



# Whistleblower Policy

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Australian Dairy Nutritionals Limited – ABN: 36 057 046 607; and Dairy Fund Management Limited as trustee for the Australian Dairy Farms Trust – ARSN: 600 601 689 (together, the **Group**)

# Whistleblower Policy

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## 1. Introduction and purpose

- 1.1 The Group and each of its related bodies corporate (the **Group**) is committed to high standards of conduct and ethical behaviour in all of our business activities, and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.
- 1.2 Employees and others working closely with the Group will often be the best source of information when things are not quite right. This Policy is an important element in detecting corrupt, illegal or other undesirable conduct at the Group.
- 1.3 The purpose of this Policy is to:
  - (a) explain how to speak up by reporting concerns about wrongdoing;
  - (b) to help deter wrongdoing, in line with the Group's risk management and governance framework;
  - (c) outline what protections a person who reports wrongdoing will receive; and
  - (d) outline the Group processes for dealing with reports of wrongdoing including ensuring fair treatment of employees who are mentioned in disclosures that qualify for protection or its employees who are the subject of disclosures.
- 1.4 Creating an environment where people feel safe to speak up is important to the Group. When people do not speak up, this undermines the culture and exposes the Group to risks. The Group encourages speaking up about concerns of wrongdoing at the Group. There are various measures in place to ensure no one is discouraged from speaking up or disadvantaged or victimised for doing so.
- 1.5 This Policy covers the processes for dealing with disclosures made by employees and stakeholders of suspected improper conduct within the Group in a confidential and secure manner and is intended to apply to whistleblowers under the *Corporations Act 2001* (Cth) (**Act**).
- 1.6 This policy is available on the website of the Group and supplements any other policies applicable to the Group in relation this subject matter.
- 1.7 This Policy is also supported by the Code of Conduct for Officers, Employees and Contractors as well as the Group's corporate code of conduct.

## 2. Disclosures qualifying for protection

- 2.1 A disclosure of information by an individual (**Discloser**) qualifies for protection if:
  - (a) the Discloser is an *eligible whistleblower* in relation to the Group; and
  - (b) the disclosure is made to an eligible recipient; and
  - (c) the disclosure relates to a disclosable matter.

- 2.2 The disclosure may also qualify for protection if the Discloser is an eligible whistleblower and the disclosure is made to ASIC, APRA or a Commonwealth authority prescribed by the regulations and the disclosure relates to a disclosable matter.
- 2.3 An individual is an eligible whistleblower if the individual is, or has been, any of the following (an **Eligible Whistleblower**):
- (a) an officer of the Group;
  - (b) an employee of the Group (e.g. current and former employees who are permanent, part-time, fixed-term or temporary, interns, secondees, managers and directors);
  - (c) an individual who supplies services or goods (whether paid or unpaid) to the Group;
  - (d) an employee of a person that supplies services or goods (whether paid or unpaid) to the Group;
  - (e) an individual who is an associate of the Group;
  - (f) a relative, dependent or spouse of an individual in points (a) to (e) above.
- 2.4 Each of the following is an eligible recipient (**Eligible Recipient**) in relation to the Group:
- (a) an officer of the Group (for example, a director or company secretary of the relevant entity);
  - (b) a senior manager of the Group (being a senior executive within the Group (other than a director or company secretary) who makes or participates in making decisions that affect the whole or a substantial part of the business or has the capacity to significantly affect the Group's financial standing);
  - (c) an auditor, or member of an audit team conducting an audit of the Group entity;
  - (d) an actuary of the Group;
  - (e) a person authorised by the Group to receive disclosures that may qualify for protection, being a Whistleblower Protection Officer (as set out in paragraph 4.2 of this Policy).
  - (f) ASIC;
  - (g) APRA;
  - (h) a prescribed Commonwealth authority;
  - (i) a legal practitioner for the purposes of obtaining legal advice or legal representation.
- 2.5 The regulations may also prescribe additional persons or bodies that can be Eligible Recipients.
- 2.6 If the matter is a public interest disclosure, that is, the disclosure of information to a journalist or parliamentarian, that disclosure will qualify for protection if:
- (a) the Discloser has previously made a disclosure of that information to ASIC, APRA or another Commonwealth body prescribed by the regulation that would otherwise qualify for protection; and
  - (b) at least 90 days have passed since the previous disclosure was made; and
  - (c) the Discloser does not have reasonable grounds to believe that action is being, or has been, taken to address the matters to which the previous disclosure related; and
  - (d) the Discloser has reasonable grounds to believe that making a further disclosure of the information would be in the public interest; and

- (e) after the end of the period referred to in (b) above, the Discloser gave the body to which the previous disclosure was made a written notification that:
  - (i) includes sufficient information to identify the previous disclosure; and
  - (ii) states that the Discloser intends to make a public interest disclosure; and
- (f) the public interest disclosure is made to:
  - (i) a member of a State or Commonwealth Parliament; or
  - (ii) a journalist; and
- (g) the extent of the information disclosed in the public interest disclosure is no greater than is necessary to inform the recipient referred to in (f) of the misconduct or improper state of affairs or circumstances.

2.7 If the matter is an emergency disclosure, it qualifies for protection if:

- (a) the Discloser has previously made a disclosure of that information to ASIC, APRA or another Commonwealth body prescribed by the regulation that would qualify for protection; and
- (b) the Discloser had reasonable grounds to believe that the information concerns a substantial and imminent danger to the health and safety of one or more persons or to a natural environment; and
- (c) the Discloser gives the body to which the previous disclosure was made a written notification 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 emergency disclosure is made to:
  - (i) a member of a State or Commonwealth Parliament; or
  - (ii) a journalist; and
- (e) the extent of the information disclosed in the emergency disclosure is no greater than is necessary to inform the recipient referred to in (d) above of the substantial and imminent danger.

2.8 Provided the individual is an Eligible Whistleblower and:

- (a) they have made a disclosure of information relating to a disclosable matter (see section 3) directly to an Eligible Recipient (see section 2.4) or to ASIC, APRA or another Commonwealth body prescribed by regulation;
- (b) they have made a disclosure to a legal practitioner for the purposes of obtaining legal advice or legal representation about the operation of the whistleblower provisions in the Corporations Act 2001 (Cth); or
- (c) they have made an 'emergency disclosure' or 'public interest disclosure' (see sections 2.6 and 2.7),

the Eligible Whistleblower will qualify for protection under this Policy.

### 3. What are disclosable matters?

- 3.1 Disclosable matters are defined under section 1317AA of the *Corporations Act 2001* (Cth) (the Act). It applies to a disclosure of information if the discloser has reasonable grounds to suspect that the information concerns misconduct, or an improper state of affairs or circumstances in relation to the Group.
- 3.2 Misconduct is defined to include:
- (a) fraud
  - (b) negligence
  - (c) default
  - (d) breach of trust; and
  - (e) breach of duty
- 3.3 The term improper state of affairs or circumstances is not defined but is intended to be broad. It may not involve unlawful conduct in relation to the Group but may indicate a systemic issue that the regulator should know about to properly perform its functions. It may also relate to business behaviour and practices that may cause consumer harm.
- 3.4 Some examples of disclosable matters that would likely constitute an improper state of affairs or circumstance include:
- (a) conduct that represents a danger to the public or financial system;
  - (b) offering or accepting a bribe;
  - (c) money laundering;
  - (d) terrorism funding;
  - (e) anti-competitive behaviour;
  - (f) financial fraud or mismanagement including in relation to the Group's tax affairs;
  - (g) falsifying financial or corporate reporting;
  - (h) insider trading;
  - (i) insolvent trading;
  - (j) activities that pose the risk of harming consumers;
  - (k) activities that do not constitute a breach of the law but are for some reason unethical; and
  - (l) deliberate concealment of any of the above.
- 3.5 There is an expectation that anyone reporting a wrongdoing has reasonable grounds to suspect the information they are disclosing is true, but there will be no penalty if the information turns out to be incorrect. Those reporting are expected to provide the information upon which their suspicion is based but are not required to have all the details or have conducted their own investigation. However, an employee who deliberately makes a false report (i.e. a report that the Discloser knows to be untrue) may be subject to disciplinary action.

- 3.6 Disclosable matters also involve information about the Group, if the Discloser has reasonable grounds to suspect that the information indicates the Group or an officer or employee of the Group has engaged in conduct that:
- (a) constitutes an offence against, or a contravention of, a provision of any of the following:
    - (i) the Act;
    - (ii) the *Australian Securities and Investments Commission Act 2001* (Cth);
    - (iii) the *Banking Act 1959* (Cth);
    - (iv) the *Financial Sector (Collection of Data) Act 2001* (Cth);
    - (v) the *Insurance Act 1973* (Cth);
    - (vi) the *Life Insurance Act 1995* (Cth);
    - (vii) the *National Consumer Credit Protection Act 2009* (Cth);
    - (viii) the *Superannuation Industry Supervision Act 1993* (Cth);
    - (ix) an instrument made under an Act referred to in sub-clauses (i) to (viii) above; or
  - (b) constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
  - (c) represents a danger to the public or the financial system; or
  - (d) is prescribed by the regulations for the purposes of this section.
- 3.7 Disclosures qualifying for protection under the Act do not apply to information given by an individual to the extent that it concerns a personal work-related grievance and does not concern a contravention.
- 3.8 Information will be considered to be concerning a personal work-related grievance if:
- (a) the information concerns a grievance about any matter in relation to the discloser's employment, or former employment, having (or tending to have) implications for the Discloser personally; and
  - (b) the information:
    - (i) does not have significant implications for the Group that do not relate to the Discloser; and
    - (ii) does not concern conduct, or alleged conduct referred to in 3.6(a)
- 3.9 Examples of grievances that may be personal work-related grievances include:
- (a) an interpersonal conflict between the Discloser and another employee;
  - (b) a decision relating to the engagement, transfer or promotion of the Discloser;
  - (c) a decision relating to the terms and conditions of engagement of the Discloser;
  - (d) a decision to suspend or terminate the engagement of the Discloser, or otherwise to discipline the Discloser.
- 3.10 A personal work-related grievance may still qualify for protection if:

- (a) it includes information about misconduct, or information about misconduct includes or is accompanied by a personal work-related grievance (otherwise known as a “mixed report”);
- (b) the Group 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 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 Act.

3.11 There is no requirement for the Discloser to identify himself or herself for a disclosure to qualify for protection.

3.12 For the avoidance of doubt, disclosures that are not about ‘disclosable matters’ do not qualify for protection under this Policy or the Act. For any grievances that are not covered by this Policy, these matters can be raised with the Chief Executive Officer or the Company Secretary.

## 4. Who to report to

4.1 Disclosures can be made to any of the following people either during or where required, after hours.

4.2 A Discloser may make a report directly to any of the following Whistleblower Protection Officers (WPOs):

<i>Chairman</i> <i>Martin Bryant</i>	Email: <a href="mailto:martin.bryant@adnl.com.au">martin.bryant@adnl.com.au</a> Phone: +61 476 178 575
<i>Independent Director</i> <i>Adrian Rowley</i>	Email: <a href="mailto:adrianrowley@watershedgroup.com.au">adrianrowley@watershedgroup.com.au</a> Phone: +61 448 803 768
<i>the Company Secretary</i> <i>Kate Palethorpe</i>	Email: <a href="mailto:kate.palethorpe@adnl.com.au">kate.palethorpe@adnl.com.au</a> Phone: +61 410 650 779

4.3 A Discloser can contact a WPO to obtain additional information before making a disclosure.

4.4 A Discloser may also raise the matter with an Eligible Recipient as set out in paragraph 2.4 of this Policy.

4.5 Those not wanting to reveal their identity can make an anonymous report. However, providing the Discloser’s name when reporting wrongdoing makes it easier for the Group entity to investigate the concern raised and seek any further clarity that may be required.

4.6 It is important to be aware that a disclosure made by email may be accessible to people other than those to whom they are addressed. By making a disclosure by email, the Discloser is taken to consent to their email potentially being accessed by others. For the avoidance of doubt, any the Group or Group employee, officer or contractor who becomes aware of a disclosure must comply with all aspects of this Policy, including but not limited to the confidentiality requirements.

- 4.7 An Eligible Recipient must not forward a disclosure on to a WPO to handle if that WPO is implicated in the disclosure.
- 4.8 If each of the WPO's are implicated in the disclosure, the Eligible Recipient will be authorised to contact a Whistleblower Investigations Officer (WIO) to investigate the disclosure after first obtaining the Discloser's consent. The following people are the WIOs:

<i>Chris Melville</i>	Title: General Manager Operations Email: <a href="mailto:chris.melville@adnl.com.au">chris.melville@adnl.com.au</a> Phone: (03) 8692 7284
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- 4.9 The following practices will be adopted to reduce, to the extent possible, the risk that a Discloser's identity may be disclosed:

*Steps to reduce the risk that the Discloser will be identified from the information contained in the disclosure:*

- (a) all personal information or reference to the Discloser witnesses an event will be redacted;
- (b) the Discloser will be referred to in gender neutral terms;
- (c) where possible, the Discloser will be contacted to help identify certain aspects of their disclosure which could inadvertently identify them; and
- (d) disclosures will be handled and investigated by people who have received training on these matters.

*Secure record keeping and information sharing processes:*

- (e) all paper and electronic documents and other materials relating to the disclosure will be stored securely;
  - (f) access to all information relating to the disclosure will be limited to those directly involved in managing and investigating the disclosure;
  - (g) communications and documents relating to the investigation of a disclosure will not be sent to an email address or to a printer that can be accessed by other staff; and
  - (h) each person who is involved in handling and investigating a disclosure will be reminded about the confidentiality requirements, including that an unauthorised disclosure of a discloser's identity may be a criminal offence.
- 4.10 Despite the steps set out in paragraph 4.9 above, it is important to be aware that in practice, people may be able to guess the Discloser's identity if:
- (a) the Discloser has previously mentioned to other people that they are considering making a disclosure;
  - (b) the Discloser is one of a very small number of people with access to the information; or
  - (c) the disclosure relates to information that a Discloser has previously been told in private or in confidence.
  - (d) Where no name is provided, the Group (as is appropriate) will assess the disclosure in the same way as if identity had been revealed, and any investigation will be conducted as best as possible in the circumstances.
  - (e) Employees and stakeholders disclosing wrongdoing will be protected and the investigation will be conducted in accordance with the principles of fairness and natural justice.



## 5. Investigation of Reportable Conduct

- 5.1 The Group (as is appropriate having regard to the disclosure made) will investigate all matters reported under this Policy as soon as practicable after the matter has been reported including determining if the Policy applies to the disclosure.
- 5.2 All reports will be assessed and based on the nature and circumstances of the disclosure, a decision made as to whether an investigation is required and the scope of the investigation required.
- 5.3 Any investigation will be conducted in a timely, fair and objective manner, and independent from any persons to whom the report relates.
- 5.4 Investigations will generally be overseen by a WPO. Other people, including employees or external advisers, may also be asked to assist or run the investigation with the Discloser's prior consent.
- 5.5 Where possible, the Discloser will be informed how the Group is responding to their disclosure, including whether an investigation will be conducted. The frequency and timeframe of updates relating to the disclosure may vary depending on the nature of the disclosure.
- 5.6 Unless there are confidentiality or other reasons not to do so, employees who are the subject of a report of wrongdoing will be informed of the matters raised in the disclosure at an appropriate time and will be given a chance to respond to any allegations made against them. They may also be advised of the outcome of any investigation.
- 5.7 A Discloser can refuse to answer questions that they feel could reveal their identity at any time, including during follow up conversations.
- 5.8 The Group will also take the following measures or mechanisms to protect the anonymity of the Discloser:
- (a) using anonymised emails or phones;
  - (b) allowing an Eligible Whistleblower to adopt a pseudonym; and
  - (c) referring to the Eligible Whistleblower by a pseudonym or case number in all forms of communications and documentation.
- 5.9 On receiving a protected disclosure from the Discloser directly or from an Eligible Recipient, the WPO may only dismiss the Discloser's disclosure, if on reasonable grounds the WPO has a high degree of confidence that there is no substance to the disclosure.
- 5.10 Otherwise, the WPO must, on receiving a report of a breach, and with the Discloser's consent (unless the report is anonymous):
- (a) notify:
    - (i) the Group's Chief Executive Officer; or
    - (ii) if the Chief Executive Officer is implicated in the disclosure or is the WPO, notify an alternative WPO; or
    - (iii) if all of the WPOs are implicated in the disclosure, then the WPO will be granted the authority to move directly to the appointment of a WIO in accordance with clause 5.10(b) below.
  - (b) appoint a WPO to investigate the disclosure. Depending on the nature of the disclosure and the circumstances, this may be an internal WPO or the internal WPO may choose to

appoint an external investigator with the Discloser's consent. The WPO that received the disclosure must not be the individual to investigate the disclosure.

- (c) ensure that there are Terms of Reference provided to the WIO which include:
  - (i) all relevant questions;
  - (ii) provision for sufficient resources to be allocated to allow the investigation to be effectively conducted, having regard to the seriousness of the allegation(s);
  - (iii) a requirement that confidentiality of all parties, including witnesses is maintained;
  - (iv) a requirement that procedural fairness be applied to all parties;
  - (v) a requirement that strict security is maintained during the investigation process;
  - (vi) a requirement that information obtained is properly secured to prevent unauthorised access;
  - (vii) a requirement that contemporaneous notes be made of all discussions, phone calls and interviews be made;
- 5.11 Where anonymity has been requested, the Discloser is required to maintain confidentiality regarding the issue on their own account and to refrain from discussing the matter with any unauthorised persons.
- 5.12 A report of findings may be prepared by the WIO when an investigation is complete. The report may include, but is not limited to:
  - (a) the allegations;
  - (b) a statement of all relevant findings of fact and the evidence relied upon to reach conclusions on each allegation;
  - (c) the basis for each conclusion reached; and
  - (d) recommendations based on those conclusions to address any wrongdoing identified and any other matters arising during the investigation.
- 5.13 If a report is prepared, the WIO must provide the report to the WPO (assuming they are not implicated in the disclosure) and to any other person notified under paragraph 5.10(a), after which the Group will then make a decision as to what should be done to address the findings.
- 5.14 The WPO must provide feedback to the Discloser regarding the investigation's findings and any subsequent decision made by the Group to address those findings (subject to considerations of the privacy of those against whom allegations are made, and provided that the Discloser's identity is known). If a report has been prepared, there is no obligation for the WPO to provide a copy of the report to the Discloser.

## 6. Protection of Eligible Whistleblowers

- 6.1 The Group is committed to the protection of all Disclosers and to ensure confidentiality in respect of all protected disclosures raised under this Policy are maintained.
- 6.2 If the Discloser makes a disclosure that qualifies for protection, it will be a breach of the Policy and the Act for the identity of the Discloser or information that is likely to lead to the identification of the Discloser, to be disclosed without their authorisation.
- 6.3 The disclosure will be considered authorised if it is made to:

- (a) ASIC; or
- (b) APRA; or
- (c) a member of the Australian Federal Police; or
- (d) a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operations of the whistleblower provisions; or
- (e) is made to a person prescribed by the regulations; or
- (f) is made with the consent of the Discloser.

6.4 Subsection 6.2 does not apply if:

- (a) the disclosure is not of the identity of the Discloser; and
- (b) is reasonably necessary for the purposes of investigating a matter to which the qualifying disclosure relates; and
- (c) the person takes all reasonable steps to reduce the risk that the Discloser will be identified as a result of the disclosure.

6.5 If a person makes a disclosure that qualifies for protection, the person:

- (a) will not be subject to any civil, criminal or administrative liability (including disciplinary action) for making the disclosure; and
- (b) no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the person on the basis of the disclosure; and
- (c) if the disclosure qualifies for protection because under paragraph 2.2, 2.6, and 2.7, the information is not admissible in evidence against the person in criminal proceedings or in proceedings for the imposition of a penalty, other than in proceedings in respect of the falsity of the information. But this does not prevent the Discloser being subject to any civil, criminal or administrative liability for conduct of the person that is revealed by the disclosure.

## 7. Victimisation Prohibited

7.1 The Group strictly prohibits all forms of detrimental conduct against Eligible Whistleblowers.

7.2 A person engages in detrimental conduct when the first person engages in conduct because they believe or suspect that the second person or any other person made, or may have made, proposes to make or could make a disclosure that qualifies for protection and their belief or suspicion is the reason or part of the reason, for the conduct.

7.3 If a person (the first person) makes to another person (the second person), a threat to cause any detriment to them (or to a third person) and the first person intends the second person to fear that the threat will be carried out because of a disclosure or the possible making of a disclosure, this will be a breach of the Policy and the Act.

7.4 A threat can be express or implied and it can be conditional or unconditional.

7.5 Detrimental conduct may include:

- (a) dismissal of an employee;
- (b) injury of an employee in his or her employment;

- (c) alteration of an employee's position or duties to his or her disadvantage;
- (d) discrimination between an employee and other employees of the same employer;
- (e) harassment or intimidation of a person;
- (f) harm or injury to a person, including psychological harm;
- (g) damage to a person's property;
- (h) damage to a person's reputation;
- (i) damage to a person's business or financial position; or
- (j) any other damage to a person.

7.6 By contrast, the following is non-exhaustive list of examples that would not constitute detrimental conduct:

- (a) administrative action that is reasonable for the purpose of protecting a Discloser from detriment (e.g. moving a Discloser who has made a disclosure about their immediate work area to another office to prevent them from detriment);
- (b) managing a Discloser's unsatisfactory work performance, if the action taken is in line with the Group's performance management framework.

7.7 If the Group contravenes this section, any officer or employee who is involved in that contravention can be held liable.

7.8 The Group will take all reasonable steps to protect the Discloser from any detrimental conduct and will take action it considers appropriate where such conduct is identified.

## 8. Specific Protections and Remedies

8.1 The Act gives special protection to disclosures about any misconduct or improper state of affairs relating to the Group if an Eligible Whistleblower makes a disclosure to an Eligible Recipient and 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 the Group.

8.2 In this case, the Australian law provides protections in relation to this disclosure, including that:

- (a) the Discloser is not subject to any civil, criminal or administrative liability for making the disclosure (other than for making a false disclosure);
- (b) no contractual or other remedy may be enforced or exercised against the Discloser on the basis of the disclosure; and
- (c) in some limited circumstances (e.g. if the disclosure has been made to a regulator such as ASIC), the information provided may not be admissible in evidence against a Discloser in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the information.

8.3 Except as provided in paragraph (c) above, the protections under Australian law do not grant immunity for any misconduct a Discloser has engaged in that is revealed in their disclosure.

8.4 Compensation and other remedies may also be available through the courts for loss, damage or injury suffered because of a disclosure or if the Group failed to take reasonable precautions and exercise due diligence to prevent detrimental conduct.

## 9. Amendment of this Policy

- 9.1 This Policy will be assessed and updated from time to time to ensure that it remains effective and reflects changes in legislation and other developments.
- 9.2 This Policy may be amended (in whole or in part), withdrawn or replaced at the sole discretion of the Group.

## 10. Responsibility for Policy Compliance and Review

The Company Secretary is responsible for:

- (a) the overall administration of this Policy;
- (b) monitor the implementation of this Policy and will review on an ongoing basis the Policy's suitability and effectiveness;
- (c) seek to protect the Discloser from Detrimental Conduct;
- (d) assist the Discloser in maintaining their wellbeing;
- (e) maintain the Discloser's confidentiality, where relevant, including as required by law;
- (f) review and consider any complaints of detrimental conduct or any concern that disclosure has not been dealt with in accordance with this policy.