



Whistleblower Policy

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Definitions

Specific terms and abbreviations have the following meaning:

Coy/Group	Xplore Wealth Limited ACN 128 316 441 and all related entities (Collectively referred to as 'Group' or 'Xplore Wealth')
Staff	Managers, Staff and all other staff engaged either on a contract of employment or a salaried basis.

Introduction

This Policy applies to all staff of Xplore Wealth. The use of the term "Staff" "you" throughout the Policy applies equally to management and staff.

The Group has a strong commitment to ensuring that all its business activities are carried out in a manner that is both ethical and compliant. With this in mind, and as part of Xplore Wealth's culture of openness, integrity and accountability, staff are encouraged to report any improper conduct they encounter or observe. This policy outlines the process for reporting improper conduct and the ways in which Xplore Wealth will protect those who make such reports.

Xplore Wealth is committed to protecting and supporting the dignity, wellbeing, career and good name of anyone reporting improper state of affairs or misconduct.

The amended laws will apply to disclosures even if the disclosed conduct occurred before the commencement date (1 July 2019). Some parts of the amendments will apply retrospectively to disclosures that were made prior to the amendment commencements, so long as the disclosure was such that it would have been protected had the amendments been in force at the time.

'Improper state of affairs' or 'misconduct'

For this policy, "improper state of affairs" or "misconduct" can be defined as the conduct of someone connected with Xplore Wealth with which, the staff member had reasonable grounds to suspect the conduct is:

- Dishonest or unethical
- Fraudulent
- Corrupt
- Illegal
- Bullying or harassing
- Involves a misuse of sensitive or confidential information
- Is a danger to health, safety or the environment
- Any activity, which may cause a loss to Xplore Wealth or may damage Xplore Wealth's interests or reputation
- A danger, or represents a danger, to the public or financial system
- Attempts to conceal any of these.

Raising Concerns

Depending on the nature of the improper state of affairs or misconduct the staff member is encouraged to first discuss their concern with their manager.

If the staff member does not feel comfortable speaking with their Manager, they can raise their concern with either the:

- Chief Risk Officer, or
- Chief Executive Officer, or
- Chief Financial Officer, or
- Head of Trustee Office.

If the staff member is not satisfied that their concern will be properly dealt with by management or if they feel compromised in approaching either of the executives listed above, they can raise concerns in confidence via email or by telephone to either the Board Chair or the Chair of the Board Audit Risk Management and Compliance Committee.

Staff members who follow these channels can be assured they will be protected, and that any investigation will be conducted in accordance with the principles of fairness and natural justice without any need to raise the matter in any form of media.

Protection for Whistleblowers

The Group prohibits any forms of victimisation/detrimental conduct against an employee who reports any misconduct or improper state of affairs.

Detrimental conduct means any actual or threatened conduct that could cause a detriment to the employee, as a result of making the disclosure, including:

- Dismissal or suspension or demotion;
- Any form of harassment, including being threatened;
- Discrimination;
- Injury of an employee, including psychological harm in their employment;
- Damage to property, reputation, business or financial position; and
- Cause you any other damage.

If the disclosing employee considers that action has been taken either against them, their colleagues or relatives which results in them being personally victimised and disadvantaged, they should contact the CEO or Chairperson of the Board. Any such retaliatory action will be treated as serious misconduct and will result in disciplinary action.

The Corporations Act and the Superannuation Industry (Supervision) Act (SIS) provides additional protections in relation to the reporting of a possible contravention of the Corporations Legislation or other requirements.

Reportable Conduct

A disclosure of information by a person qualifies for protection under the Corporations Act or SIS Act where the following steps are satisfied:

1. The discloser is an eligible whistleblower in relation to a **Regulated Entity**;
 - a. A public company;

- b. A large proprietary company (characterised by having any two of the following: \$50+ million in consolidated revenue; \$25+ million or more in consolidated gross assets; or 100+ employees); and
- c. A registerable superannuation entity.

2. The discloser is an **Eligible Whistleblower**:

- (a) the Whistleblower is a former or current officer, employee of Xplore Wealth, a contractor (who has a contract for the supply of services or goods to the Xplore Wealth, whether paid or unpaid) or an employee of such a contractor or a consultant as well as associates and family members (spouse, dependents and other relatives) of these individuals.
- (b) the Whistleblower is an individual who is a trustee under the Superannuation Industry (Supervision) Act 1993), an officer, employee, or a goods or service provider to a trustee, a custodian (within the meaning of that Act) or an investment manager (within the meaning of that Act) of a superannuation entity or a relative, dependant or spouse of an individual.

3. They have made disclosure of information relating to a '**disclosable matter**':

The whistleblower must have **reasonable grounds** to suspect that the information being disclosed concerns an improper state of affairs or misconduct by the company or employee of the company indicates;

- that there has been breaches to the Corporations Act
- that there has been a contravention of Commonwealth legislation in the corporate, financial and credit sectors;
- an offence against any other law of the Commonwealth that is punishable by imprisonment of 12 months or more and represents a danger to the public or the financial system; or
- is otherwise prescribed in the regulations by Xplore Wealth or any of its officers or Staff; or
- the information concerns misconduct, or an improper state of affairs or circumstances, in relation to the superannuation entity.

The whistleblower can choose to disclose their identity or remain anonymous.

Reasonable grounds' means that a reasonable person in your position would also suspect the information indicates misconduct or a breach of the law.

4. Disclosure is made to an **eligible recipient**:

- relevant regulator;
- Xplore Wealth's auditor, or a member of the audit team;
- an officer of a body corporate, custodian or investment manager of the superannuation entity
- an actuary of Xplore Wealth
- a member of the Australian Federal Police
- a Director, secretary or senior manager of Xplore Wealth (for example, the immediate manager of the whistleblower); or

- a person authorised by Xplore Wealth to receive disclosures of that kind (that is, a Whistleblower Protection Officer);
- Your Lawyer.

Protected disclosure

The Corporations Act provides the **following protections to the whistleblower**:

- The whistleblower is not subject to any civil or criminal liability for making the disclosure and immunity will be available in respect of the information disclosed. The whistleblower is not, however, protected from civil or criminal liability for any of its conduct which may be revealed by the report.
- No contractual or other remedy may be enforced or exercised against a whistleblower based on the disclosure, and a contract to which the whistleblower is a party may not be terminated on the basis that the disclosure constitutes a breach of the contract. If Xplore Wealth purports to terminate the employment of a whistleblower on the basis of the disclosure, a court may reinstate the whistleblower to the same position or a position at a comparable level.
- The whistleblower is protected from actual or threatened detriment because of the report and may receive monetary compensation (other forms of compensation such as injunction orders and formal apologies) for any damage caused by such detriment.
- The protections can also apply to you if you make a whistleblower report to a journalist or a member of the Commonwealth Parliament or a state or territory parliament (parliamentarian). However, this is only limited to certain circumstances; a) for reports of matters in the public interest and b) for reports of emergencies. If you disclose your concerns to the public in another way, these protections do not apply.

Compensation

Compensation may be awarded where:

- (a) a person engages in conduct that causes detriment or constitutes the making of a threat to cause any such detriment to another person; and
- (b) when the first person engaged in the above conduct, they believed or suspected the other person or any other person made, may have made, proposed to make or could make a protected disclosure, and this was the reason or part of the reason for the victimising conduct.

These orders are not available if the employer can establish that it 'took reasonable precautions, and exercised due diligence, to avoid the victimising conduct'.

Subject to limited exceptions, the person to whom the disclosure is made must not disclose the substance of the report, the whistleblower's identity or information likely to lead to identification of the whistleblower.

Xplore Wealth is committed to full compliance with these protective provisions.

Non-Reportable disclosure

Not all reportable conduct will fall within the scope of applicable whistleblower legislation and as such will not be dealt with under this policy.

Work place grievances

The whistleblower protections do not cover a report of misconduct solely about your personal work-related grievance.

- Generally, a personal work-related grievance will include:

- an interpersonal conflict with another employee
- a decision about your employment, transfer, or promotion
- a decision about the terms and conditions of your employment
- a decision to suspend or terminate your employment or otherwise discipline you.
- Instead, the staff member may have rights and protections under employment or contract law.

Competitors and Customers and clients

Competitors, customers and clients cannot access the whistleblower protections as these protections are afforded to employees inside of the company or organisation.

Penalties

Severe civil and criminal penalties will apply to employers who breach those protections, and courts are empowered to make orders for relief against a company if they fail to fulfil a duty of care to protect a whistleblowing employee from detriment.

The maximum civil penalties under the new Treasury Laws Amendment (Strengthening Corporate and Financial Sector Penalties) Act 2019 (Cth) for breaching confidentiality of an eligible whistleblower's identity or victimisation or threatened victimization/ detriment include:

- for individuals, up to \$1.05 million (5,000 penalty units); and
- for companies, \$10.5 million (50,000 penalty units), or 10% of the annual turnover (up to \$525 million or 5 million penalty units).

Criminal penalties (generally Corporations Act and Taxation Administration Act) for breach of confidentiality of an eligible whistleblower's identity include:

- for an individual, 6 months' imprisonment or 30 penalty units [\$6,300] or both; and
- For an individual, 2 years imprisonment or 120 [\$25,200] penalty units or both.

Confidentiality

Due to the varied nature of these sorts of matters, which may involve an internal investigator and/or the police, it is not possible to lay down precise timelines for investigations. Investigations are to be undertaken as quickly as possible without affecting the quality and depth of those investigations.

All disclosures under this policy must be treated as confidential. Xplore Wealth will not disclose such information to anyone not connected with the investigation without the consent of the person raising the complaint, or unless the Chief Executive Officer and/or Chief Financial Officer are obliged to do so by law.

Xplore Wealth encourages Staff to put their name to disclosures made under this policy, although reports will be accepted anonymously.

Information coming into the possession of a person from a whistleblower, the identity of a whistleblower or information, which may lead to their identity, must not be released to anyone who is not involved in the investigation or resolution of the matter without authority from the Chief Executive Officer.

Investigating Procedure

Investigations of misconduct and improper state of affairs will be conducted in a manner that is confidential, fair and objective. The investigation processes will vary depending on the nature of the conduct and the amount of information provided. For a report to be investigated it must contain sufficient information to form a reasonable basis for investigation. Thus, staff members reporting any matters are encouraged to provide as much information as possible so as not to compromise the ability to fully investigate the report.

The Staff member who raises the report should be kept informed of the progress of the investigations and, if appropriate, of the outcome.

If appropriate, a copy of the outcomes may be provided to external service providers to enable a review of the procedures.

If the investigation finds the allegations unsubstantiated and all internal procedures have been exhausted, but the Staff member is not satisfied with the outcome, Xplore Wealth may seek legal advice.

False Disclosure of Improper state of affairs or misconduct

Xplore Wealth takes deliberate or malicious false disclosures of improper state of affairs or misconduct very seriously. Any employee found to have made a false disclosure will be subject to disciplinary action, which may include termination of employment.

It is a criminal offence under the Whistleblowers Protection Act to make a disclosure that is intentionally false or misleading.

Breach

Breach of this Policy will be taken very seriously and may result in disciplinary action, up to and including the termination of employment.

Review

This Policy will be reviewed regularly, having regard to the changing circumstances of Xplore Wealth.

All new management or other relevant Staff members will be provided with a copy of this Code as part of their induction into Xplore Wealth and a copy of the policy will be located in the Policy Library Link. Any updates or amendments as approved by the Board will be notified to appropriate officers and Staff members by the Secretary.

Approval

Version 3.0 – to be approved by the Xplore Wealth Board.

Review of Policy

To be approved by the Xplore Wealth Board bi-annually.

Xplore Wealth and its subsidiaries take these matters seriously and make every effort to remain abreast of any changes to Whistleblower Policies. At a minimum the Whistleblower policy is reviewed bi-annually.

Immediate Contact Details if you would like to discuss a potential whistleblowing event:

Board Chairperson – Alex Hutchison

Email: alex.hutchison@xplorewealth.com.au

Ends_