

WHISTLEBLOWING POLICY AND PROCEDURE				 Delivering peace of mind
Owned by	Issue date	Last Reviewed	Next Review Date	
Human Resources	February 2003	January 2015	January 2016	Policy No: 003.11

This policy is in line with the Shepherd Building Group Policy.

We are committed to high standards of probity in the conduct of our affairs and aims to act in compliance with all relevant laws and regulations. It is expected that all employees will similarly conduct their own actions in pursuance of the duties of their employment with similarly high standards and always in compliance with relevant laws and regulations.

Employees are often the first to know when things are going wrong in any company, whether these concern financial malpractice, the abrogation of appropriate and agreed Company procedures or departures from statutory or other requirements for good governance. In the normal course of events, employees are encouraged to raise concerns with their line managers. In most cases, our current policies, including the [Disciplinary Policy](#) and, where appropriate, the [Grievance Policy](#), will provide a suitable framework for the resolution of concerns. There may be exceptional circumstances, however, where the position of a person or persons about whom concerns are to be raised may make it difficult to use the normal channels and where some employees would feel, rightly or wrongly, that their own employment position would be jeopardised if they were to raise a particular concern.

We welcome the vigilance of our employees in helping to ensure that instances of misconduct or malpractice are dealt with appropriately and we have adopted the Whistleblowing procedure set out below to be followed in those circumstances where the normal channels for raising concerns are inappropriate.

This Whistleblowing procedure should not be used in circumstances that are already covered by the existing policies mentioned above.

Derek Carter
Chief Executive

Amanda Stainton
Human Resources Director

Whistleblowing Procedure

Making an allegation

1. In the first instance, there are two different ways in which allegations can be raised in a confidential manner, depending upon circumstances:-
 - (a) Allegations about an individual's financial conduct should normally be made, preferably in writing, to the Group Finance Director who will transmit these to the Director of Group Audit and Assurance. Where, for whatever reason, the person making the allegation(s) considers it inappropriate to make it to the Group Finance Director, the provisions of paragraph (b) will apply.
 - (b) Allegations about other issues, for example the behaviour of a senior employee, should be made, preferably in writing, to the Chairman of the Audit Committee or the Group Company Secretary.
2. In any case where an allegation has been made under paragraph 5, the person to whom the allegation has been made should make a record of its receipt and of what subsequent action was taken. Anonymous allegations are not automatically disregarded but, given the safeguards for those making allegations under this procedure, they are usually less powerful than those from named individuals.

Investigation

3. Any allegation made under this procedure shall normally be the subject of a preliminary investigation either by the person to whom the allegation is made or more usually by a person(s) nominated by him/her, such person normally being the Director of Group Audit and Assurance. A decision as to whether a preliminary investigation should be carried out should be made within 2 weeks of the complaint being received and, where this is not possible, the person making the complaint should receive an explanation of the delay. The investigation should be completed as expeditiously as possible.
4. Where an allegation is made and an investigation undertaken, the person(s) against whom the allegation has been made must be told of the allegation and the evidence supporting it and be allowed to comment before the investigation is completed and a report made.
5. The results of any investigations must be reported to the Audit Committee.
6. Where the investigation confirms that malpractice has occurred by any party, which may include the individual making the allegation, appropriate action will be taken.
7. The person receiving the allegation may consider that an investigation would be inappropriate because there is no substantive case, or that the issue is trivial, or that the normal channels should be used to raise the issue. Where no investigation is carried out and the allegation is effectively dismissed, the person making the allegation shall be informed and given the opportunity to remake the allegation to any Non Executive Director. This option will not apply where an allegation has been dismissed after an investigation.

Rights and responsibilities of whistleblowers

8. Any person making an allegation under these procedures is guaranteed that the allegation shall be regarded as confidential to the receiver until a formal investigation is launched. Thereafter, the identity of the person making the allegation may be kept confidential, if requested, unless this is incompatible with a fair investigation or there is some overriding reason for disclosure (if, for example, police involvement is required). A same duty of confidentiality lies on the person making the allegation.

9. Provided the allegation has been made lawfully and in good faith and in the interests of the public or of the Company, the employment position of the person shall not be disadvantaged for reasons of making the allegation. Should a “whistleblower” be able to show prima facie evidence of adverse treatment after making an allegation, disciplinary action will be taken against those responsible for the adverse treatment. However, if the results of the investigation reported to the Audit Committee reveal that the allegations have been made maliciously, the person making the allegations may be subject to disciplinary proceedings.

Review

11. This policy and procedure shall be reviewed by the Shepherd Building Group Board at regular intervals.