

# WHISTLEBLOWER POLICY

## PURPOSE

At Pedders Suspension and Brakes (**Pedders, us, we, our**), we hold ourselves to very high standards of integrity and professional conduct. We are committed to fostering a culture of good corporate governance and ethical behaviour. Reporting under this policy will help us to meet this commitment.

We encourage you to report any disclosable matters in accordance with this policy, without fearing repercussions.

The Corporations Act 2001 (Cth) (**Corporations Act**) and the Taxation Administration Act 1953 (Cth) (**Tax Act**) provide protections to whistleblowers who meet certain legal criteria (together, referred to as **Whistleblower Protection Scheme**). This policy sets out information about protections available to Eligible Whistleblowers under the Corporations Act. As the Tax Act regime has broadly similar considerations, this policy applies to Eligible Whistleblowers reporting disclosable matters about Pedders' tax affairs.

This policy also explains how whistleblowers who cannot access protections under the Whistleblower Protection Scheme can report disclosable matters, knowing that Pedders will do all we can to protect them from repercussions.

Additional information regarding the whistleblowing regime under the Corporations Act and your rights can be found at <https://asic.gov.au/about-asic/asic-investigations-and-enforcement/whistleblowing/>.

## APPLICATION

This policy applies to:

- Pedders and any related body corporate of Pedders;
- eligible whistleblowers as defined below (**Eligible Whistleblowers**); and
- qualified whistleblowers as defined below (**Qualified Whistleblowers**).

This policy does not form any part of your employment or franchisee contract.

## SCOPE

### WHO CAN REPORT UNDER THIS POLICY?

#### *Eligible Whistleblower*

An Eligible Whistleblower is an individual who is, or has been, any of the following in relation to Pedders:

- an officer (e.g. current and former directors, company secretaries, public officers);
- an employee (e.g. current and former employees who are casual, permanent, part-time, fixed term or temporary, interns, secondees, managers, and directors);
- a supplier of services or goods (whether paid or unpaid), including their employees (whether paid or unpaid, e.g. current and former contractors, consultants, service providers, volunteers and business partners);
- an associate (e.g. a current or former franchisee);

- a relative, dependant or spouse of an individual mentioned above (e.g. relatives, dependants or spouse of current and former employees, contractors, consultants, service providers, suppliers, franchisees and business partners); and
- any other person who qualifies for protection as a whistleblower under the Corporations Act.

Eligible Whistleblowers can report disclosable matters in accordance with this policy and avail themselves of legal protection in the Corporations Act against reprisal for having made the report, without fear of detriment.

#### *Qualified Whistleblower*

A Qualified Whistleblower is an individual who is, or had been, an employee of a Pedders' franchisee.

A Qualified Whistleblower does not meet the definition of Eligible Whistleblower in the Corporations Act to avail themselves of the protections under the Corporations Act regime. However, Pedders encourages Qualified Whistleblowers to report disclosable matters in accordance with this policy, knowing that Pedders will do all it can to protect their confidentiality and protect them from detriment as set out below.

For clarity, the following individuals who are, or have been, any of the following in relation to Pedders can report disclosable matters in accordance with this policy:

- an Eligible Whistleblower (including a current or former franchisee of Pedders); and
- a current and former employee of a Pedders' franchisee.

In this policy, Eligible Whistleblowers and Qualified Whistleblowers will be collectively referred to as the **Whistleblowers**.

## WHAT CAN BE REPORTED UNDER THIS POLICY?

Whistleblowers should report any information they have reasonable grounds to suspect is a disclosable matter as defined below (**Disclosable Matters**) in accordance with this policy.

#### *Disclosable Matters*

A Disclosable Matter is any of the following:

- information that concerns misconduct or an improper state of affairs or circumstances in relation to Pedders or a related body corporate of Pedders;
- information that indicates Pedders, a related body corporate of Pedders or one of its or their officers or employees has engaged in conduct that:
  - constitutes an offence against, or contravention of, the Corporations Act, the Australian Securities and Investments Commission Act 2001 (**ASIC Act**), the Banking Act 1959, the Financial Sector (Collection of Data) Act 2001, the Insurance Act 1973, the Life Insurance Act 1995, the National Consumer Credit Protection Act 2009, the Superannuation Industry (Supervision) Act 1993 or an instrument made under these Acts;
  - constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
  - represents a danger to the public or the financial system;
  - is prescribed by the regulations for the purposes section 1317AA(5) of the Corporations Act.

The term 'misconduct' is defined in section 9 of the Corporations Act to include 'fraud, negligence, default, breach of trust and breach of duty'. The phrase 'improper state of affairs or circumstances' is not defined.

Disclosable Matters do not necessarily involve a contravention of a law. Examples of Disclosable Matters may include:

- dishonest, corrupt, fraudulent conduct;
- illegal conduct (including theft, drug sale or use, violence or threatened violence, or property damage);
- conduct in breach of regulation, in serious breach of internal policy such as Pedders' Code of Conduct;
- improper conduct relating to accounting, internal controls, compliance, actuarial, audit or other financial or compliance matters;
- unethical behaviour or practices
- significant risk to health or safety, the environment, or Pedders' financial position or reputation;
- a serious mismanagement of Pedders resources;
- concealing a disclosable matter;
- any action taken against, or harm suffered by an employee as a result of making or intending to make a report under this policy; or
- any conduct that is a deliberate cover up of any of the above.

A Disclosable Matter would usually relate to the conduct of employees or officers of Pedders, but it could also relate to the actions of a third party, such as a Pedders' franchisee or supplier.

#### *Reasonable Grounds*

A Whistleblower must have 'reasonable grounds to suspect' the Disclosable Matter to qualify for protection under this policy (**Reasonable Grounds**). This means that even if a disclosure turns out to be incorrect, the protections under this policy would still apply if the Whistleblower had 'reasonable grounds to suspect'.

Reasonable Grounds means that a reasonable person in your position would also suspect that the conduct concerned is a Disclosable Matter.

A report may have serious consequences, including potential damage to the reputation of people who are the subject of allegations. Therefore, it is important that those who make a report under this policy do so based on Reasonable Grounds for believing that the information being reported is true or likely to be true.

In practice, a mere allegation with no supporting information is not likely to be considered as having Reasonable Grounds to suspect. However, a Whistleblower does not need to prove their allegations.

An Eligible Whistleblower who knowingly makes a false report may be subject to disciplinary action, including dismissal, depending on the severity, nature, and circumstances of the false disclosure.

#### **Excluded Matters**

While everybody is encouraged to speak up and report any concerns to Pedders, not all types of conduct are covered by this policy or by the protections under the Corporations Act.

Reports that are not about Disclosable Matters or that are deliberately false do not qualify for protection under the Corporations Act or this policy.



This policy does not apply to personal work-related grievances unless the grievance includes victimisation due to whistleblowing.

Personal work-related grievances are those that relate to current or former employment or association with Pedders or Pedders' franchisees that might have implications for the person reporting personally but do not:

- have any other significant implications for Pedders (or a related body corporate of Pedders); or
- relate to any conduct or alleged conduct about a matter within the definition of Disclosable Matter.

Personal work-related grievances include grievances such as interpersonal conflicts, decisions about promotions, decisions that do not involve a breach of workplace laws, or terms and conditions of employment or engagement with Pedders or Pedders' franchisees. Reports relating to these matters should be reported through line management and in accordance with Pedders' grievance procedure.

However, personal work-related grievances may be covered by this policy where they include information about, or the grievance includes, victimisation due to whistleblowing.

## WHO CAN RECEIVE A REPORT?

Pedders encourages all Whistleblowers to report Disclosable Matters via internal reporting options in first instance. This will give us an opportunity to investigate and deal with disclosures as soon as possible.

For protections under the Whistleblower Protection Scheme to apply, an Eligible Whistleblower must report a Disclosable Matter to an Eligible Recipient, who include internal or external parties as set out below.

As Qualified Whistleblowers cannot access the Whistleblower Protection Scheme protections, they must report via internal reporting options or to ProAct Link to access the protections under this policy.

### *Internal Reporting Options*

Whistleblowers can report any conduct which they believe on Reasonable Grounds constitutes a Disclosable Matter, to one of the following parties who are Eligible Recipients under this policy:

- a Whistleblower Protection Officer;
- a senior executive or member of the board of Pedders; or
- Pedders' auditor, or a member of the audit team.

Pedders Whistleblower Protection Officers can receive a Whistleblower report and provide guidance on their protections.

The Whistleblower Protection Officers are:

- Caroline Pedder - Chief Brand and Culture: [cpedder@pedders.com.au](mailto:cpedder@pedders.com.au), 03 9706 3500; and
- Nina Mitchelson - Senior Executive People and Development: [nina@pedders.com.au](mailto:nina@pedders.com.au), 03 9797 0251.

### *External Reporting Options*

#### ProAct Link



Pedders has engaged ProAct Link as an external and independent reporting service dedicated to receiving reports from Whistleblowers who do not wish to report using internal channels.

The ProAct Link reporting service can be used to report externally for all concerns where a Whistleblower wishes to report anonymously or externally to a channel that is independent of Pedders.

Reports can be made directly to ProAct Link, which is operated by Proactive Strategies. ProAct Link is also an Eligible Recipient under this policy.

ProAct Link reporting options are available 24/7:

- Online: [www.proactlink.com.au](http://www.proactlink.com.au)
- Phone: 1800 888 340
- Email: [report@proactlink.com.au](mailto:report@proactlink.com.au)

Experienced investigators will respond to reports and callers. You can identify yourself or remain anonymous when making a report to ProAct Link. If you disclose your identity to ProAct Link, you can request that your identity not be disclosed to Pedders.

ProAct Link will not disclose your identity to Pedders without your consent unless it is legally required to do so.

#### Reports to regulatory authorities and legal practitioners

Pedders will protect Eligible Whistleblowers who have made a Protected Disclosure (as defined below) in connection with or concerning Pedders:

to the Australian Securities and Investments Commission (**ASIC**) or the Australian Prudential Regulation Authority (**APRA**) or another Commonwealth regulatory body prescribed in legislation; and/or

to a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the whistleblower regime in the Corporations Act.

These authorities are also considered to be Eligible Recipients for Eligible Whistleblowers.

## ANONYMOUS REPORTING

Whistleblowers can make disclosures anonymously and still qualify for protections under this policy. However, anonymous reports may limit the ability for Pedders to investigate and to provide protection to the person reporting.

For Eligible Whistleblowers, Protected Disclosures made anonymously might still qualify for protections under the Whistleblower Protection Scheme, which includes statutory sanctions and remedies where confidentiality is breached.

## WHAT IF A DISCLOSABLE MATTER IS REPORTED TO ME?

If you believe that behaviour reported to you may be regarded as a Disclosable Matter under this policy, you should report the information to:

- a Whistleblower Protection Officer; or
- ProAct Link.



Do not discuss the report or the identity of the person making the report with anyone else. Unauthorised disclosure of a Whistleblower's identity or information from which their identity could be inferred will be regarded as a disciplinary matter and will be dealt with in accordance with Pedders' disciplinary procedures.

## EMERGENCY OR PUBLIC INTEREST DISCLOSURES BY ELIGIBLE WHISTLEBLOWERS

In certain limited circumstances, such as if the Disclosable Matter reported by an Eligible Whistleblower has an imminent risk of causing harm or danger to public health or safety, an emergency or public interest disclosure can be made to a journalist or a Member of Parliament subject to certain strict criteria (**Emergency or Public Interest Disclosure**). These reports may be protected under the Corporations Act and this policy, but only if the Eligible Whistleblower complies with certain strict criteria.

An Emergency or Public Interest Disclosure made by an Eligible Whistleblower must have previously been made to ASIC, APRA or another Commonwealth body prescribed by regulation, 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.

It is important for the Eligible Whistleblower concerned to understand the criteria for making an Emergency or Public Interest Disclosure and seek independent legal advice in these circumstances.

## WHAT REPORTS QUALIFY FOR PROTECTIONS?

A report will qualify for protections under the Corporations Act if:

- the person reporting is an Eligible Whistleblower;
- the report is a Disclosable Matter; and
- the report is made to an Eligible Recipient and/or the report is an Emergency or Public Interest Disclosure),

**(Protected Disclosure).**

If a report is not a Protected Disclosure under the Corporations Act, the report will still qualify for protections under this policy if:

- the person reporting is a Whistleblower (whether an Eligible Whistleblower or not);
- the report is a Disclosable Matter; and
- the report is made to an Eligible Recipient.

## PROTECTIONS

Pedders will apply important protections relating to confidentiality and detriment to all Whistleblowers who report Disclosable Matters to an Eligible Recipient in accordance with this policy.

## PROTECTING WHISTLEBLOWERS FROM DETRIMENT

If Whistleblowers have Reasonable Grounds to suspect Disclosable Matters, even if it turns out their concerns are mistaken, Pedders will support and protect them and anyone else assisting in the investigation from detriment.

Pedders will also treat any person mentioned in a Disclosable Matter fairly.

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Pedders will not tolerate any detriment inflicted on Whistleblowers because they or somebody else has made, or might make, a report of a Disclosable Matter. Examples of detriment include:

- retaliation, dismissal, suspension, demotion, disciplinary action, or termination of employment;
- bullying, harassment, threats, or intimidation;
- discrimination, subject to current or future bias, or derogatory treatment;
- harm or injury, including psychological harm;
- damage or threats to a person's property, business, financial position, disadvantage in their contractual arrangements with Pedders or reputation;
- revealing a person's identity as an Whistleblower without their consent or contrary to law; and
- threatening to carry out any of the above actions.

Detrimental conduct does not include reasonable administrative actions or managing unsatisfactory work performance of a Whistleblower or person otherwise involved in an investigation.

This protection applies regardless of whether any concerns raised in a report are found to be true, provided that the Whistleblower is acting honestly and ethically and reported the Disclosable Matter on Reasonable Grounds. This protection also applies to individuals conducting, assisting, or participating in an investigation.

An Eligible Whistleblower will also be entitled to protection from detriment if they make a report of a Disclosable Matter to an external body under this policy.

## COMPLAINTS ABOUT DETRIMENT

If an Eligible Whistleblower believes they have experienced detriment in violation of this policy, we encourage them to report this immediately to a Whistleblower Protection Officer or an external Eligible Recipient under this policy. Qualified Whistleblowers must report their experience of detriment to a Whistleblower Protection Officer or ProAct Link.

A Whistleblower's concern of being disadvantaged will be treated as a report of Reportable Conduct in line with this policy.

Anyone engaging in detrimental conduct may be subject to serious consequences, including disciplinary action and/or termination of engagements or contracts, as applicable. They may also be subject to civil and criminal penalties.

## PROTECTING WHISTLEBLOWERS' CONFIDENTIALITY AND IDENTITY

We encourage all Whistleblowers to disclose their identity when raising a concern. This will assist us to gather further information on their report. If Whistleblowers choose to disclose their identity, their details will be treated confidentially to the fullest extent possible in connection with the investigation.

A Whistleblower can choose to remain anonymous while making a disclosure, over the course of the investigation and after the investigation is finalised. Pedders will do all they can to protect confidentiality.

If a disclosure received under this policy is not a Protected Disclosure, Pedders will use their best endeavours to protect the identity and confidentiality of the Whistleblower making the disclosure, as set out below.

Pedders will take the following steps to protect the confidentiality and identity of Whistleblowers:



- Store all information relating to a report of a Disclosable Matter confidentially and securely;
- Ensure that access to information received as part of the report is restricted to only Whistleblower Protection Officers and/or other authorised persons involved in receiving, managing, and investigating the disclosure;
- Redacting Whistleblowers' personal information, storing their information and disclosure securely, referring to them in a gender-neutral context, and only allowing access to their report and information as required in order to investigate;
- Disclosures received by ProAct Link will be securely stored and managed in accordance with this policy, and ProAct Link's Privacy ([ProAct Link Privacy Policy](#)) Policy and legal obligations, and delivered to the nominated Pedders Eligible Recipient protecting the confidentiality and identify of Whistleblowers; and
- Whistleblower Protection Officers and authorised staff involved in receiving, managing, and investigating disclosures will receive appropriate training in their obligations regarding the confidentiality of a whistleblower's identity, and how to ensure the security of information and communications around the disclosure.

A Whistleblower's identity (and any information Pedders may have regarding their report that could be used to identify them) will only be disclosed to authorised persons involved in managing or investigating the disclosure if:

- The information disclosed is not the Whistleblower's identity;
- The Whistleblower gives consent to Pedders to disclose that information;
- It is reasonably necessary to disclose the information for investigating the issues raised in the disclosure, provided all reasonable steps are taken to reduce the risk that the Whistleblower will be identified from the information;
- The disclosure is permitted or required by the law (e.g. disclosure by Pedders to a legal practitioner for the purposes of obtaining legal advice regarding whistleblowing); or the disclosure is to ASIC, APRA or the Australian Federal Police or relevant State Police;
- Disclosure is necessary to prevent a serious threat to any person's health or safety; or
- It is necessary to protect or enforce Pedders legal rights or interests or to defend any claims.

In the case of a Protected Disclosure, it is illegal for a person to identify an Eligible Whistleblower or disclose information that is likely to lead to the identification of the Eligible Whistleblower unless an exception above applies.

## COMPLAINTS ABOUT BREACH OF CONFIDENTIALITY

If an Eligible Whistleblower feels that the confidentiality of their identity has been breached, they can lodge a complaint for investigation with:

- a Whistleblower Protection Officer;
- a senior executive or member of the board of Pedders;
- Pedders' auditor, or a member of the audit team; or
- a regulator, such as ASIC, APRA, or the Commissioner of Taxation for matters involving Pedders' tax affairs.

Qualified Whistleblowers should report concerns about potential breach of confidentiality to a Whistleblower Protection Officer or ProAct Link.

Pedders may take disciplinary action against individuals who breach the confidentiality of a Whistleblower's identity, including summary dismissal.



Whistleblowers making a disclosure under this policy should be aware that people may be able to guess or establish their identity if they:

- Have mentioned to other people they are considering making a disclosure;
- Have complained or raised concerns with other people about the subject matter of their disclosure;
- Are one of a very small number of people with access to the information the subject of the disclosure; or
- Are disclosing information that has been told to them privately and in confidence.

## OTHER PROTECTIONS AVAILABLE TO PROTECTED DISCLOSURES BY ELIGIBLE WHISTLEBLOWERS

Eligible Whistleblowers will also be protected from any of the following in relation to a Protected Disclosure:

- Civil liability (e.g., any legal action against the Eligible Whistleblower for breach of an employment contract, duty of confidentiality or another contractual obligation);
- Criminal liability (e.g., attempted prosecution of the Eligible Whistleblower for unlawfully releasing information, or other use of the disclosure against the Eligible Whistleblower in a prosecution (other than for making a false disclosure); and
- Administrative liability (e.g., disciplinary action for making the disclosure).

These protections are available to Eligible Whistleblowers who qualify for protection under the Whistleblower Protection Scheme. However, they do not grant Eligible Whistleblowers immunity for any misconduct they may have engaged in that is revealed in their disclosure.

Eligible Whistleblowers can seek compensation and other remedies through the courts if they have suffered loss or injury because of their disclosure or if Pedders failed to take reasonable precautions to prevent detriment against them.

Eligible Whistleblowers that disclose Reportable Conduct to a legal practitioner for the purpose of obtaining legal advice about the operation of the Whistleblower Protection Scheme can still qualify for protections, even if their disclosure turns out to be unfounded or if their legal practitioner has advised that their disclosure is not Reportable Conduct.

An Eligible Whistleblower who discloses Reportable Conduct must, at all times during the reporting process and any resulting investigation process, continue to comply with this policy.

## HANDLING AND INVESTIGATING DISCLOSABLE MATTERS

### *Initial assessment by Pedders*

As part of the initial review of a report under this policy, as soon as practicable the Pedders' Eligible Recipient receiving the report will make an initial assessment of:

- whether the report is a Disclosable Matter within this policy, or whether it is more appropriately managed under another workplace policy of Pedders or a Pedders' franchisee;
- the potential risk of detriment and breach of confidentiality regarding the identity of the Whistleblower or other persons involved in the matters raised in the report;
- triggers a requirement for Pedders to seek legal advice about its legal obligations, including the conduct of a factual investigation into the disclosure to assist in the provision of that advice;
- who should be investigated, and by whom;

- the Disclosable Matter is sufficiently serious to notify a senior executive or member of the Board of Pedders as appropriate, and in consultation with the Board of Pedders, an external entity including regulator or law enforcement agency.

Suitable measures will be considered and implemented in consultation with the Board of Pedders as appropriate to address these factors and mitigate risks as required.

Decisions regarding response and investigation methods will be made in consultation with the Pedders' Board having regard to these factors and risks, and the nature of the matter being investigated, including if a factual investigation will be conducted under legal professional privilege to assist a legal practitioner advising Pedders. Suitable measures will be considered and implemented by Pedders to mitigate these risks as required.

#### *How will reports be investigated by Pedders?*

Where the initial report assessment indicates an investigation is practical and appropriate, an investigation will be undertaken. A Whistleblower Protection Officer or other Eligible Recipient receiving the report will review the report and escalate to a senior executive or member of the Board as appropriate, and coordinate any required investigations.

The object of an investigation into a disclosure is to determine if there is enough evidence to substantiate or refute the Reportable Conduct.

Where an investigation is deemed necessary, the Board of Pedders will:

- Determine the nature and scope of the investigation, including:
  - the person within or external to Pedders that will lead the investigation;
  - the nature of any technical, financial or specialist advice that may be required to support the investigation;
  - the timeframe for the investigation; and
  - where the Whistleblower has disclosed their identity to the Whistleblower Protection Officer, seeking consent for their identity to be revealed to the appointed Investigator.
- Request confidential and privileged legal advice to be provided to Pedders, including the conduct of a factual investigation to support Pedders to obtain that advice from a qualified legal practitioner.
- Any investigation must:
  - Be objective and fair;
  - Focus on the substance, rather than the motive, of disclosures;
  - Observe the rules of natural justice and procedural fairness. Unless there are confidentiality or other considerations that preclude it, persons to whom the report relates will be informed of any allegation of a Disclosable Matter at an appropriate time and given the chance to respond to those allegations before any formal investigation commences or external actions are taken, such a disclosure to a regulator or law enforcement agency;
- Be conducted independent of the Whistleblower, any person the subject of the Disclosable Matter, and any parts of Pedders' business concerned; and
- Preserve the confidentiality of the Whistleblower.

Pedders may engage the services of independent investigators as required and appropriate. The investigation process will be conducted to protect all paper and electronic documents and other materials relating to the disclosure from unauthorised access.



Where possible and appropriate, having regard to Pedders privacy and confidentiality obligations, Pedders will take steps to keep the Whistleblower informed about the assessment and investigation of Disclosable Matter after their disclosure.

## OUTCOME OF AN INVESTIGATION

At the conclusion of the investigation, a report will be prepared outlining:

- a finding of all relevant facts;
- a determination as to whether the allegation(s) have been substantiated or otherwise; and
- the action that will be taken, which may include disciplinary action and dismissal.

Where a Disclosable Matter is substantiated, the disciplinary action will be dependent on the severity, nature, and circumstances.

The report will be provided to the Whistleblower Protection Officer and/or the Board of Pedders, who will provide feedback, where appropriate, to the Whistleblower regarding the progress and findings of any investigations, and actions arising from it.

Where a Whistleblower is dissatisfied with the outcome of an investigation, they may write to the Whistleblower Protection Officer or another Pedders' Eligible Recipient seeking a review of the outcome by a senior executive or the Board of Pedders. Following its review, the Board will notify the Whistleblower of its decision.

## ACCESS

Pedders employees and officers will be made aware and have access to this policy and the mechanisms for the reporting through induction and training programs. A copy of the policy is available on Pedders' intranet and website.

The policy available on Pedders' external website may exclude information that would not be relevant to external disclosures or suitable for external publication.

## VARIATION

We may vary or replace this policy at any time.