

Whistleblower Protection Policy

1. Introduction

- 1.1. The purpose of this policy is to establish a formal framework within which individuals are able, in a secure way, to express their genuine concerns about misconduct, an improper state of affairs or circumstances, unlawful behaviour or breaches of policy, free from the threat of victimisation or reprisal and on the understanding that their concerns will be investigated and that, where appropriate, action will be taken to redress the situation.
- 1.2. Having an open, transparent and supportive culture is vital to the ongoing success of Australian Foundation Investment Company Limited (AFIC) and its subsidiary Australian Investment Company Services Limited (AICS) (together “companies”).
- 1.3. The companies take their legal responsibilities very seriously and seek to establish and maintain a culture of compliance with all their legal and ethical obligations.
- 1.4. The Corporations Act 2001 and Taxation Administration Act 1953 set out the protections available to eligible individuals who speak up in relation to reasonable suspicions of misconduct or an improper state of affairs or circumstances.

2. Who does this policy apply to?

- 2.1. This policy applies to individuals who are or have been any of the following:
 - 2.1.1. a director, officer or employee of the companies;
 - 2.1.2. an individual who supplies services or goods to any of the companies (whether paid or unpaid);
 - 2.1.3. an employee of a person or organisation who supplies services or goods to any of the companies (whether paid or unpaid);
 - 2.1.4. an individual who is an associate of the companies; or
 - 2.1.5. a relative, dependent or dependent of the spouse of any individual referred to in paragraphs 2.1.1 to 2.1.4 above. (each an “Individual”)
- 2.2. This policy applies to the reporting by Individuals of any genuine and reasonable suspicions of misconduct or an improper state of affairs or circumstances (“Concerns”) by either of the companies, their related body corporates or any Director or employee thereof, which includes the following:
 - 2.2.1. breaches of the Corporations Act;
 - 2.2.2. an offence against the Commonwealth punishable by imprisonment for 12 months or more; or
 - 2.2.3. conduct that represents a danger to the public or the financial system.
- 2.3. Examples of conduct which may amount to misconduct or an improper state of affairs include: bribery, corruption, harassment, discrimination, bullying or coercion, fraudulent or dishonest conduct or practices, a breach of the companies codes of conduct, insider trading, insolvent trading, breach of the continuous disclosure rules,

failure to keep accurate financial records, falsification of accounts, failure of a director or other officer to act with the care and diligence that a reasonable person would exercise, or to act in good faith in the best interests of the corporation or failure of a director to give notice of any material personal interest in a matter relating to the affairs of the company.

- 2.4. This policy will not apply to any false reports.
- 2.5. This policy does not apply to concerns of a personal work-related grievance of the discloser, which are grievances that have implications for you personally and do not have significant implications for the companies. For example, overtime, personal disagreements between you and a team member, decisions relating to the terms and conditions of your employment and decisions to suspend or terminate your employment or engagement. These issues should be raised with your manager or, in the event that this is not appropriate, using the complaint procedure included in the AICS Employee Handbook. If your grievance relates to detrimental conduct that you think is connected to a disclosure that you have made or could make under this policy, please report your concern under this policy and refer to section 4 below.

3. Reporting of Concerns

- 3.1. To help quickly identify and address a potential issue, Individuals are encouraged in the first instance to report any Concerns to any of the Chief Financial Officer, the Managing Director or the independent Chairman of the AICS Risk Management, Audit and Remuneration Committee (“Whistleblower Contacts”). These individuals are listed on page 5 below.
- 3.2. Individuals may alternatively report Concerns to other Whistleblower Contacts, being the companies’ independent External Auditors or AICS’ independent Internal Auditors. Tax-related Concerns should be raised with the CFO or External Auditors.
- 3.3. Individuals may also report Concerns to the Australian Securities and Investments Commission (ASIC) or the Australian Prudential Regulation Authority (APRA) or, for a protected matter under the Taxation Administration Act, the Commissioner of Taxation (please see www.ato.gov.au/general/gen/whistleblowers/ for more information). Where ASIC or APRA notifies the relevant company that a report has been made and the details of the report, the full protections of this policy apply.
- 3.4. The reporting of Concerns to a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the whistleblower laws are protected by this Policy (even in the event the legal practitioner concludes that a disclosure does not relate to a ‘disclosable matter’).
- 3.5. Concerns may also be reported to any Director or senior executive of the relevant company.

- 3.6. Concerns may also be reported anonymously and will be investigated to the extent deemed appropriate by the relevant company. Concerns reported anonymously can still be protected under the whistleblower laws.
- 3.7. Concerns may be reported in writing, including via electronic means, or verbally. If the Individual wishes for their identity to remain anonymous you can contact the Whistleblower Contacts via e-mail or in writing by clearly labelling the letter **“Private and Confidential – open by addressee only”**.
- 3.8. Subject to the confidentiality requirements of section 4 below, any report received under this policy will be notified as soon as possible to the relevant company Board, by the person to whom the report is made.
- 3.9. In certain circumstances, as outlined in the Corporations Act, a public interest disclosure may also be made to a journalist or a member of parliament.

4. Support, Protection and Confidentiality

Protecting Individuals from detrimental conduct

- 4.1. Any Individual that reports Concerns is assured of the full support of the relevant company.
- 4.2. Any Individual making a report will be protected by the relevant company from any detrimental conduct, including harassment, reprisals, discrimination or other form of detriment, as a result of making such a report.
- 4.3. If an Individual making a report believes that detrimental conduct has occurred, they should report such behaviour to a Whistleblower Contact.

Protecting Individual confidentiality

- 4.4. The identity of any Individual making a report and information likely to lead to their identification will be kept confidential and secure to the extent permitted by law by the person to whom the report is made. Where required, information will only be shared with the consent of the Individual, with regulatory bodies (specifically, ASIC, the AFP or the Commissioner of Taxation) or with a lawyer in relation to the operation of the whistleblower laws.
- 4.5. Where it is not possible to maintain the confidentiality of the identity of an Individual reporting a Concern, for example due to reporting details to a regulatory agency, the relevant company will take appropriate measures to protect the Individual.
- 4.6. Where it is reasonably necessary for the purposes of investigating a Concern to disclose information likely to lead to the identification of an Individual, the relevant company will take all reasonable steps to reduce the risk of the Individual being identified.

Other protections

- 4.7. Other protections may also be available to Individuals under Australian law and may include:
 - 4.7.1. protection from civil, criminal or administrative legal action for raising a concern;
 - 4.7.2. protection from contractual or other remedies being sought against them on the basis that they raised a concern; and
 - 4.7.3. the information Individuals provide may not be admissible in evidence against them in legal proceedings (unless they have provided false information).
- 4.8. Knowingly false claims are viewed as serious and may be regarded as a breach of the Code of Conduct and subject to disciplinary action.
- 4.9. Any person may contact the Company Secretary for more information about the protections available to them.

5. Investigation Process

- 5.1. When notified of a reported Concern, the Board of the relevant company shall determine the manner and method of all investigations, utilising internal and external resources as appropriate. Such determination will include the allocation of responsibilities under the investigation and the method and timeline of reporting back to the relevant Board on the outcomes of the investigation.
- 5.2. To ensure that the company will ensure fair treatment of Individuals who are mentioned in disclosures, the overarching principle applicable to all investigations will be that they are conducted with fairness to all parties concerned and the principle of natural justice and shall be completed in a timely manner.
- 5.3. Following the completion of the relevant investigation, the Individual will be provided with summary feedback by the relevant company (subject to considerations of the privacy of those against whom allegations are made).
- 5.4. Subject to the companies' confidentiality obligations, the Company Secretary shall maintain a summary register of all investigations for each of the companies, including the outcomes and any follow up action items.
- 5.5. The relevant company will report any matters to regulatory authorities or agencies where it is required to do so or it is assessed as being appropriate.

6. Communication and Review

- 6.1. This policy shall be communicated to all Directors and employees of the companies by the Company Secretary, and in a reasonable time following any change to the policy. This policy will be included in the induction pack for new directors and employees and made available on the Company's website.

- 6.2. Employees and managers will be trained in relation to this policy and their rights and obligations under it.
- 6.3. Subject to the confidentiality obligations included in section 4 a report will be included at each Audit Committee meeting including information regarding: the number and nature of Concerns; the status of any investigations into any Concerns and the outcomes of any investigations completed.
- 6.4. This policy shall be reviewed at least every two years (or earlier in response to any significant regulatory developments) with the outcome and any recommendations for change reported to the Audit Committee for review and approval.
- 6.5. Any questions on this policy should be directed to the Company Secretary.
- 6.6. This policy should be read in conjunction with the Corporate Principles of Conduct applicable to the relevant company.

7. Whistleblower Contacts:

Andrew Porter
Chief Financial Officer
+61 3 9225 2103

Alison Gibson
Managing Director
+61 3 9225 2122

Craig Drummond
Chair, Risk Management,
Audit & Remuneration
Committee, AICS
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Luke Slater
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Kate Logan
Partner, PwC (External Auditors)
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8. Company Secretary details:

Matthew Rowe
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