

Policy

Title	BDO Whistleblowing Policy
Division	National Risk & Ethics
Number & Version	1 V2.0
Effective Date	01 October 2019

1. Purpose of policy

In line with the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour contained within the Code of Ethics ('Code'), BDO Australia ('BDO', 'we' or 'our') is committed to the highest standards of conduct and ethical behaviour.

BDO's global vision is to be the leader for exceptional client service. To achieve our vision, it is important that all associated with BDO adhere to our corporate values where we 'Strive' to deliver the best possible outcome for our clients by providing quality services where we act with integrity.

In line with our values, we encourage eligible persons to speak up when they see actions or behaviour within BDO that do not comply with the principles of the Code or applicable legal and regulatory requirements. The purpose of this policy¹ is to provide guidance on how we approach, protect and manage these disclosures.

This whistleblowing policy (which applies to all BDO Member firms in Australia) is a practical tool to assist BDO in identifying behaviour and conduct that may not be uncovered otherwise and aims to ensure that:

- Eligible persons can speak up anonymously when they feel BDO or an individual associated with BDO is not adhering to the Code or any legal and regulatory requirements
- Eligible persons are able to disclose reportable conduct with confidence knowing their disclosure is secure and that they will be protected and supported
- Every disclosure is dealt with appropriately and on a timely basis
- Eligible persons can make disclosures anonymously or choose only to disclose their identity to the protected disclosure officer
- We commit to protecting the anonymity of an eligible person where requested
- BDO follows the investigation procedures set out in this policy for each disclosure received.

¹ This policy has been amended to comply with the Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019 Cth, which was passed on 19 February 2019 ('Whistleblower Protection Act').

Any questions relating to this policy and how a disclosure might be handled can be directed to your local office Firm Risk Partner or the National Risk and Ethics team.

2. Policy statement

2.1 Who does this policy apply to?

This policy is available to all eligible persons. The following would be considered an eligible person under this policy:

- All staff members (including partners, directors, temporary or full-time employees, secondees) and their dependents and relatives
- Any former staff members and their dependents and relatives
- Current and former contractors, suppliers, consultants and business partners including their dependents and relatives.

All staff members can access this policy on Insite. All other eligible persons can access the policy and make a disclosure through the BDO Australia website.

2.2 What can be reported?

2.2.1 As an eligible person you can report under this policy if you have reasonable grounds to suspect that a BDO staff member, former staff member, contractor, supplier or other person who has business dealings with BDO has engaged in conduct ('reportable conduct')² that is:

- Fraudulent
- Involves money laundering or misappropriation of funds
- Corrupt
- Illegal
- Dishonest
- Unethical
- Violates the law or any legal code
- Is creating an unsafe environment
- Breaches any of our company's policies
- Discrimination
- Harassment and or bullying of any kind
- Detrimental to BDO and could cause financial or non-financial loss
- Engaging in or threatening to engage in detrimental conduct against an eligible person or an individual who is believed or suspected to be an eligible person.

2.2.2 For the purpose of this policy, any reports of reportable conduct made by an eligible person are referred to as 'disclosures'. An eligible person can still qualify for protection even if their disclosure turns out to be incorrect provided they have reasonable grounds to suspect the reportable conduct.

² More detailed information regarding the broader categories of reportable conduct is documented in Appendix 4

2.2.3 Matters which relate to bullying, discrimination, harassment or sexual harassment should generally be dealt with in accordance with the BDO National Grievance Resolution Policy or the National Bullying, Discrimination, Harassment, Sexual Harassment and Victimisation Policy. Eligible persons may however also report these types of matters under this policy.

2.2.4 We encourage eligible persons to report any personal work related grievances which fall outside of the scope of this policy to a People and Culture representative or to the National EAP Provider³. These grievances will not be subject to the provisions or protections of this policy (or the Whistleblower Protections Act). Personal work-related grievances are generally those that relate to the individual's current or former employment and have implications for the discloser personally but do not:

- Have any other significant implications for BDO; or
- Relate to any reportable conduct.

Examples of personal work related grievances are:

- An interpersonal conflict between an employee and another employee;
- Decisions that do not involve a breach of workplace laws and relate to the hiring, transferring, promotion, performance management or termination of an employee.

Examples of where a personal work related grievance still qualifies for protection and can be reported under this policy:

- A personal work related grievance includes information about reportable conduct, or information about reportable conduct includes a personal work-related grievance
- As a result of the personal work related grievance, the eligible person has reasonable grounds to suspect that the disclosure involves a breach of policy, law or regulation.

2.2.5 Employees who deliberately submit false disclosures will not be subject to the protections set out in this policy (or the Whistleblower Protections Act). We encourage employees to consider the consequences of false reporting on BDO's reputation and the reputation of the individuals involved. This does not however include situations where an eligible person reasonably suspects misconduct but their suspicions are later determined to be unfounded.

³ Refer to Insite to access the details of the EAP provider

3. Procedures

3.1 How do I make a disclosure?

3.1.1 To ensure appropriate escalation and timely investigation we request that reports are made by utilising STOPline, a confidential, independent provider of whistleblowing services who also operates outside of business hours to record full details of any reportable conduct in accordance with this policy. Further information on how to access STOPline is detailed in [Appendix 1](#).

3.1.2 As an alternative to STOPline, a disclosure can be made to any of the following representatives across the business:

- Chair of the National Risk Management Committee ('NRMCM')
- National Risk and Ethics team (Senior Manager and above)
- Firm Risk Partner
- Office Managing Partner (OMP) for relevant Member Firm or appointed delegate
- National Head of People and Culture.

3.1.3 In the event that you do not wish to report to STOPline or the BDO representatives listed in 3.1.2, you may also report a disclosure to a partner, director or Senior Manager of BDO.

3.1.4 For purposes of this policy, all parties included in 3.1.1 to 3.1.3 above are defined as 'Protected Disclosure Officers'. To qualify for protection under this policy a disclosure is required to be made to a Protected Disclosure Officer.

3.1.5 In disclosing reportable conduct, eligible persons do not:

- Approach the individual who is the subject of concern, suspicion or is otherwise implicated
- Undertake investigations themselves
- Convey their suspicions to others, except to those with whom you have discussed the situation as outlined under this policy.

3.2 Protection of eligible persons

3.2.1 We are committed to ensuring that eligible persons who report disclosures under this policy are fairly treated. BDO respects and protects the choices of an eligible person when making a disclosure. An eligible person can choose to:

- a) Remain anonymous while making a disclosure
- b) Disclose their identity to the Protected Disclosure Officer but request that their identity or any information in the disclosure leading to the eligible person being made known not be disclosed further (this information is referred to as confidential information) or

- c) Disclose their identity to the Protected Disclosure Officer and consent to their identity being shared where necessary for purposes of conducting an investigation
- 3.2.2 Where an eligible person selects 3.2.1c) the eligible person can choose to remain anonymous at any point but is required to notify the Protected Disclosure Officer
- 3.2.3 Subject to compliance with legal requirements and upon receiving a disclosure under this policy, BDO will only share an eligible person's identity or information likely to reveal their identity if:
- The eligible person consents to this or
 - The disclosure is reported to the Australian Securities and Investments Commission ('ASIC'), the Australian Prudential Regulation Authority ('APRA'), the tax commissioner or the Australian Federal Police ('AFP') or
 - ASIC, APRA or the AFP disclose the identity of the Eligible Person, or information that is likely to lead to the identification of the Eligible Person to a Commonwealth, state or territory authority to help the authority in the performance of its functions or duties or
 - The disclosure is raised with a legal practitioner for the purposes of obtaining legal advice or representation or
 - The disclosure is raised with a person or body prescribed by regulation.
- 3.2.4 If instances arise under 3.2.1 a) or b), which result in the whistleblower advising of their preference for remaining anonymous which then limits further action and investigation by BDO, the process set out in 3.4.4 and 3.4.5 will be followed.
- 3.2.5 Where the eligible person has a concern relating to a breach of confidentiality under 3.2.1 a) or b) the eligible person can seek assistance from their respective Firm Risk Partner or the National Risk and Ethics team
- 3.2.6 Certain measures have been put in place to further mitigate the risk of a breach of confidentiality. These include training eligible recipients on the processes that are required to be followed when receiving a disclosure.

Protection against potential retaliation:

- 3.2.7 Eligible persons may be concerned about the repercussions of making a disclosure under this policy. BDO is committed to protecting eligible persons from:
- Being terminated or having their employment ceased
 - Performance management
 - Harassment on the job or workplace bullying
 - Warnings or disciplinary actions
 - Discrimination

- Any other action perceived as retaliation for making a disclosure.
- BDO will not tolerate any attempts to retaliate against an eligible person who has made a disclosure under this policy. Any employee or associated person found guilty of retaliating or threatening to retaliate will face disciplinary action. Retaliation is also prohibited by the Whistleblower Protection Act.

Protection of an eligible person against possible or actual risk of retaliation:

- 3.2.8 Where the eligible person believes retaliation is imminent or where an eligible person feels that they have already been retaliated against, the eligible person will contact an appropriate Senior People and Culture representative. People and Culture will take any action as appropriate, and will devise recommendations for how the situation may be resolved.
- 3.2.9 If the eligible person believes that their concerns in relation to retaliation have not been adequately resolved, the eligible person should express those concerns in writing to the Head of People and Culture.
- 3.2.10 Instances of victimisation will be dealt with under the BDO National Bullying, Discrimination, Harassment, Sexual Harassment and Victimisation Policy.
- 3.2.11 The eligible person also retains the option to seek compensation and other remedies through the courts if the eligible person has suffered loss, damage or injury as a result of a disclosure, and BDO failed to adequately prevent another individual from causing the detriment.

Confidentiality

- 3.2.12 Disclosures made under this policy may cause distress and disruption to all concerned. Individuals who find themselves the subject of an allegation may obtain advice and assistance from the Head of People and Culture or contact the National EAP Provider.
- 3.2.13 All individuals involved in an investigation under this policy will maintain confidentiality in relation to the matter as reported, and will not disclose details to any other staff members, clients, or suppliers via any means, except as permitted under this policy. Failure to do so may result in disciplinary action.
- 3.2.14 All disclosures reported under this policy will be treated as confidential, to the extent appropriate, having regard to procedural fairness and BDO's obligations under law, any regulatory, competition or government authority, or any professional standards, obligations or requirements.
- 3.2.15 The Corporations Act provides special protection for particular disclosures, provided certain conditions are met - refer to [Appendix 2](#) for further details. The Taxation Administration Act provides special protection for particular disclosures, provided certain conditions are met - refer to [Appendix 3](#) for

further details. These protections do not apply where the eligible person has engaged in misconduct which is reported as part of a disclosure.

3.3 What should the protected disclosure officer do?

3.3.1 Where the eligible person does not consent to confidential information being made known, the Protected Disclosure Officer (to whom the disclosure was reported) will be required to take the following steps:

- Determine whether the disclosure qualifies for protection under this policy
- Assess the disclosure and sanitise any confidential information as follows:
 - Remove any information relating to the identity of the eligible person
 - Remove any information in the disclosure which will result in identification of the eligible person
- Report the sanitised disclosure to the investigator according to the process set out in 3.4 within 48 hours of receiving the disclosure
- Where the investigator determines that an investigation of the disclosure cannot proceed due to the limited information available in the sanitised disclosure, the Protected Disclosure Officer will contact the eligible person, and
- If the eligible person consents to confidential information being disclosed the Protected Disclosure Officer will provide the investigator with an unsanitised version of the disclosure which includes the confidential information to the extent required by the investigator
- If the eligible person does not consent to confidential information being disclosed further the Protected Disclosure Officer will advise the investigator.

3.4 Investigating misconduct

3.4.1 The independent provider of whistleblowing services (STOPline) will provide a report detailing the disclosure to the Chair of the National Risk Management Committee. Any disclosures made under paragraph 3.1.2 and 3.1.3 will also be reported to the Chair of the National Risk Management Committee. The disclosures will be subject to the protections outlined in 3.2.

3.4.2 Where the Chair of the NRMC is implicated in the disclosure, the matter will be reported to the National Director Risk and Ethics.

3.4.3 The Chair of the NRMC or the National Director Risk and Ethics ('the investigator') will assess the report and determine whether an investigation is required.

- 3.4.4 Disclosures made under 3.2.1 a) to 3.2.1 c) will be assessed by the investigator. The investigator will determine if the investigation can proceed if the disclosure was made on an anonymous basis.
- 3.4.5 Where the investigator determines that an investigation cannot proceed, the eligible person will be contacted (if known), by the Protected Disclosure Officer to whom the disclosure was reported. Should the eligible person choose to waive confidentiality the investigator will re-assess the disclosure and determine whether an investigation is required.
- 3.4.6 The investigator will notify the Head of People and Culture and the relevant OMP of the disclosure.
- 3.4.7 The relevant local office will form a Local Incident Response Team ('LIRT') to conduct the investigation. The LIRT will gather evidence to establish the facts relevant to the reportable conduct and document the investigation.
- 3.4.8 The LIRT will consist of the following members, as appropriate, which may vary according to the size and risk governance structure at the relevant member firm:
- OMP or appointed delegate
 - Head of People and Culture
 - Firm Risk Partner
 - National Risk and Ethics Director (to provide support to the LIRT in conducting the investigation).
- 3.4.9 An individual implicated in the reported misconduct may not form part of the LIRT.
- 3.4.10 Additional policy requirements where the disclosure has not been made anonymously:
- A formal meeting will generally be conducted between the eligible person and the LIRT. The eligible person will be given the opportunity to explain the situation in detail and provide any additional documentary evidence. The LIRT may need to hold formal meetings with the implicated parties. The Head of People and Culture or a designate (Senior Manager level and above) should attend any formal meetings
 - During any meetings (which will be held separately), both the eligible person and those who are the subject of the eligible persons concerns or suspicions or otherwise implicated may choose to be accompanied by a support person
 - During meetings, the support person can lend support or take an active role, by explaining the individual's representations, ask questions or seek clarification. They may not, however, lead the meeting or answer questions on the individual's behalf

- As part of the investigation, written statements may be obtained from relevant parties. Written statements may be provided to the eligible person or implicated person in advance of any subsequent meeting where relevant and where the LIRT agrees that it would be appropriate
- If at any point during the investigation the eligible person believes he/she is the subject of victimisation as a result of having made a report:
 - The eligible person will report this to the investigator
 - The investigator will add this to the remit of the investigation to be dealt with in accordance with 3.1 above and the national Bullying, Discrimination, Harassment, Sexual Harassment and Victimisation Policy.

3.5 Concluding on reported misconduct

- 3.5.1 The LIRT will produce a report setting out their findings and any proposed actions including consideration of mitigating factors to improve our internal procedures and in an effort to avoid a recurrence of the issue being considered, if possible.
- 3.5.2 The LIRT will provide a copy of the report to the investigator.
- 3.5.3 The investigator will review the report and may provide additional input and recommendations around the proposed actions and mitigating factors to improve internal procedures.
- 3.5.4 Implementation of the proposed actions including, if necessary, invoking any disciplinary policy remains the responsibility of the local member firm.
- 3.5.5 Once complete, the status of the investigation will be reported to the eligible person who originally made the disclosure, by the investigator, subject to confidentiality and anonymity constraints.
- 3.5.6 The LIRT and investigator will keep records of reports and the outcomes of investigations.
- 3.5.7 The investigator will report the incident to the NRMC and National Board subject to confidentiality and anonymity constraints.

3.6 Appealing the findings

- 3.6.1 Either the eligible person or those implicated may appeal to a member of the local member firm Board in writing within ten working days of receiving confirmation of the outcome of the investigation. Any appeal not lodged within this timeframe will not be considered. The person who appealed ('appellant') will be invited to an appeal meeting, at which they can be accompanied by a person who provides support to the appellant (support person).

- 3.6.2 The meeting will be chaired by two partners (who will not be the chair of the NRMC) who has been appointed by the local member firm Board. The partners will not previously have been involved in the investigation and will review the original findings, including the report and all documentary evidence. The appellant will have the opportunity to raise and justify their concerns about the original findings and present any new evidence.
- 3.6.3 The decision of the partners will be given either verbally at the meeting or as soon as practicable afterwards. Should the eligible person not be satisfied with the outcome of the investigation the eligible person can lodge a complaint with a regulator.

4. Related information

- Grievance Resolution Policy (National)
- Bullying, Discrimination, Harassment, Sexual Harassment and Victimisation Policy (National)

5. Further information

For further information please contact:

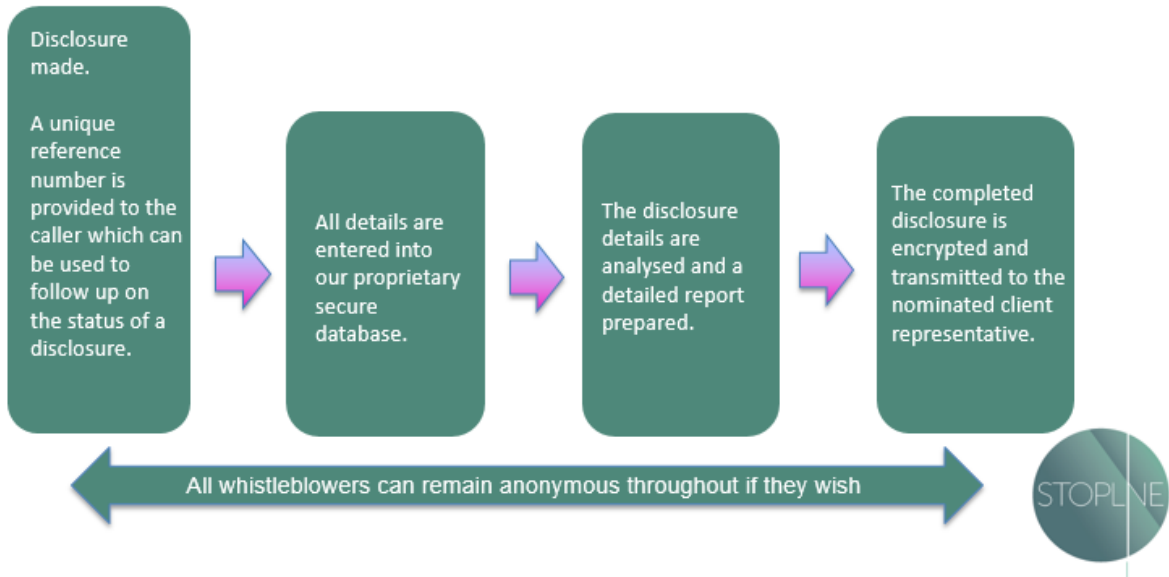
Title:	National Director Risk and Ethics
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6. History and document control

Title:	BDO Whistleblowing Policy
Effective date:	01 October 2019
Ownership:	National Risk and Ethics
Authorised by:	National Risk Management Committee
History:	V1.0 effective 1 July 2018
Superseded documents:	Version 1.0
Review date:	1 October 2020

APPENDIX 1 - USING STOPLINE TO MAKE A DISCLOSURE

There are six ways that a staff member, contractor or other concerned stakeholder can contact STOPLine:



EXAMPLES OF QUESTIONS?

- Is the incident ongoing?
- Are people at immediate risk?
- Is there an immediate risk of property loss or damage?
- Where did the incident take place?
- Describe what happened?
- Were you a direct witness to the incident?
- Please attach any supporting documents

APPENDIX 2 - SPECIAL PROTECTIONS UNDER THE CORPORATIONS ACT

The Corporations Act gives special protection to disclosures which are considered reportable conduct provided the following conditions are met:

1. An eligible person reports a disclosure:
 - to a Protected Disclosure Officer
 - to BDO's external auditor or member of the audit team
 - to ASIC, APRA or another Commonwealth body prescribed by regulation
 - to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the Whistleblowers Protection Act, or
 - as an emergency disclosure of public interest disclosure
2. The whistleblower has reasonable grounds to suspect that the disclosure relates to reportable conduct. This may include a breach of legislation under the Corporations Act, an offence against the Commonwealth punishable by imprisonment for 12 months or more, or conduct that represents a danger to the public or financial system
3. The protections given by the Corporations Act when these conditions are met are:
 - The eligible person is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
 - No contractual or other remedies may be enforced, and no contractual or other right may be exercised against the eligible person for making a disclosure;
 - In some circumstances, the reporting information is not admissible against the eligible person in criminal proceedings or in proceedings for the imposition of a penalty, such as where the disclosure has been made to ASIC or APRA, or where the disclosure qualifies as a public interest or emergency disclosure
 - Anyone who causes or threatens to cause detriment to an eligible person or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages
 - An eligible person's identity or information that is likely to lead to the identification of the eligible person or any document that might produce the same result cannot be disclosed to a Court or tribunal except where considered necessary to give effect to the Whistleblower Protections Act or it is necessary in the interests of justice to do so
 - The person receiving the report commits an offence if they disclose the eligible person's identity or information leading to their identity being made known, without the eligible person's consent, to anyone except ASIC, APRA, AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the disclosure.

4. Public interest disclosures and emergency disclosures
- 4.1 Disclosures can be made to a journalist or parliamentarian under certain circumstances and qualify for protection. A 'public interest disclosure' is the disclosure of information to a journalist or a parliamentarian, where:
 - at least 90 days have passed since the discloser made the disclosure to ASIC, APRA or another Commonwealth body prescribed by regulation
 - the discloser does not have reasonable grounds to believe that action is being, or has been taken, in relation to their disclosure
 - the discloser has reasonable grounds to believe that making a further disclosure of the information is in the public interest
 - before making the public interest disclosure, the discloser has given written notice to the body to which the previous disclosure was made which includes sufficient information to identify the previous disclosure, and
 - states that the discloser intends to make a public interest disclosure and the information disclosed is no greater than is necessary to inform the parliamentarian or journalist of the relevant matter.
- 4.2 An 'emergency disclosure' is the disclosure of information to a journalist or parliamentarian, where:
 - the discloser has previously made a disclosure of the information to ASIC, APRA or another Commonwealth body prescribed by regulation
 - 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;
 - 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;
 - (ii) states that the discloser intends to make an emergency disclosure;and
 - 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.

APPENDIX 3 - SPECIAL PROTECTIONS UNDER THE TAXATION ADMINISTRATION ACT

The Taxation Administration Act gives special protection to disclosures about a breach of any Australian tax law by BDO or misconduct in relation BDO's tax affairs provided the following conditions are met:

1. An eligible person reports a disclosure to:
 - a Protected Disclosure Officer;
 - BDO's external auditor (or a member of the audit team)
 - a registered tax agent or BAS agent who provides tax or BAS services to BDO;
 - any other employee or officer of BDO who has functions or duties relating to the tax affairs of BDO;
 - the Commissioner of Taxation; or
 - to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the Whistleblower Protection Act; and if the report is made to any of the above, the eligible person:
 - has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of a BDO Australia firm; and
 - considers that the information may assist the Protected Disclosure Officer to perform functions or duties in relation to the tax affairs of a BDO Australia firm; and
2. If the disclosure is made to the Commissioner of Taxation, the eligible person considers that the information may assist the Protected Disclosure Officer to perform functions or duties in relation to the tax affairs of a BDO Australia firm.
3. When these conditions are met the protections given by the Taxation Administration Act are as follows:
 - the eligible recipient (see paragraph 1 above) is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
 - no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the eligible recipient for making the report;
 - where the disclosure was made to the Commissioner of Taxation, the reported information is not admissible against the eligible recipient in criminal proceedings or in proceedings for the imposition of a penalty, except where the proceedings are concerned with whether the information is false;
 - unless the eligible recipient has acted unreasonably, a whistleblower cannot be ordered to pay costs in any legal proceedings in relation to a disclosure;
 - anyone who causes or threatens to cause detriment to an eligible recipient or another person in the belief or suspicion that a disclosure has been made, or may have been made, proposes to or could be made, may be guilty of an offence and liable to pay damages;

- an eligible recipients identity or information that is likely to lead to the identification of the eligible person or any document that might produce the same result cannot be disclosed to a Court or tribunal except where considered necessary to give effect to the Whistleblower Protections Act or it is necessary in the interests of justice to do so;
 - the person receiving the disclosure commits an offence if they disclose the substance of the report or the eligible recipient's identity, without the eligible recipient's consent, to anyone except the Commissioner of Taxation, the AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the report.
4. If a disclosure is made, the identity of the eligible recipient will be kept confidential unless one of the following exceptions applies:
- the eligible recipient consents to the disclosure of their identity;
 - the disclosure is reported to the Commissioner of Taxation or the AFP; or
 - the disclosure is raised with a lawyer for the purpose obtaining legal advice or representation.

APPENDIX 4 - CATEGORIES OF REPORTABLE CONDUCT

1. Reportable conduct also refers to conduct that constitutes an offence, against, or a contravention of, a provision of any of the following:
 - the Corporations Act
 - the Australian Securities and Investments Commission Act 2001
 - 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 SIS Act or constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for 12 months or more
 - represents a danger to the public or the financial system, and
 - is prescribed by regulation