

# WHISTLEBLOWER POLICY

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<b>Licensee:</b>	Aurora Funds Management Limited
<b>AFSL Numbers:</b>	222110
<b>Registered Address:</b>	Suite 613, Level 6 / 370 St Kilda Road, Melbourne VIC 3004
<b>Principal Place of Business:</b>	Suite 613, Level 6 / 370 St Kilda Road, Melbourne VIC 3004

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<b>Policy Approver</b>	Board of Directors
<b>Policy Owner</b>	Compliance Manager
<b>Policy Version Date</b>	December 2019

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## Background

Aurora Funds Management Limited (**AFML**) is responsible for the efficient and prudent management of the client assets that it manages. AFML is firmly committed to ensuring that the company and all employees observe the highest standards of ethical behaviour and conduct. To this end, AFML needs to ensure that:

- An open and transparent culture is promoted within Aurora that encourages the reporting of any issue that is genuinely believed to be a breach of the Code of Conduct, other Aurora policies or the law;
- Violations of the Code of Conduct, other Aurora policies or the law are detected in a timely manner and reported to the Chairman or Company Secretary;
- The individuals who report any actual or suspected violations in good faith on a confidential basis are protected from reprisals, dismissal or discrimination; and
- Appropriate action is taken in response to any such reported and proven violations.

This Policy is designed with the objectives to:

- provide any person making an allegation of Disclosable Matter (**Whistleblower**) with a clear framework within which to make that allegation as a Protected Disclosure;
- ensure any reports of Disclosable Matter are dealt with appropriately and on a timely basis;
- provide Whistleblowers with a clear understanding of how allegations will be handled;
- protect Whistleblowers from victimisation and retaliation; and
- meet Aurora's legal and regulatory obligations under Corporations Act and ASIC's Regulatory Guide.

## Scope

This policy applies to the following current or former:

- AFML officers (e.g. directors and company secretary)
- AFML employees
- AFML contractors/suppliers, and employees of AFML contractor/suppliers (whether paid or unpaid)
- AFML associates
- Spouse, relative or dependant of one of the people referred to the above

## Protected Disclosures

A "Protected Disclosure" is a report of Disclosable Matter made in accordance with this Policy.

To be protected under this Policy, a Whistleblower must:

- (a) be acting honestly with genuine or reasonable belief that the information in the allegation is true or likely to be true;
- (b) make the disclosure in accordance with this Policy; and
- (c) not themselves have engaged in serious misconduct or illegal conduct in relation to the Disclosable Matter.

AFML promotes a culture that encourages the reporting of Disclosable Matter and where a Whistleblower makes a Protected Disclosure, that person will have access to Whistleblower rights and protections under this Policy. A Whistleblower must, at all times during the reporting process, continue to comply with this Policy.

A Whistleblower can still have access to the protection under this Policy even if their disclosure turns out to be incorrect.

## Disclosable Matter

This Policy supports the reporting of allegations of serious wrongdoing (**Disclosable Matter**) by AFML, its directors, officers, employees and contractors. Disclosable Matter includes, but is not limited to the following:

- dishonest, corrupt or illegal activities
- theft, fraud, money laundering or misappropriation
- a serious breach of the AFML's policies and procedures
- unethical conduct
- unsafe work-practice
- other kind of misconduct<sup>1</sup> or an improper state of affairs or circumstances, including tax affairs of AFML
- information indicating a significant risk to public safety or stability of, or confidence in, the financial system.

Personal work-related grievances are not covered under this Policy. "Personal work-related grievance" includes the following:

- an interpersonal conflict with another employee
- a decision about employment, transfer or promotion of a Whistleblower
- a decision about the terms and conditions of employment of a Whistleblower
- a decision to suspend or terminate the employment of a Whistleblower, or otherwise to discipline

"Personal work-related grievance" does not include any conduct that would be considered victimisation of an individual because they have made, may have made, or propose to make a report under this Policy; or a matter that would raise significant implications for AFML. However, disclosure of a personal work-related grievance that includes information about misconduct, or disclosure about misconduct includes or is accompanied by a personal work-related grievance is covered under this Policy.

**Appendix A** sets out special protections for Whistleblowers who disclose information concerning misconduct or an improper state of affairs or circumstances in relation to AFML under the Corporations Act.

## Making a Report

A Whistleblower should make a report to the Chairman, or Company Secretary who has the responsibility as the primary Whistleblowing Contact Person (**WCP**). Should both of these individuals be the subject of the whistleblowing concern, the matter should be raised with the Chair of the Compliance Committee.

## Reporting to Eligible Recipients

If a Whistleblower is unable to use the above reporting channel, the disclosure can be made to "Eligible Recipients" within/outside of AFML. "Eligible Recipients" in relation to AFML are:

- officers (including directors and company secretary);
- senior managers;
- auditor<sup>2</sup> or member of an audit team conducting an audit of AFML

Eligible Recipients may direct a Whistleblower to make the report to the WCP, if they consider it appropriate in the circumstance.

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<sup>1</sup> Misconduct includes conducts that constitutes an offence against/contravention of, a provision of (or instrument made under) the

(a) Corporations Act; Australian Securities and Investments Commission Act 2001; Banking Act 1959; Financial Sector (Collection of Data) Act 2001; Insurance Act 1973; Life Insurance Act 1995; National Consumer Credit Protection Act 2009; SIS Act; or  
(b) any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more

<sup>2</sup> As of the date of the Policy, Grant Thornton Audit Pty Ltd (ACN 130 913 594) is appointed as the external auditor of AFML.

A Whistleblower can (i) make a report about a Disclosable Matter directly to the relevant regulatory body (e.g. ASIC, APRA, ATO), or (ii) make a disclosure to their lawyer for the purposes of obtaining legal advice or legal representation in relation to the operation of the Whistleblower provisions in the Corporations Act, without making prior disclosure to AFML and still qualify for protection under the Corporations Act.

#### Anonymous Reporting

A Whistleblower can make an anonymous report. However, it may be difficult for AFML to properly investigate or take action to address the matter disclosed in an anonymous report. In circumstances where a Whistleblower has not consented to the disclosure of their identity, the matter may be referred to investigation, but the investigator will be required to take all reasonable steps to reduce the risk that a Whistleblower will be identified as a result of the investigation. Any anonymous disclosures made according to the Policy are still protected under the Corporations Act.

A Whistleblower may choose to remain anonymous while making a disclosure, over the course of the investigation (see below) and after the investigation is finished, and can refuse to respond to questions that they feel could reveal their identity. A Whistleblower may choose to use a pseudonym instead of their true name when making a disclosure.

#### **Investigation of Disclosable Matter**

When the WCP receives any disclosure, they will proceed with an assessment of the disclosure and will decide on whether such disclosure falls within the scope of "Disclosable Matters" of this Policy. Providing the disclosure qualifies as a "Disclosable Matter", WCP will carry out an investigation into the accuracy of the disclosure and the extent of non-compliance. Where necessary and appropriate, the WCP may inform another one of the Directors in order that they may assist with the research.

On receiving a request to undertake any investigation, the WCP must take all reasonable steps to ensure that investigations into disclosures are fair and unbiased. This means that:

- any person affected by the investigation should have the opportunity to put their case and be aware of the allegations and evidence against them. They will also be advised about the subject matter of the disclosure prior to any action to be taken;
- the investigator will obtain specialist, independent advice on matters outside the knowledge or expertise of the investigator and all employees of AFML are required to assist the investigator to the maximum possible extent in carrying out investigations; and
- investigations will be carried out as fast as reasonably practicable.

During the investigation process, AFML shall not disclose information that is contained in a disclosure unless (i) the information does not include a Whistleblower identity;

(ii) information relating to a Whistleblower's identity (or other information that is likely to lead to the identification of a Whistleblower) is removed;

(iii) it is reasonably necessary for investigating issues raised in the disclosure.

The investigator will keep detailed records of all interviews conducted and all records reviewed which affect the outcome of the investigation.

At the end of the investigation, the investigator must submit a report to the Board and/or Compliance Committee. This report will:

- summarise the conduct of the investigation and the evidence collected;
- draw conclusions about the extent of any non-compliance;
- determine an appropriate response to the report; and

- recommend actions to remedy the non-compliance to prevent recurrence.

AFML may be required to refer an allegation of Disclosable Matter to the Australia Federal Police (**AFP**) or ASIC.

Any person who is the subject of the disclosure will be advised the outcome of the investigation however they will not be provided a copy of the investigation report.

In general, while the particular investigation process and enquires adopted depends on the nature and substance of the Disclosable Matter, as soon as practicable upon receipt of the disclosure, if the disclosure is not anonymous, WCP will contact the Whistleblower, either verbally or in writing, in relation to the investigation process including who may be contacted, updates and outcomes of the investigation and such other matters as are relevant to the investigation.

Whistleblowers must ensure their reports are made in good faith, without bias and are accurate. If the investigation establishes that the Whistleblower is not acting in good faith or has knowingly made a false report, the Whistleblower will be subject to disciplinary procedures.

### **Communication with Whistleblower**

AFML is committed to acknowledge Whistleblower upon receiving their disclosure report, and to provide updates:

- i) when the investigation process has begun;
- ii) when the investigation is in progress; and
- iii) after the investigation has been finished.

### **Protection of Whistleblower**

AFML is committed to ensuring confidentiality in respect of all matters raised under this Policy, and those who make a report are treated fairly and do not suffer detriment.

#### Protections for Whistleblower from detriment or omission

Detrimental treatment includes dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats or other unfavourable treatment connected with making a report<sup>3</sup>. However, administrative or management action regarding managing a Whistleblower's unsatisfactory work performance, which is in line with AFML's performance management framework, will not be considered as detrimental treatment.

No employee, officer, or contractor/service provider of AFML may engage in detrimental conduct against a Whistleblower who has made or proposes to make a report according to this Policy, because of such report.

All reasonable steps will be taken to ensure that a Whistleblower will not be the subject to any form of victimisation, dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats, or other unfavourable treatment connected to with making such report.

If a Whistleblower is subjected to detrimental treatment as a result of making a report under this Policy they should inform WCP immediately.

#### Protections of information provided by Whistleblower (Confidentiality)

Subject to compliance with legal requirements, upon receiving a report under this Policy, AFML will only share the identity as a Whistleblower or information likely to disclose their identity if:

- Whistleblower's consent;
- the concern is reported to the AFP, APRA or ASIC; or
- the concern is raised with AFML's lawyer for the purpose of obtaining legal advice or representation.

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<sup>3</sup> Refer to ASIC Regulatory Guide 270.99 for examples of detrimental conducts.

If AFML is required to investigate a report, it may disclose information contained in a disclosure without Whistleblower's consent only if, (i) such information does not include Whistleblower's identity; and (ii) AFML will take reasonable steps to reduce the risk that the Whistleblower will be identified from such information.

Any disclosures of a Whistleblower's identity or information likely to lead to their identification will be made on a confidential basis.

It is illegal for a person to identify a Whistleblower, or disclose information that is likely to lead to the identification of a Whistleblower (unless exception applies). If a Whistleblower believes their identity is unlawfully disclosed, they can lodge a complaint to WCP, or directly to ASIC, APRA or ATO.

#### Protection of records

AFML will ensure that all information relating to a disclosure can only be accessed by authorised personnel (e.g. personnel directly involved in managing and investigating the disclosure).

Unauthorised release of information to someone not involved in the investigation (except for AFML's senior management and/or Compliance Committee who needs to know to take appropriate action or for corporate governance purposes) without the consent from a Whistleblower will be a breach of this Policy.

#### Compensation and other remedies

A Whistleblower may seek compensation and other remedies through the court, if they (i) suffer loss, damage or injury because of a disclosure; and (ii) AFML fails to prevent a person from causing detriment. A Whistleblower may consider to seek independent legal advice or contact regulatory bodies (e.g. ASIC) when necessary.

#### Civil, criminal and administrative liability protection

A Whistleblower is protected from civil liability, criminal liability and administrative liability in relation to their disclosure. However, the protections do not provide immunity for misconducts a Whistleblower has engaged in that is revealed in their disclosure.

### **Support available to Whistleblower**

AFML will provide necessary support to Whistleblowers, e.g. connecting the Whistleblowers with third party support provider.

Use of the support service by the Whistleblower may require the Whistleblower to consent to disclose of their identity or information that is likely to lead to the discovery of their identity.

The Corporations Act gives protection to disclosures about breaches of that Act, provided certain conditions are met – refer to **Appendix A** for further details.

The Taxation Administration Act gives protection to disclosures about a breach of any Australian tax law by AFML or misconduct in relation to AFML's tax affairs, provided certain condition are met – refer to **Appendix B** for further details.

### **General**

This Policy is made available to officers and employees by making it accessible from AFML's share drive. The Policy is also available on AFML's company website.

### **Review of Policy**

The Board will review this Policy as often as the Board requires and make any changes it determines necessary or desirable.

## Appendix A – Protections under Corporations Act

A. The Corporations Act gives protection to disclosure about misconduct or improper state of affairs relating to AFML or its related company if the following conditions are satisfied:

1. The Whistleblower must be a current or former:
  - employee or officer of AFML or related company of AFML;
  - individual who supplies goods and services to AFML or related company of AFML, or an employee of a person who supplies goods and services to AFML or related company of AFML;
  - individual who is an associate of AFML or related company of AFML;
  - spouse, relatives or dependant of one of the people referred above.
2. The report is made to:
  - a director, company secretary, company officer, or senior manager of AFML or related company of AFML;
  - an auditor, or a member of the audit team, of AFML or related company of AFML;
  - a person authorised by AFML to receive Whistleblower disclosures (e.g. WCP)
  - ASIC;
  - APRA; or
  - Whistleblower's lawyer.

While the Whistleblower must make their disclosure to one of the above people, they can raise their concerns anonymously.

3. the Whistleblower has reasonable grounds to suspect that the information being disclosed concerns misconduct, or an improper state of affairs or circumstances in relation to AFML or its related company. This may include a breach of legislation including 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.

B. The Corporations Act gives protections to Whistleblower to make a report to a journalist or a member of the Commonwealth Parliament or a state or territory parliament under the following circumstances:

1. Reports of matters in the public interest

- (i) The Whistleblower must have previously made a report to ASIC that satisfies the criteria in section A above;
- (ii) At least 90 days have passed since the Whistleblower reported their concerns to ASIC, and they do not have reasonable grounds to believe that action to address their concerns is being or has been taken;
- (iii) The Whistleblower has reasonable grounds to believe that reporting their concerns to a journalist or parliamentarian would be in the public interest;
- (iv) After 90 days from when the Whistleblower reported to ASIC, they give ASIC a written notice that includes sufficient information to identify their earlier report and states their intention to make a public interest disclosure. This could be by contacting the ASIC officer who considered their concerns and quoting the reference number of their case; and
- (v) The Whistleblower reports their concerns about misconduct or an improper state of affairs or circumstances or a breach of the law to a journalist or a parliamentarian.

2. Emergency disclosure

- (i) The Whistleblower must have previously made a report to ASIC that satisfies the criteria in section A above;
- (ii) The Whistleblower has reasonable grounds to believe that the information in their report concerns substantial and imminent danger to the health or safety of one or more people or to the natural environment;

- (iii) The Whistleblower gives ASIC a written notice that includes sufficient information to identify their earlier report and states their intention to make an emergency disclosure. This could be by contacting the ASIC officer who considered their concerns and quoting the reference number of their case; and
- (iv) The Whistleblower reports their concerns about the substantial or imminent danger to a journalist or a parliamentarian.

Before making a public interest or emergency disclosure, the Whistleblower should contact an independent legal adviser.

- C. Examples of protections given by the Corporations Act when the conditions are satisfied are:
- the Whistleblower is not subject to 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 Whistleblower for making the disclosure.
  - in some circumstances, the reported information is not admissible against the Whistleblower in criminal proceedings or in proceedings for the imposition of a penalty.
  - anyone who causes or threatens to cause detriment to a Whistleblower 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.
  - a Whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary.
  - the person receiving the report commits an offence if they disclose the substance of the report or the Whistleblower's identity, without the Whistleblower's consent, to anyone except ASIC, the AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the report.



## Appendix B – Protections under Taxation Administration Act

- A. The Taxation Administration Act gives protection to disclosure about a breach of any Australian tax law by AFML or misconduct in relation to AFML's tax affairs if the following conditions are satisfied:
1. The Whistleblower must be a current or former:
    - employee or officer of AFML or related company of AFML;
    - individual who supplies goods and services to AFML or related company of AFML, or an employee of a person who supplies goods and services to AFML or related company of AFML;
    - individual who is an associate of AFML or related company of AFML;
    - spouse, relatives or dependant of one of the people referred above.
  2. The report is made to:
    - a director, company secretary, company officer, or senior manager of AFML or related company of AFML;
    - an auditor, or a member of the audit team, of AFML or related company of AFML;
    - a person authorised by AFML to receive Whistleblower disclosures (e.g. WCP)
    - a registered tax agent or BAS agent who provides tax or BAS services to AFML or related company of AFML;
    - any other employee or officer of AFML who has functions or duties relating to tax affairs of the company;

(collectively called "TAA Eligible Recipients")

    - the Commissioner of Taxation; or
    - Whistleblower's lawyer.
  3. If the report is made to a TAA Eligible Recipient, the Whistleblower:
    - a. 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 AFML or AFML or related company of AFML; and
    - b. considers that the information may assist the TAA Eligible Recipient to perform functions or duties in relation to the tax affairs of AFML or AFML or related company of AFML.
  4. If the report is made to the Commissioner of Taxation, the Whistleblower considers that the information may assist the Commissioner of Taxation to perform functions or duties in relation to the tax affairs of AFML or AFML or related company of AFML.
- B. Examples of protections given by the Tax Administration Act when the conditions are satisfied are:
- the Whistleblower is not subject to 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 Whistleblower for making the disclosure.
  - where the disclosure was made to the Commissioner of Taxation, the reported information is not admissible against the Whistleblower 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 Whistleblower as acted unreasonably, a Whistleblower cannot be ordered to pay costs in any legal proceedings in relation to a report.
  - anyone who causes or threatens to cause detriment to a Whistleblower 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.
  - a Whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary.

- the person receiving the report commits an offence if they disclose the substance of the report or the Whistleblower's identity, without the Whistleblower'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.