

# Prime Financial Group Ltd (ASX: PFG)

## Whistleblower Policy

Version: 10 January 2020



*aspire, innovate, grow*

# Prime Financial Group Ltd (ASX: PFG) Whistleblower Policy

## 1. Background

### 1.1 Overview

Prime Financial Group Limited ('Prime' or the 'Company') is an integrated Accounting, Wealth Management, SMSF and Capital Advisory firm. Prime does not tolerate illegal, unacceptable or undesirable conduct by its employees.

The Whistleblower Policy (the 'Policy') forms part of Prime's risk management framework. Overall governance of the Whistleblower Program is undertaken by the Audit Committee. The day-to-day operation of the Whistleblower Program is managed by the MD/Chief Executive Officer and Head of Finance.

It is expected that employees will report known, suspected or potential cases of Reportable Conduct. This includes fraud, corrupt conduct, adverse behaviour, legal or regulatory non-compliance or questionable accounting and auditing practices. Failure to raise issues could result in disciplinary action and even termination of employment.

A well-functioning Whistleblower Program will ensure that Prime operates within the law and consistent with Prime's corporate values including integrity.

### 1.2 Commitment

Prime is committed to providing appropriate and adequate support to, and protecting the confidentiality, wellbeing, career and reputation of any person making a report under this Policy. Prime will treat all reports made under this Policy seriously.

## 2. Objectives

The objectives of this Policy are to:

- Support Prime's values and its Code of Conduct
- Encourage more disclosures of wrongdoing
- Ensure that disclosures under this Policy are dealt with appropriately and on a timely basis
- Help deter wrongdoing, in line with Prime's risk management and governance framework
- Ensure individuals who disclose wrongdoing can do so safely, securely and with confidence that they will be protected and supported; and
- Provide transparency around the Prime's framework for receiving, handling and investigating disclosures.

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### 3. Scope

This Policy applies to all instances of Reportable Conduct in relation to all the entities within the Prime Financial Group.

The Policy does not apply to customer complaints about Prime, its staff or contractors. Customers can raise complaints about Prime in accordance with the Prime Complaints Handling Policy.

### 4. Roles and Responsibilities

Prime has clearly defined roles and responsibilities for whistleblowing across the Company. The specific responsibilities for each key stakeholder group are:

#### 4.1 Board

Prime's Board is responsible for approving the Whistleblower Policy based on the recommendation of the Audit Committee.

#### 4.2 Audit Committee

As delegated by the Board, the Prime Audit Committee, will be responsible for overseeing the Whistleblower Program. This includes receiving reports about the Whistleblower Program and reviewing the Policy recommending it for approval by the Prime Board.

The Audit Committee is also responsible for ensuring that there are adequate and independent resources to execute the Whistleblower Program.

#### 4.3 MD/Chief Executive Officer & Head of Finance

The MD/Chief Executive Officer and Head of Finance will review the Policy on a regular basis to ensure it continues to reflect Prime's practices and is consistent with industry standards and guidelines.

The MD/Chief Executive Officer will also cultivate a culture that encourages the reporting of Reportable Conduct.

#### 4.4 Whistleblower Protection Officer

Prime will appoint an appropriately qualified and suitable person to the position of Whistleblower Protection Officer. Prime's Whistleblower Protection Officer has direct and appropriate access to independent financial and legal advisers as required.

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The Whistleblower Protection Officer is responsible for:

- Maintaining and protecting the strictest confidentiality of the Whistleblower; and
- Safeguarding the interests of the Whistleblower.

Prime Financial Group's nominated Whistleblower Protection Officers are; The Head of Finance, or alternatively, The Group Financial Controller.

### 4.5 Whistleblower Investigation Officer

The role of the Whistleblower Investigation Officer is to independently investigate the substance of a report to determine whether there is evidence to support the matters raised, or alternatively, to refute the report made.

The Whistleblower Investigation Officer should also perform ongoing training to ensure that they are aware of up to date requirements relating to Whistleblower emerging trends and issues.

Prime Financial Group's nominated Whistleblower Investigation Officers are; The Operations Manager, or alternatively, The General Manager – Wealth.

## 5. What is Reportable Conduct?

Reportable Conduct is defined as any behaviour of activity, in the past, present or in the future, that:

- is dishonest, fraudulent or corrupt, including bribery or other activity in breach of the Anti-bribery Policy;
- is an illegal activity (such as theft, drug sale or use, violence, harassment or intimidation, criminal damage to property, breach of competition and consumer law, privacy law or any other breaches of state or federal law);
- represents a danger to the public or to the financial system;
- is unethical or in breach of Prime's internal policies
- is a serious threat to the health and safety of any individual(s) and to the environment
- is detrimental to Prime's financial strength or reputation in the community
- represents improper conduct relating to accounting practices, internal controls, compliance and external audit
- may cause financial loss to Prime or damage its reputation or be otherwise detrimental to Prime's interest

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- concerns any other kind of serious misconduct or an improper state of affairs or circumstances; or
- is concealing reportable conduct.

Reportable Conduct generally does not include personal work-related grievances, as described in section 6.

Reports must be based on reasonable grounds that the information disclosed is true. There will not be negative consequences if the information turns out to be incorrect, but you must not make a report that you know is not true or is misleading. Making a false report is considered a serious matter and may result in disciplinary action.

### 6. Who can make a disclosure?

Eligible Whistleblowers include:

- Current and former directors
- Current and former employees, temporary staff and contractors
- An associate of Prime including Joint Venture partners; and
- Current and former service providers including auditors, accountants, brokers and consultants and suppliers to Prime and their current and former employees.

Family members or a dependent of an individual listed above can also be deemed a whistleblower under this Policy. If so, they will be provided with the same rights and protections under this Policy.

People that fall into one of the following categories may not be covered under the whistleblower protections:

- Employees that are experiencing employment disputes or a personal – work grievance
- Competitors; and
- Customers or clients.

### 7. What is a personal work-related grievance?

Personal work-related grievances are not generally considered to be Reportable Conduct. Any personal work-related grievances should be raised directly with a People Manager.

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Personal work-related grievances are matters in relation to a person's employment with Prime that have implications for an employee (i.e. matters solely related to an individual's personal employment).

Examples of personal work-related grievances include:

- A conflict between you and another employee
- A complaint of bullying, harassment and discrimination or unfair treatment
- A decision relating to your promotion or transfer; or
- A decision relating to the termination of your employment.

In some limited instances, a personal work-related grievance can be covered by this Policy. This may include where the grievance arises from knowledge of unethical, illegal or fraudulent conduct.

## 8. How to escalate Reportable Conduct

### 8.1 What information needs to be included in a report?

Sufficient information needs to be maintained to form a reasonable basis for an investigation. It is important that as much information as possible is provided in the report. This includes but is not limited to the following information:

- A description of the events that may have transpired
- The name of the person(s) involved
- Date and time of the event
- Location
- Evidence of the events (e.g. emails, letters and any other relevant documentation); and
- Any possible witnesses to the event.

Whistleblower Investigation Officer may need to request further information should there not be sufficient detail regarding the event. Without the additional information, the Whistleblower Investigation Officer may not be able to carry out their investigation and the event may therefore be closed.

### 8.2 How to report a concern?

Reportable Conduct can be escalated internally or externally.

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### 8.2.1 Internal Reports

Should an individual wish to make an internal report, they can do so by making contact with the following individuals:

A report can be made to the following people in writing or verbally:

<b>Name</b>	<b>Contact Details</b>
<b>Whistleblower Investigation Officer</b>	<b>Role:</b> Operations Manager <b>Phone:</b> 03 8825 4715 <b>Email:</b> alicias@primefinancial.com.au
<b>Audit Committee Chair</b>	<b>Phone:</b> 0403 044 700 <b>Email:</b> timc@buckitdream.com
<b>Whistleblower Protection Officer</b>	<b>Role:</b> Head of Finance <b>Phone:</b> 03 8825 4747 <b>Email:</b> benp@primefinancial.com.au

The Whistleblower can raise a report through the following email address, which is only accessible by the Whistleblower Investigation Officer and Whistleblower Protection Officer:

**Email:** whistleblower@primefinancial.com.au

### 8.2.2 Making a disclosure anonymously

A report may be submitted anonymously if you do not wish to disclose your identity. Generally, you are encouraged to provide your name because it will make it easier for us to address your disclosure. For example, the context in which you may have observed the Potential Misconduct is likely to be useful information, and we may seek more information to assist an investigation. If you do not provide your name, the investigation will be conducted as best as possible in the circumstances. However, please be aware that an investigation may not be possible unless enough information is provided, and it may make it difficult to offer you the same level of practical support if we do not know your identity.

## 9. Investigation of reports

### 9.1 Overview

Prime is committed to investigating all reports fairly, objectively and confidentially.

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All reports of alleged Reportable Conduct are subject to a thorough investigation by the Whistleblower Investigation Officer. The objective of each investigation is to either substantiate or refute the claims made by the Whistleblower.

All investigations are to be carried out by the Whistleblower Investigation Officer. However, in the interest of perception and reality of objectivity, Prime will consider whether to employ outside investigators at arm's length from Prime, particularly where the allegations are serious. Further, an external consultant will be engaged to perform an investigation if it is deemed that special skills are required to properly conduct the investigation.

Following receipt of a report, Prime will ensure that:

- Receipt of the Reportable Conduct is confirmed by the Whistleblower Investigation Officer (if it is not made anonymously)
- The alleged Reportable Conduct is thoroughly investigated in a timely basis
- The Whistleblower is kept appropriately informed of the progress of action and the outcome taken in respect of the Reportable Conduct they reported
- Appropriate disciplinary action is taken in accordance with the Prime Disciplinary Policy if the allegation of Reportable Conduct is substantiated.

The Audit Committee will be appropriately updated with all significant reports prepared under this Policy.

Further, Prime will ensure that the Whistleblower is kept informed of the outcomes of the investigation into the report subject to the privacy of those against whom the allegations are made and customary confidentiality practices. The Whistleblower Investigation Officer will establish a program for timely reporting to the Whistleblower on progress on dealing with the allegation and a timeframe for reporting should be established.

### **9.2 How long will it take to investigate a report?**

An investigation of a report will depend on the nature of the Reportable Conduct and the amount of information that has been provided. The Whistleblower Investigation Officer will aim to investigate a report within three (3) months of receipt of a report.

If the matter will take longer than three months, the person who made a report will be provided an update of the revised timeline.

In the event that there is sufficient information to uphold a report, the Whistleblower Investigation Officer will advise the person who made the report.

### **9.2 What happens if the Reportable Conduct is confirmed?**

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The Whistleblower Investigation Report will submit their recommendations to Prime's Board who will consider whether changes should be made to existing processes and systems to prevent the Reportable Conduct from eventuating in the future.

If a person has been identified as having engaged in serious misconduct, they will be treated in accordance with Prime's disciplinary processes, including possible termination.

Serious matters will be reported to the Police or any regulators.

### 10. Public Interest and Emergency Disclosures

You can make a disclosure to a journalist or parliamentarian under certain circumstances and still be eligible for protection.

#### 10.1 Public Interest Disclosure

A 'public interest disclosure' is the disclosure of information to a journalist or a parliamentarian, where:

- At least 90 days passed since you made the disclosure to the Australian Securities & Investments Commission, Australian Prudential Regulation Authority or another Commonwealth body prescribed by regulation
- You do not have reasonable grounds to believe that action is being, or has been taken, in relation to their disclosure
- You have reasonable grounds to believe that making a further disclosure of the information is in the public interest; and
- Before making the public interest disclosure, you have given written notice to the body to which the previous disclosure was made that:
  - (i) Includes sufficient information to identify the previous disclosure; and
  - (ii) States that you intend to make a public interest disclosure.

#### 10.2 Public Interest Disclosure

An 'emergency disclosure' is the disclosure of information to a journalist or parliamentarian, where:

- You have previously made a disclosure of the information to Australian Securities & Investments Commission, Australian Prudential Regulation Authority or another Commonwealth body prescribed by regulation

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- You have 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, you have given written notice to the body to which the previous disclosure was made that:
  - (i) Includes sufficient information to identify the previous disclosure; and
  - (ii) States that the discloser intends to make an emergency disclosure
- 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.

It is important that you understand the criteria for making a public interest or emergency disclosure.

You should contact an independent legal practitioner before making a public interest disclosure or an emergency disclosure.

### 11. Protection of Whistleblowers

Prime is dedicating to protecting and respecting the rights of persons who make reports under this Policy and ensuring anyone who makes a report based on reasonable grounds is treated fairly and does not suffer any disadvantage.

Prime does not tolerate any form of reprisals. Reprisals are defined as adverse actions taken by an associate of Prime against a person because of a report or disclosure made in accordance with this Policy. This includes action such as:

- Dismissal, suspension or being looked over for promotions and career advancements
- Harassment, bullying or intimidation
- Current and future discrimination or bias
- Disciplinary action for making a report
- Damage to a person's reputation
- Damage to a person's property or their business and financial affairs; or
- Threatening to carry out any of the above actions.

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An employee who retaliates against anyone who makes a report under this Policy will be subject to Prime's Disciplinary Policy, which may include termination of employment. People are reminded that in certain circumstances, victimisation of Whistleblowers can constitute a criminal offence.

### 12. Legislative Protection

#### 12.1 Qualifying for protection under the Corporations Act (2001)

Protection is provided to a person under Corporations Act (2001) if they:

- Are a person identified in section 6 of this Policy
- Have reasonable grounds to suspect that information they are reporting concerns misconduct at Prime
- Make the report to one of the following:
  - Australian Securities & Investments Commissions
  - Australian Prudential Regulation Authority
  - A Prime Executive Leadership Team member
  - Prime's Auditor or a member of the audit team
  - A legal practitioner for the purpose of obtaining legal advice or representation in relation to the protections provided under the Corporations Act (2001)
  - A person that has been identified receive reports under this Policy such as the Whistleblower Protection Officer or the Whistleblower Investigation Officer.

The law also protects certain disclosures made in "emergency" and "public interest" situations, in which case disclosures can be made to additional recipients. Please contact the Chief Legal Officer if you would like more information about emergency and public interest disclosures.

#### 12.2 Protection under the Corporations Act (2001)

Should you meet the requirements above, the following protections are provided:

- The right to have your identity protected in accordance with the Corporations Act (2001)
- Prime will need to take reasonable steps to prevent the individual from being identified as part of any process performed under this Policy
- The right to be protected from any civil, criminal or administrative liability from making a

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disclosure; from contractual or other remedies on the basis of the disclosure; and from admissibility of the information provided in evidence against the person in each case

- Protection from detrimental treatment or any form of victimization
- The right to be compensated and other remedies; and
- The right not to be required to disclose their identity before any legal proceedings.

### 13. Matters relating to tax

The Tax Administration Act 1953 (Cth) provides protection for disclosures of information that indicates misconduct in relation to Prime's or any of its associated entities' tax arrangements.

Protection is provided for disclosures made to the Taxation Commissioner or any person or agency specified in section 12 of this Policy. The protections available to a person that makes a protected disclosure under the Tax Administration Act 1953 (Cth) are the same as those outline in section 12.

### 14. False Reporting by a Person Purporting to be a Whistleblower

Where a person purporting to be a Whistleblower has made a false allegation, unless it was proven to be made in good faith, then that behavior itself should be considered a serious matter. The person concerned may be subject to disciplinary action in accordance with Prime's Disciplinary Policy.

### 15. Resources and Training

Prime dedicates adequate and appropriate resources to its Whistleblower Program.

This policy will be made available to staff by:

- Holding staff briefing sessions
- Posting the Policy on the Prime intranet
- Setting out the Policy in the staff manual; and
- Incorporating the policy in employee induction information packs and training for new starters.

Employees will receive upfront Whistleblower training on this Policy and refresher training will be provided every 18 months. Further, specialist training is provided to specific officers who have defined responsibilities under this Policy.

### 16. Communicating this Policy

This Policy is available on Prime's intranet for review by related external parties.

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Any updates to this Policy will be communicated to staff members in a timely manner.

## 17. Review and Approval

On an annual basis, the Whistleblower Investigation Officer reports on the performance of the Whistleblower Protection Program to the Audit Committee.

This Policy will be reviewed by the Head of Finance and the MD/Chief Executive Officer every two years or when there is a change to legislation.

Any recommended changes are to be provided to the Audit Committee for review and recommendation to the Board for approval.

Signed:

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Tim Carroll, Chair of the Audit Committee

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Date



Accounting & Business Advisory	1800 317 005
Wealth Management & Protection	1800 064 959
Self Managed Super Funds	1800 064 959
Capital & Corporate Advisory	1800 317 006



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