



HUNTER UNITED EMPLOYEES' CREDIT UNION LIMITED

Whistleblower Policy

CONTENTS

1. Introduction
2. Definitions
3. Protection under this policy
4. Protection under the Corporations Act
5. Investigating reports of improper conduct
6. Outcome of investigations
7. Protecting confidentiality and privacy
8. Policy review

1. INTRODUCTION

1.1 Purpose of this policy The Hunter United Board of Directors is committed to best practice in corporate governance, compliance and ethical behavior generally. In this regard, the Board has adopted a policy that provides a framework for employees, officers, contractors (and their employees) and members to bring to the attention of the Board or senior management reports of improper conduct.

This Whistleblower policy has been prepared against the Australian Standard AS 8004 – Whistleblower Programs for Entities and the requirements of APS520. The policy protects individuals who in good faith, report conduct which they reasonably believe to be:

- *Dishonest;*
- *Fraudulent;*
- *Corrupt;*
- *Illegal;*
- *In breach of Commonwealth or state legislation or local authority by laws;*
- *Unethical;*
- *Other serious improper conduct;*
- *An unsafe work practice; or*
- *Any other conduct which may cause financial or non-financial loss to an entity or be otherwise detrimental to the interests of the entity.*

1.2 Scope of this policy

This policy applies to:

The Credit Union's Whistleblower Policy applies to all Hunter United Directors, Senior Managers and staff and therefore includes all "fit and proper persons";

Hunter United contractors; and employees of Hunter United contractors.

In this policy each person in the categories listed above is referred to as a Hunter United person.

1.3 Other policies

The principles of this policy must be read in conjunction with the whistleblower provisions in Hunter United's Fit and Proper Policy. The protections in this policy will apply to persons making disclosures in accordance with the whistleblower provisions of the Fit and Proper Policy.

2. DEFINITIONS

2.1 Whistleblowing

For the purpose of this policy, whistleblowing is defined as:

"the deliberate, voluntary disclosure of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within or by an organisation that is within its ability to control."

2.2 Whistleblower

For the purpose of this policy, a whistleblower is defined as:

"any employee, director, related officer or contractor of any member of the Hunter United, who whether anonymously or not makes or attempts to make a disclosure as defined in paragraph 2.1."

2.3 Improper Conduct

For the purpose of this policy, improper conduct is defined as:

- corrupt conduct;
- fraudulent activity;
- a substantial mismanagement of Hunter United resources;
- conduct involving substantial risk to public health or safety; or
- conduct involving substantial risk to the environment;
- that would, if proven, constitute by a member of the Hunter United or its personnel:
 - a criminal offence;
 - reasonable grounds for dismissing or dispensing with, or otherwise terminating, the services of Hunter United personnel who was, or is, engaged in that conduct; or reasonable grounds for disciplinary action.
- a serious breach of Hunter United's policies and procedures

2.4 Whistleblower Complaints Officer (WCO)

The WCO is the person appointed to the position of WCO by the Board and is responsible for the management of the Whistleblower complaint procedures and will seek the Board's approval for all actions required as a result of complaint investigations. Hunter United's WCO will be the Chairman of the Board Audit & Risk Management Committee (BARMC) with the alternate being the Chairman of the Board.

3. PROTECTION UNDER THIS POLICY

3.1 Whistleblower protection

Under this Policy, Whistleblowers who make a report in good faith and in accordance with the Policy are protected against being victimised, including being dismissed or penalised by Hunter United because of the report itself.

3.2 Prohibition on victimisation

Hunter United officers, employees, consultants and contractors must not victimise any Whistleblower or cause any Whistleblower to be victimised, because a Whistleblower has made a report under this Policy.

Victimisation could include intimidation, harassment, threats, action causing injury, loss or damage, discrimination, disadvantage, adverse treatment in relation to a person's employment, career, profession, trade or business.

Hunter United will regard any such victimisation very seriously and take appropriate action, which may include, in the case of employees, disciplinary action and dismissal.

3.3 Improper conduct

Making a report under this Policy does not shield the person from the consequences of being involved in any improper conduct alleged in a report under this Policy.

In some limited circumstances, however, a full and frank admission may be a mitigating consideration in respect of disciplinary or other action.

3.4 Industrial relations issues

Employee and industrial relations related issues and human resources related issues are excluded from the operation of this Policy because there are other established mechanisms to raise such complaints.

3.5 Vexatious complaints

Trivial, malicious or vexatious complaints must not be made and do not qualify for protection under this Policy.

4. PROTECTION UNDER THE CORPORATIONS ACT

Under the *Corporations Act 2001 (Cth)* the disclosure of information relating to improper conduct qualifies for certain protections where

- the disclosure is made by a Hunter United person to any of:
 - the Australian Securities and Investments Commission (**ASIC**) Australian Prudential Regulation Authority (**APRA**) or the Australian Federal Police;
 - Hunter United's external auditor or a member of the external audit team;
 - a director, secretary or senior manager of Hunter United or the WCO;
- the Hunter United person making the disclosure provides his or her name prior to disclosing the information;
- the Hunter United person has reasonable grounds to suspect that the improper conduct relates to a breach of the *Corporations Act* or *Banking Act* in Australia; and
- the disclosure is made in good faith.

Where information is disclosed by a Hunter United person in accordance with these criteria, the person receiving the information may not tell anyone other than ASIC, the APRA or the Australian Federal Police any of:

- the information disclosed;
- the identity of the person making the disclosure; or
- any information which will enable the identification of the person making the disclosure,

unless the Hunter United person consents to that disclosure.

This means that where a Whistleblower discloses their identity prior to reporting information relating to a possible breach of the *Corporations Act* or *Banking Act*, Hunter United will be unable to investigate the report unless the Whistleblower consents to the information being released for use in the investigation.

5. INVESTIGATING REPORTS OF IMPROPER CONDUCT

5.1 Who investigates a report

Where a report of suspected improper conduct is referred to the WCO for investigation. The WCO can utilise, within reason, the resources of Hunter United to investigate the report. All investigations will be conducted in a disinterested manner. External investigators may be utilised if considered appropriate. Other than minor matters, the WCO will notify the Board of the report of improper conduct, its implication and the course of action being carried out.

Where a report of suspected improper conduct relates to a significant matter involving the Managing Director, General Manager, Financial Controller or a Senior Manager that reports directly to them, the WCO will refer the matter directly to the Board.

5.2 How is an investigation carried out

The person appointed to investigate the report will be required to follow normal Hunter United procedures for handling a complaint or disciplinary issue. This would generally involve:

- undertaking a fair, independent and discreet investigation into the substance of the report to determine whether there is evidence to support the matters raised;
- respecting individual confidentiality (see section 6 for further information on confidentiality);
- collecting all available data and verifying the reported information;
- in order to observe the rules of procedural fairness, interviewing any relevant person to understand their perspective;
- proceeding with due care and appropriate speed; and
- consulting or informing employee representative bodies as required.

Where the Whistleblower initiating the inquiry has identified themselves, the investigating manager would be likely to begin by interviewing that person. Their identity, however, would not be made known to other parties without their specific consent or in the circumstances set out in section 6.1 below.

6. OUTCOME OF INVESTIGATIONS

6.1 What happens after an investigation At the end of the investigation the WCO will report their findings to the Board and the Managing Director (if appropriate) who will determine the response. This response will include rectifying any improper conduct and taking any action required to prevent any future occurrences of the same or similar conduct.

Where issues of discipline arise the response will also be in line with Hunter United's procedures for disciplinary matters. Where allegations of unacceptable conduct made against another person cannot be substantiated, that person will be advised accordingly and will be entitled to continue in their role as if the allegations had not been made.

6.2 What if the Whistleblower is involved

A person who has committed or been involved in improper conduct will not be immune from disciplinary action merely because they have reported the improper conduct in accordance with this Policy. The person's conduct in making the report, however, is likely to be taken into account in determining what disciplinary action is appropriate.

6.3 Keeping the Whistleblower informed

Once the matter is completed a verbal report will be made to the Whistleblower. This report will explain the findings and actions taken to the fullest extent possible within commercial, legal and confidentiality constraints. Where the Whistleblower initiating the matter chooses to remain anonymous, alternative arrangements will be made for providing a verbal report of the outcome of the investigation to that person.

7. PROTECTING CONFIDENTIALITY AND PRIVACY

7.1 Confidentiality

Hunter United will take all reasonable steps to protect the identity of a Whistleblower. Accordingly, Hunter United will not disclose the Whistleblower's identity unless:

- the Whistleblower making the report consents to the disclosure;
- the disclosure is required by law;
- the disclosure is necessary to prevent or lessen a serious threat to a person's health or safety; or
- it is necessary to protect or enforce Hunter United's legal rights or interests or to defend any claims.

Hunter United will also ensure that any records relating to a report of improper conduct are stored securely and are able to be accessed only by authorised staff.

Unauthorised disclosure of:

- the identity of a Whistleblower person who has made a report of improper conduct; or
- information from which the identity of the reporting person could be inferred, will be regarded as a disciplinary matter and will be dealt with in accordance with Hunter United's disciplinary procedures.

7.2 Protection

Hunter United is committed to the protection of genuine whistleblowers against action taken in reprisal for the making of protected disclosures.

7.3 Privacy issues

To the extent that any of the information recorded by the WCO on Hunter United's behalf constitutes "personal information" about the caller under applicable Privacy legislation, it should be noted that:

- the purpose of the collection of that information is to assist the WCO and Hunter United to respond to issues raised by the caller and to protect or enforce Hunter United's legal rights or interests or to defend any claims;
- personal information may be used for the primary purpose for which it was collected or for any related secondary purpose that could reasonably be expected; and
- personal information may be disclosed as described under section 7.1 above.

Hunter United's policy is not to collect "sensitive information" without the consent of the person to whom it relates unless the collection is required by law, is necessary to prevent or lessen a serious and imminent threat to the person's (or another person's) life or health or is necessary in relation to legal proceedings (current, anticipated or potential).

"Sensitive information" means information or an opinion about a person's racial or ethnic origin, political opinions, membership of a political association, religious beliefs or affiliations, philosophical beliefs, memberships of a profession or trade, membership of a trade union, sexual preferences or practices, criminal record or health.

8. POLICY REVIEW

8.1 Reports provided under this Policy

The WCO will provide reports containing a general summary of the number and type of calls made to the WCO together with a description of the nature and results of any investigation conducted as a result of a call.

In the compilation of these reports the identity of any person who has made a report under this Policy in good faith or any information which may enable that person to be identified will not be disclosed.

These reports will be provided to the:

- Board, yearly or as circumstances such as Fraud determine
- Managing Director or their delegate and the Financial Controller on a regular basis;
- BARMC every quarter.

8.2 Review of this Policy and program

The Chairman of the BARMC will use the reports provided under this Policy to monitor and review regularly the effectiveness of the protection program described in this Policy.