonymity

ParaQuad is committed to ensuring whistle-blower anonymity.

ParaQuad uses a 3rd party whistleblowing platform, *Whispli*, to ensure we protect informant's identity and leverage technologies to ensure no one in our organisation can identify them. This platform also allows for 2-way, anonymous communication as well as case management and data protection features.

The system is primarily designed to ensure whistle-blower anonymity. However, the whistle-blower may choose to reveal themselves at any point should they consider it important. If this happens, ParaQuad will insist that the report is filed, and related communication is carried out through *Whispli*, such that no direct link can be made between the report and the whistle-blower to avoid potential retribution.

Whistleblower protection

ParaQuad will take all reasonable steps to ensure that the *Whistleblower* is not subjected to any form of victimisation, harassment, discrimination or retribution on account of a *disclosure*. Any person who retaliates against the *Whistleblower* will be subject to disciplinary action, up to and

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including termination of employment or their Board Director position.

The identity of the *Whistleblower*, where not made anonymously, is to remain confidential to those persons directly involved in the investigation. Exempted is a matter requiring investigation by law enforcement, in which case those involved may be subject to subpoena.

Note: Companies and individuals are liable for substantial civil and criminal penalties for the contravention in relation to *Whistleblower* confidentiality and *Detrimental Conduct*. These penalties include:-

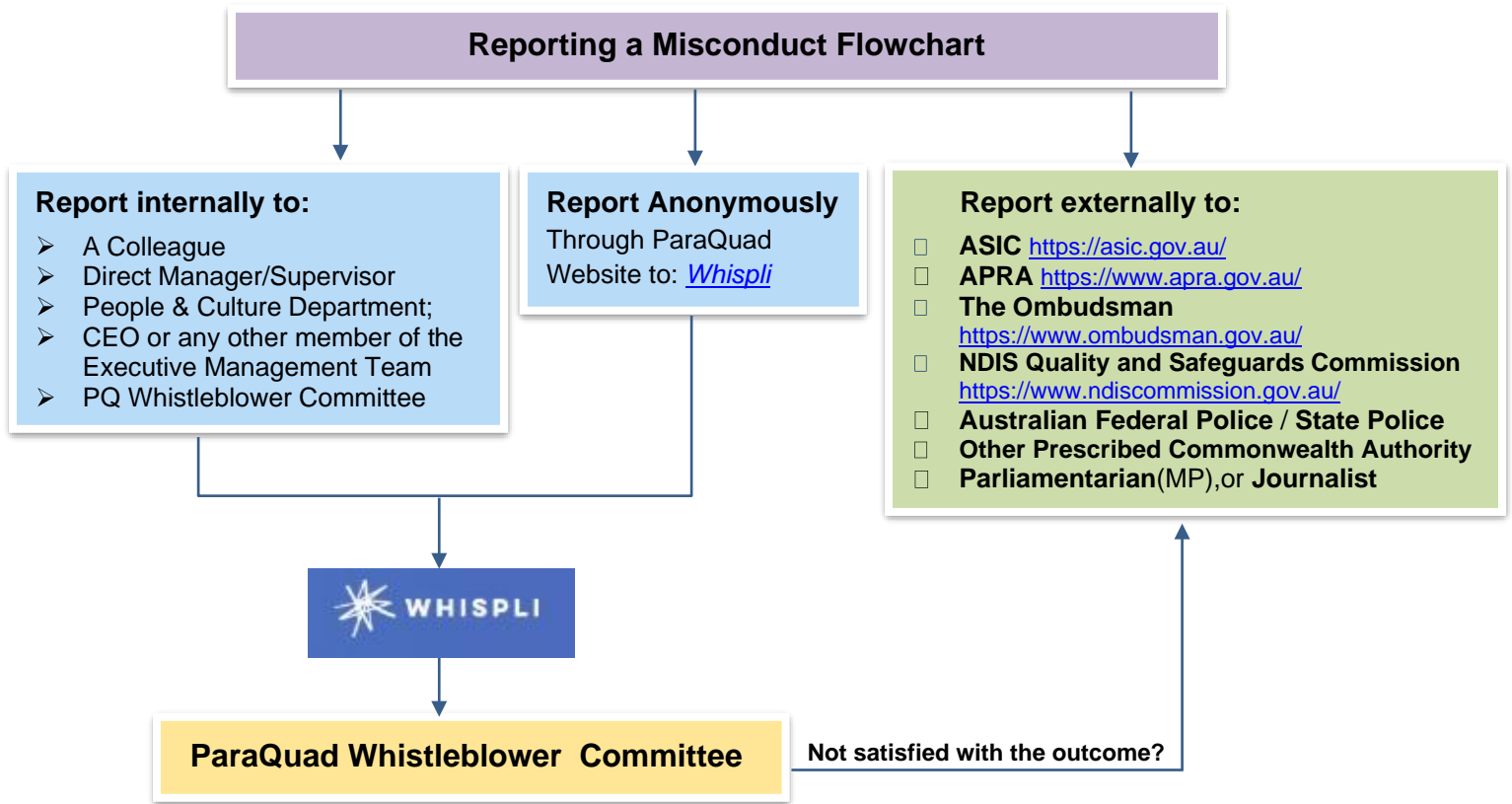
- i. Penalties for a body corporate of a maximum of the greater of \$10,500,000, or if a Court can determine the benefit derived or detriment avoided because of the contravention, 3 times that amount, or 10% of the annual turnover of the entity up to a maximum of \$525 million.
- ii. Compensation payable by a body corporate if a third person engages in *detrimental conduct* towards a second person, based on a belief or suspicion that the second person is an actual or potential *whistleblower*, and the body corporate fails to fulfill any duty they have to prevent the third person from engaging in that *detrimental conduct*, or to take reasonable steps to ensure that the third person does not engage in *detrimental conduct*.
- iii. Penalties for an individual will be the greater of \$1,050,000, or if a Court can determine the benefit derived or detriment avoided, 3 times that amount.
- iv. Criminal offences for failure to comply with the confidentiality and *detrimental conduct* provisions, punishable by imprisonment and / or fines. Ref: *Treasury Laws Amendment (Enhancing Whistleblower Protection) Act 2019 ("the Act")*

Reporting process

1. Identify a misconduct;
2. Report (disclose) the misconduct:
 - Internally to a Colleague, Direct Manager/ Supervisor, People & Culture Department, CEO or any other Member of the Executive Management Team, or ParaQuad *Whistleblower* Committee;
 - Externally to:
 - Australian Securities and Investments Commission (ASIC) <https://asic.gov.au/>
 - Australian Prudential Regulation Authority (APRA) <https://www.apra.gov.au/>
 - The Ombudsman <https://www.ombudsman.gov.au/>
 - Australian Federal Police / State Police
 - Other Prescribed Commonwealth Authority
 - NDIS Quality and Safeguards Commission <https://www.ndiscommission.gov.au/>
 - Parliamentarian (MP) or Journalist.
 - Anonymously through ParaQuad Website to *Whispli*.
3. Manage *disclosure* – *Whistleblower* Committee; and
4. Outcome – respond to the *whistleblower*.

Note: Where it is shown that a person purporting to be a *whistleblower* has made a false report of *reportable conduct*, then that conduct itself should be considered a serious matter and render the person concerned subject to disciplinary action. In extreme cases the ParaQuad employee may be dismissed.

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In the case where the allegation is:

- Against the CEO, *Whispli* will alert the Board Chairman;
- Against a member of the *Whistleblower* Committee, *Whispli* will alert the CEO.

Support and protection available to the person(s) implicated by the *disclosure*

No action will be initiated against any employee or Board Director implicated by a *disclosure* under this policy until the allegations have been substantiated on the balance of probabilities.

The person subject to the allegation/investigation:

- May be suspended on full pay or transferred to another role where there is a risk of that person impeding or compromising the investigation;
- Is to return to their normal role without any negative or detrimental effect on them or their career if the allegation is not substantiated; and
- Has the right to access support services such as ParaQuad's EAP service (1800 818 728) or if necessary, from organisations such as Beyond Blue (1300 22 4636) or Lifeline (13 11 14).

Managing *Disclosures*

All *disclosures* other than those that are against a member of the *Whistleblower* Committee, will be investigated by the *Whistleblower* Committee. The Committee is bound by terms that mandate adherence to ParaQuad values, objectivity, fairness, and confidentiality.

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External members may be required to participate in the investigation conditional upon a confidentiality agreement, on a case-to-case basis.

A determination as to the outcome of the investigation is made on the balance of probabilities and communicated to the *whistleblower* through *Whispli*.

Note: Crimes against person or property, such as assault, rape, burglary, etc., should immediately be reported to the Police.

Responsibilities of the *Whistleblower* Committee

The *Whistleblower* Committee is responsible to:

- Ensure the anonymity of the *Whistleblower* is protected;
- Respect the rights of all involved;
- Advise the:
 - ParaQuad's Finance and Risk Committee of *disclosures* that create a risk to the organisation; and/or
 - Board Chairman where the allegation is against the CEO;
- Prepare an investigation plan, listing the issues that require substantiation and outlining the investigation process;
- Objectively investigate the *disclosure* (or to coordinate an outsourced investigation);
- Prepare a report with recommendations in relation to resolving the *disclosure*;
- Regularly update *Whispli* of the progress and the outcome of the investigation; and
- Follow up to ensure any approved actions resulting from the investigation are instigated.

The *Whistleblower* Committee is to provide the status of their investigation, and a final report with recommendations, to the:

- CEO; or
- Board Chairman (in the event that the investigation is against the CEO); and
- Board - an annual report of *disclosures*.

If the *Whistleblower* is not satisfied with the outcome of the investigation, then they have the right to report the event to the appropriate legal or government agency.

Exemption from this policy

Personal work related grievances such as interpersonal conflicts, transfer, promotion, or disciplinary decisions are excluded from this policy. Personal grievances should be directed to the direct Manager and will be addressed in accordance with ParaQuad's Dispute Resolution Policy and Grievance Policy.

Implementation

All managers are to ensure their employees and volunteers are aware of and can access a copy of this policy. The application of this policy will be incorporated into all induction/on boarding programs for Board Directors, employees and volunteers and ParaQuad will periodically conduct

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education sessions on the operation of this policy. A copy of the policy will be placed on the ParaQuad website, available to members, Clients and extended ParaQuad community.

Privacy and confidentiality

In order to protect *Whistleblower* from harm, ParaQuad will ensure that the storage of *Whistleblower's* information is kept secure and complies with privacy laws. Any *disclosure* that implicates an employee or Director must be kept confidential and only disclosed to those people who have a legitimate need to know or who are involved in the investigation.

Definitions

Detrimental conduct or Reprisal Includes actions that intimidate, harass or discriminate against or adverse treatment that affects the *Whistleblower's* job or career. It is action against the *Whistleblower* that may cause injury, loss or damage.

Disclosure Is a report made by the *Whistleblower* of any *misconduct* or improper state of affairs.

Protected disclosure Is a *disclosure* that affords protection under the Act where:

- It is made by an individual that relates to the conduct of ParaQuad or one of its employees acting in an official capacity,
- the *Whistleblower* has reasonable grounds for making the allegation,
- the alleged conduct is either improper *conduct or detrimental reprisal* action taken against the *Whistleblower* for making the report.

Public Interest Disclosure Is an assessment that has to be made within 45 days of the *disclosure*, on whether it is a *public interest disclosure* and needs to be referred to the Ombudsman. The assessment needs to consider if the *disclosure* shows or tends to show whether the employee or Director that the *disclosure* relates to has:

- engaged in or is engaging or intends to engage in improper conduct in his/her role
- has taken or intends to take *detrimental reprisal* action against the *Whistleblower*.

Reportable matters (misconduct) May include any conduct that involves:

- Unlawful activity including but not limited to theft, dealing in or using illicit drugs, violence and criminal damage;
- Dishonesty;
- Fraudulent action;
- Corruption or irregular use of ParaQuad's funds or resources;
- Unethical behaviour;
- Improper or misleading accounting practices or financial reporting;
- Discriminatory behaviour;

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- Gross negligence;
- Unsafe work practices that pose serious risk to work health and safety;
- Serious risk to public health, safety or the environment; or
- Conduct that may cause loss or damage to ParaQuad.

Whistleblower Is a person who makes a *disclosure*. ‘Eligible *Whistleblower*’ can be anyone who has ever been in a relationship with ParaQuad (such as current and former: employees, Board Members, contractors, employees of contractors, associates, and relatives of such individuals).

Whispli *WHISPLI* is an independent tool enabling the *whistleblower* to create their safe space to speak up to organisations. Using *WHISPLI*, the *whistleblower* will remain truly anonymous towards the organisation they send their Report to. *WHISPLI* deletes the IP address when the *whistleblower* lodge their report and therefore ensures they remain anonymous.

Legislations and/or Reference Documents

The new laws, as at 1 July 2019, apply for a large proprietary company where at least two of the following are satisfied:

- The consolidated revenue exceeds \$25M per year
- The gross assets at the end of the financial year is \$12.5M or
- Has 50 or more employees at the end of the financial year.

As ParaQuad meets two of these requirements this policy, and the supporting procedures, are framed to comply with the following legislation:

- Treasury Laws Amendment (Enhancing *Whistleblowers* Protections) Bill 2018
- Taxation Administration Act (TAA)
- Corporations Act.

Note: The Act provides:

- For substantial financial penalties and potentially jail sentences for individuals and corporations for disclosing a *Whistleblower’s* identity; and
- An avenue for public interest and emergency *disclosures* of *misconduct* to Parliament and/or journalists in some circumstances, including where a company has not acted on a qualifying *disclosure* within 90 days.

- Banking Act, Insurance Act, Life Insurance Act, Superannuation Industry (Supervision) Act

Associated Documents

- Whistleblower Reporting and Protection Fact Sheet
- Whistleblower Committee Terms of Reference
- Discrimination and Harassment Prevention Policy
- Dispute Resolution Policy
- Grievance Policy
- Code of Conduct
- Conflict of Interest Policy