



GLENNON  
SMALL COMPANIES LTD

Glennon Small Companies Limited  
ACN 605 542 229  
PO Box R281, Royal Exchange NSW 1225

Glennon Small Companies Limited

# Whistleblower Policy

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# WHISTLEBLOWER POLICY

Date: January 2020

## 1. PURPOSE<sup>1</sup>

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Glennon Small Companies Limited (**GC1**) is committed to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. GC1 encourages the reporting of suspected unethical, illegal, fraudulent or undesirable conduct involving GC1's business.

The purpose of the whistleblower policy (**Policy**) is to support the internal governance framework of GC1, ensuring GC1's commitment to compliance with the applicable laws and practices relating to whistleblowers and Reportable Conduct.

This Policy describes the ways in which Disclosers can confidently report any Reportable Conduct or suspected Reportable Conduct without fear of intimidation, disadvantage or reprisal. This Policy also outlines how GC1 will respond to and investigate reports of Reportable Conduct or suspected Reportable Conduct.

Definitions for termination used in this Policy are contained in Annexure A.

## 2. SCOPE OF POLICY

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### 2.1 Commitment

GC1 strongly encourages all persons who have witnessed, or know about, any Reportable Conduct or suspected Reportable Conduct, to report this immediately.

GC1 will investigate all reports and will deal with such reports seriously. GC1 will not tolerate any form of discrimination or victimisation against a Discloser in accordance with this Policy.

### 2.2 Personal Work-Related Grievances not Reportable Conduct<sup>2</sup>

Personal work-related grievances (being a grievance in relation to the Discloser's employment, or former employment, which has, or tends to have, implications for the Discloser personally) are not Reportable Conduct and, accordingly, are not covered under this Policy (unless an exception applies). See Annexure A for examples of grievances that may be personal work-related grievances and circumstances where a personal work-related grievance may still qualify for protection.

As at the date of this Policy, GC1 does not have any employees.

## 3. REPORTING PROCESS<sup>3</sup>

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All Disclosers are strongly encouraged to report any Reportable Conduct or suspected Reportable Conduct using the reporting mechanisms set out below. Disclosers are expected to come forward with information even if it is not asked for.

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<sup>1</sup> RG 270.39 – 270.40

<sup>2</sup> RG270.58 – 270.63

<sup>3</sup> RG 270.64 – 270.82

### **3.1 Obtaining Information/ Legal advice**

Disclosers can contact the Company Secretary if they would like to obtain additional information before making a report under this Policy.

Disclosers can also obtain an independent legal adviser before making a report. Any disclosures to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the whistleblowing provisions of the Corporations Act (even in the event that the legal practitioner concludes that a disclosure does not relate to Reportable Conduct) benefit from the protections in the Corporations Act.

### **3.2 Internal Reporting**

In the first instance, matters of concern should be reported to the Chairman. This report can be made in person, or by telephone or in writing via email to [michael@glennon.com.au](mailto:michael@glennon.com.au).

Prior to making a report, Disclosers should inform the Chairman of their intention to report under this Policy and if the report is sent via email, title the email "Report under GC1 Whistleblower Policy".

### **3.3 Reporting to Eligible Recipients**

If a Discloser is unable to report to the Chairman, a disclosure can be made to any "eligible recipient" of GC1.

Eligible recipients of GC1 include any director or company secretary of GC1 and GC1's auditor, Pitcher Partners (including any member of the audit team responsible for conducting an audit).

When a report is made to an eligible recipient, it can be made in person, by telephone or in writing.

Written reports to GC1 officers can be sent to [info@glennon.com.au](mailto:info@glennon.com.au) or PO Box R281 Royal Exchange NSW 1225 (marked to the attention of the relevant eligible recipient).

GC1's annual report contains contact details for Pitcher Partners and names the partners responsible for the audit team that conducted GC1's audit.

The Discloser must inform the eligible recipient that they wish to make a report under this Policy. Preferably this should occur prior to making a report and by ensuring that any letter or email containing a report is entitled "Report under Whistleblower Policy".

An eligible recipient may direct the Discloser to make the report the Chairman or the full Board if they consider it appropriate in the circumstances.

### **3.4 Reporting to regulatory bodies**

If a Discloser is unable to use any of the above reporting channels, or is unhappy with the response provided, disclosures can be made directly to ASIC or the ATO.

For details of applicable protections afforded to such disclosure, see the following: ASIC Information Sheet 239 (located on ASIC's website) and [ATO Information sheet: Tax whistleblowers](#).

### **3.5 Public interest disclosures and emergency disclosures**

Disclosures made to journalists or parliamentarians can, in certain circumstances, still qualify for protection under this Policy.

Disclosers should ensure they understand the criteria for making a public interest or emergency disclosure before making such a disclosure.

Disclosers are reminded that to qualify for protection, disclosures must have been reported in writing to ASIC, ATO or a prescribed body and at least 90 days must have passed since the report was made.

Disclosers should contact their independent legal adviser before making a public interest disclosure or an emergency disclosure to ensure they will be protected. See Annexure A for further details of what constitutes a public interest or emergency disclosure.

## **4. CONFIDENTIALITY AND ANONYMITY<sup>4</sup>**

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### **4.1 Anonymous reports**

A report can be made anonymously. GC1 will take reasonable steps to maintain anonymity throughout the course of any investigation and after the investigation is finalised.

Disclosers can use a pseudonym for the purpose of their disclosure and can refuse to answer questions that they feel could reveal their identity at any time, including during follow-up conversations.

However, it may be difficult for GC1 to properly investigate or take other action to address the matters disclosed in anonymous reports. GC1 recommends that Disclosers who wish to remain anonymous maintain ongoing two-way communication with GC1, so the Board can ask follow-up questions or provide feedback.

In circumstances where the Discloser has not consented to the disclosure of their identity, the matter may still be referred for investigation, but the Board will be required to take all reasonable steps to reduce the risk that the Discloser will be identified as a result of the investigation (for example by redacting personal information and using gender-neutral terminology).

### **4.2 When information and identify may be disclosed**

Information about a Discloser's identity may only be disclosed in the following circumstances:

- (a) where the information is disclosed to ASIC, APRA or the Australian Federal Police;
- (b) where the information is disclosed to a legal practitioner for the purpose of obtaining legal advice in relation to the operation of applicable whistleblowing protection laws; or
- (c) where the Discloser consents.

Information contained in a report can be disclosed with or without the Discloser's consent if:

- (a) the information does not include the Discloser's identity;

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<sup>4</sup> RG 270.83 – 270.86; 270.93-94

- (b) all reasonable steps are taken to avoid discovery of the Discloser's identity; and
- (c) the disclosure is reasonably necessary for the investigation of the matter reported.

Other than as permitted by this Policy, it is illegal to identify a Discloser, or disclose information that is likely to lead to the identification of the Discloser.

## **5. INVESTIGATIONS OF REPORTABLE CONDUCT<sup>5</sup>**

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### **5.1 Separate functions of Board and Secretary**

Given GC1's size, the Board is responsible for investigating the substance of any report regarding Reportable Conduct and will determine there is evidence in support of the conduct raised or, alternatively, to refute the report made. The Board is also responsible for determining whether the conduct reported is Reportable Conduct that qualifies for the protections summarised in this Policy.

GC1's Company Secretary will separately be charged with updating the Discloser regarding the process (including the Board's decision as to whether the conduct is Reportable Conduct that qualifies for the protections summarised in this Policy) and ensuring the Discloser's interests are protected including ensuring confidentiality in the investigation and protecting, as far as legally possible, the Discloser's identity.

The Company Secretary will assess the potential risk of detriment to the Discloser (using GC1's existing risk management statement located on their website (details below)) and with the Board, established an appropriate risk control plan for the Discloser. The Company Secretary will have responsibility for the implementation of any plan so established.

The Board and the Company Secretary will operate independently of each other and should act in such a way that they discharge the two quite separate functions independently of each other.

### **5.2 Investigation process**

Investigations of conduct will be undertaken by the Board.

The Board will determine the scope of each investigation having regard to the circumstances of the conduct reported. The Chairman has ultimate responsibility for ensuring the correct investigation outcome is determined and appropriate action is taken.

Where a Discloser has requested to remain anonymous, the Board must take all reasonable steps to avoid discovery of the Discloser's identity as a result of the investigation.

The Company Secretary will be responsible for ensuring all files and records created from an investigation are retained securely and the confidentiality obligations in this Policy are complied with.

### **5.3 Action resulting from investigation**

It is the obligation of the Board, following completion of their investigations, to ensure that:

- (a) all verifiable Reportable Conduct is dealt with appropriately; and

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<sup>5</sup> RG 270.57, 270.110; RG 270.121 – 270.122

- (b) systemic or recurring Reportable Conduct is correct.

Where an investigation into Reportable Conduct is not proven, the Board will assess whether the allegation was vexatious and further action considered as appropriate. The protections afforded by the Policy continue to apply even if the Reportable Conduct is not proven.

#### **5.4 Feedback to the Discloser**

GC1 will endeavour to keep the Discloser properly informed of the outcome of the investigation of their report, subject to considerations of privacy and due process of those against whom allegations have been made and the customary confidentiality practices of GC1. Disclosers may be asked to agree in writing to maintain confidentiality in relation to any information provided regarding their report.

GC1 will acknowledge receipt of a Discloser's report as soon as possible (no longer than 5 days after receipt) and subject to any provisos in this Policy, will inform the Discloser of the outcome of any investigation. GC1 will endeavour to complete all investigations within 30 days of a report. Depending on the Reportable Conduct, this timeframe may not always be possible.

## **6. PROTECTIONS FOR REPORTABLE CONDUCT REPORTS<sup>6</sup>**

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### **6.1 Immunity from disciplinary action**

GC1 will not take action against a Discloser, including disciplinary actions under applicable disciplinary procedures, as a result of receiving a report of Reportable Conduct from the Discloser, provided that the Discloser has not themselves engaged in serious misconduct or illegal conduct.

A Discloser is protected from civil<sup>7</sup>, criminal<sup>8</sup> and administrative<sup>9</sup> liability in relation to their disclosure. No immunity is granted however for the Discloser's own misconduct which was revealed in their report.

### **6.2 Protection against detrimental treatment**

GC1 is committed to endeavouring to protect:

- (a) the identity of the Discloser who wishes to remain anonymous (subject to the terms of this Policy); and
- (b) the Discloser from any detriment, disadvantage or victimisation resulting from a report made in accordance with this Policy, (including threats to cause any detriment, disadvantage or victimisation) such as current or future bias, or damage to career prospects or reputation and any form of harassment, bullying or discriminatory conduct.

It will be a breach of this Policy for any GC1 officer or representative to subject a Discloser to any detriment, disadvantage or victimisation because they believe that the Discloser has made, may have made, proposes to make or could make a report under this Policy.

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<sup>6</sup> RG 270.87 –99; RG 270.102 – 110; RG 270.105; RG 270.126- 127

<sup>7</sup> This includes any legal action against the discloser for breach of an employment contract, duty of confidentiality or another contractual obligation

<sup>8</sup> For example, attempted prosecution of the discloser for unlawfully releasing information, or other use of the disclosure against the discloser in a prosecution (other than for making a false disclosure).

<sup>9</sup> For example, disciplinary action for making the disclosure

A Discloser may be entitled to seek compensation or other remedies through the courts if:

- (a) the Discloser suffers loss, damage or injury because of a report; and
- (b) GC1 and the Board fails to take reasonable precautions and exercise due diligence to prevent the detrimental treatment.

Disclosers who believe they are the victim of detrimental treatment and/or may be entitled to compensation, should seek independent legal advice or contact the appropriate regulatory bodies – ASIC or the ATO.

### **6.3 Support for Disclosers**

Support available for Disclosers may include connecting them with third party support providers such as Lifeline (13 11 14) and Beyond Blue (1300 22 4636).

Use of support services offered to a Discloser may require the Discloser to consent to the disclosure of their identity or information that is likely to lead to the discovery of their identity.

### **6.4 Support and Fair Treatment for Persons Implicated in a Report**

No action will be taken against persons implicated in a report under this Policy until an investigation has determined whether any allegations against them are substantiated.

However, implicated GC1 officers may be asked to not attend board meetings (or parts of those meetings) whilst an investigation is in process, if appropriate in the circumstances. If the investigation determines that the allegations are not substantiated, the officer will be asked to continue in its role.

Any reports or disclosures that implicate specific persons must be kept confidential, even if the Discloser has consented to the disclosure of their identity, and should only be disclosed to those persons who have a need to know the information for the proper performance of their functions under this Policy, or for the proper investigation of the report.

A person who is implicated in a report or disclosure has a right to be informed of the allegations against them, and must be given an opportunity to respond to those allegations and provide additional information, if relevant, in the course of an investigation into those allegations (subject to the Discloser's right to anonymity).

Support available for persons implicated in a report under this Policy includes connecting individuals with third party support providers such as Lifeline (13 11 14) and Beyond Blue (1300 22 4636).

## **7. MAINTENANCE OF THIS POLICY<sup>10</sup>**

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### **7.1 Breach of this Policy**

A breach of this Policy is regarded as a serious disciplinary matter and will be dealt with in accordance with the GC1 Directors Code of Conduct or other relevant policies.

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<sup>10</sup> RG 270.128; RG 270.158

## **7.2 Policy availability, Education and training**

This Policy, which contains information on how Disclosers may make a report, is publicly available at <https://www.glennonsmallcompanies.com.au/>.

A copy of this Policy has been provided to GC1's investment manager, Glennon Capital Pty Ltd, and each of its board members and employees. This Policy has further been provided to all GC1 officers and will be included in any induction materials provided to future officers or employees of GC1.

Other service providers to GC1 will be notified that a copy of this Policy is available for download via GC1's website (if requested).

## **7.3 Review and reporting**

GC1 will review the effectiveness and relevance of this Policy (and associated procedures) once every two years or, if necessary, following the management of a report of Reportable Conduct where it becomes apparent that the receipt, management and investigation of processes as documented could be further improved.

## ANNEXURE A

**Discloser** means any current or former:

- (a) director, senior executive, employee or officer of GC1;
- (b) contractor (including sub-contractors and employees of contractors) of GC1;
- (c) consultant or supplier of goods or services to GC1 and their employees;
- (d) associate of GC1; and
- (e) relatives, dependants, spouses or dependents of a spouse of any of the above,

who has, is considering or intends to report Reportable Conduct in accordance with this Policy.

*Note: See s1317AAA of the Corporations Act. Also see s14ZZU of the Taxation Administration Act*

**Emergency disclosure** is the disclosure of information to a journalist or parliamentarian, where:

- (a) the Discloser has previously made a disclosure of the information to ASIC, APRA or another Commonwealth body prescribed by regulation;
- (b) the Discloser has reasonable grounds to believe that the information concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment;
- (c) before making the emergency disclosure, the Discloser has given written notice to the body to which the previous disclosure was made that:
  - (i) includes sufficient information to identify the previous disclosure; and
  - (ii) states that the Discloser intends to make an emergency disclosure; and
- (d) the extent of the information disclosed in the emergency disclosure is no greater than is necessary to inform the journalist or parliamentarian of the substantial and imminent danger.

*Note: See s1317AAD(2). A Commonwealth body has not been prescribed at the time of publication of this guidance.*

**Personal work-related grievances** means those that relate to the Discloser's current or former employment and have, or tend to have, implications for the Discloser personally, but do not:

- (a) have any other significant implications for GC1 (or another entity); or
- (b) relate to any conduct, or alleged conduct, about a disclosable matter.

Examples of personal work-related grievances include:

- (i) an interpersonal conflict between the Discloser and another employee;
- (ii) a decision that does not involve a breach of workplace laws;
- (iii) a decision about the engagement, transfer or promotion of the Discloser;
- (iv) a decision about the terms and conditions of engagement of the Discloser; or

- (v) a decision to suspend or terminate the engagement of the Discloser, or otherwise to discipline the Discloser.

*Note: See s1317AADA(2) of the Corporations Act. Workplace grievances remain the jurisdiction of the Fair Work Act.*

A **personal work-related grievance** may still qualify for protection under this Policy if:

- (a) it includes information about misconduct, or information about misconduct includes or is accompanied by a personal work-related grievance (mixed report);
- (b) GC1 has breached employment or other laws punishable by imprisonment for a period of 12 months or more, engaged in conduct that represents a danger to the public, or the disclosure relates to information that suggests misconduct beyond the Discloser's personal circumstances;
- (c) the Discloser suffers from or is threatened with detriment for making a disclosure; or
- (d) the Discloser seeks legal advice or legal representation about the operation of the whistleblower protections under the Corporations Act.

**Public interest disclosure** is the disclosure of information to a journalist or a parliamentarian, where:

- (a) at least 90 days have passed since the Discloser made the disclosure to ASIC, APRA or another Commonwealth body prescribed by regulation;
- (b) the Discloser does not have reasonable grounds to believe that action is being, or has been taken, in relation to their disclosure;
- (c) the Discloser has reasonable grounds to believe that making a further disclosure of the information is in the public interest; and
- (d) before making the public interest disclosure, the Discloser has given written notice to the body to which the previous disclosure was made that:
  - (i) includes sufficient information to identify the previous disclosure; and
  - (ii) states that the Discloser intends to make a public interest disclosure.

*Note: See s1317AAD(1). A Commonwealth body had not yet been prescribed when this regulatory guide was published.*

**Reportable Conduct** is conduct connected with GC1, which a Discloser reasonably believes is:

- (a) conduct that may cause GC1 financial or non-financial loss or be otherwise detrimental to GC1's interests or damaging to GC1's reputation;
- (b) unethical or improper conduct, including dishonesty, fraud, corruption or bribery;
- (c) unlawful conduct, including not complying with legislation, regulation, codes, guidelines and other regulatory instruments (for example, insider or insolvent trading, breach of the continuous disclosure rules and failure to keep accurate financial records); or
- (d) any other misconduct or improper state of affairs or circumstances. However, Reportable Conduct does not include personal work-related grievances.