

Whistleblower Protection Policy

Risk & Compliance

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Document Control Sheet

Document Summary

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Whistleblower Protection Policy

1 Commitment to the Policy

The Directors and Management Team of DNR Capital (collectively referred to as DNR Capital) are committed to best practice in corporate governance, compliance and ethical behaviour.

This Whistleblower Protection Policy (the Policy) has been adopted by the Board and is an important component in supporting any incidents of fraud, corrupt conduct, questionable or seriously adverse behaviour. The Policy aims to encourage the reporting of concerns in good faith in an environment free from victimisation or discrimination so the Board of Directors and Management Team of DNR Capital can manage risk and cultural issues.

Where there is any doubt as to the requirements contained in this Policy, you should have regard to the principle that DNR Capital will always ensure the company conducts its financial services business in an efficient, honest and fair manner in line with the regulatory objectives of ensuring market integrity and consumer protection.

2 Policy owner

The owner of this Policy is the Head of Risk & Compliance (policy owner). The policy owner is responsible for ensuring that the Policy is reviewed at least annually or when it becomes out of date (e.g. because of regulatory or operational change).

3 Purpose of this Policy

DNR Capital is committed to the highest standard of product and service delivery and for ensuring that the interests of our investors, employees and all others with whom we do business, are protected. This policy relates to DNR Capital in its capacity as an AFS licensee and MDA Provider.

As part of this framework to manage fraud and corruption, the company has introduced the Policy to allow reports of suspected improper conduct to be made, whilst also managing the welfare of the whistleblower.

The Board of directors recognises there are expectations placed on the company by its employees, shareholders, service providers, regulators and the community as a whole, and the Board is committed to best practice in corporate governance, compliance and ethical behaviour generally.

A key test of the corporate governance for the company is whether there are both formal and informal structures in place to enable good news and bad news to travel rapidly to the appropriate destination. This Policy is an important mechanism in being able to satisfy that key test.

This Policy covers the procedures for dealing with reports made to an Eligible Recipient of suspected improper conduct by a staff member or a staff member of a service provider. It also addresses the protection of individuals making those reports.

4 Who should know and understand the Policy

The following people should be aware of the contents of this Policy:

- Directors
- All staff employed by DNR Capital who are directly or indirectly involved in providing financial services under the AFSL
- All authorised representatives

- Anyone providing services to DNR Capital that the policy owner determines should comply with the Policy (e.g. service providers, agents, contractors and temporary staff)
- Our clients and investors
- Anyone else that the policy owner determines should comply with the Policy.

Where functions of DNR Capital are outsourced (e.g. to service providers, agents, contractors and temporary staff), DNR Capital remains responsible and accountable for those actions. DNR Capital may include specific requirements in the outsourcing or other agreements to ensure compliance with this Policy and other regulatory obligations.

Failure of the service provider, agent, contractor or temporary staff member to deliver their contracted services may result in a risk control failing to be adequately managed and consequently result in a breach of the agreement. The agreement should provide for actions that either party can take where a breach of the agreement has occurred.

To ensure all officers, employees and agents are aware of the contents of this Policy, it will be made available electronically on the intranet of the company.

4.1 Definitions

Whistleblowing - For the purpose of this clause, '*whistleblowing*' is defined as the deliberate, voluntary disclosure of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within or by an organisation that is within its ability to control and which is made to an Eligible Recipient.

Whistleblower - For the purpose of this clause, a '*Whistleblower*' is defined as any individual who is, or has been, an officer, employee, supplier to or an associate of the company or who is a spouse, relative or dependent of one of them, who whether anonymously or not makes or attempts to make a disclosure as defined.

Reportable Conduct - For the purpose of this clause, '*Reportable Conduct*' includes:

- Illegal conduct, such as theft, money laundering or misappropriation of funds
- corrupt conduct
- fraudulent activity
- a failure to comply with, or breach of legal or regulatory requirements
- a substantial mismanagement of DNR Capital's resources
- conduct involving substantial risk to public health or safety
- conduct involving substantial risk to the environment
- conduct representing a danger to the public or the financial system
- conduct involving a breach of any DNR Capital policy or procedure
- conduct likely to damage DNR Capital's financial position or reputation, or
- conduct relating to accounting, internal control, compliance, audit and any other matters giving rise to concerns,
that would, if proven, constitute:
 - a criminal offence
 - reasonable grounds for dismissing or dispensing with, or otherwise terminating, the services of the staff member who was, or is, engaged in that conduct
 - a potential threat (however minor) to the reputation, business or any licence of the company, or
 - reasonable grounds for disciplinary action.

For the avoidance of doubt, Reportable Conduct does not generally include a personal work-related grievance relating to a person's current or former employment with DNR Capital which

have implications for the person personally but which do not have significant implications for DNR Capital or relate to any Reportable Conduct, e.g. decisions relating to terms of employment or engagement of the discloser.

Eligible Recipient – For the purposes of this clause, *Eligible Recipient* includes:

- a Director or senior manager of DNR Capital
- the Chair of the Audit, Risk & Compliance Committee
- an auditor or a member of an audit team conducting an audit of DNR Capital, or
- any other person authorised by DNR Capital to receive disclosures under this Policy.

Protected Disclosure – For the purpose of this clause, a '*Protected Disclosure*' is a report of *Reportable Conduct* under this Policy by an eligible Whistleblower who had reasonable grounds to suspect any of the above conduct (or the deliberate concealment of such conduct) in relation to DNR Capital or a related body corporate.

5 Obligations under this Policy

All staff, contractors and clients are encouraged, and have the responsibility, to report any known or suspected incidences of Reportable Conduct by making a Protected Disclosure in accordance with this clause.

The discloser should in the normal course first report such matters to the CEO or any member of the management team. In making a disclosure under this Policy, the discloser must have reasonable grounds to believe the information being disclosed is true and should provide as much information as possible, including details of the Reportable Conduct, people involved, dates, location and any other material that may be relevant.

If the discloser has a concern with that, (for example he or she reasonably believes that a member of the management team is involved in the improper conduct), the report should be made to any director.

If the Protected Disclosure is considered to be of significance, then matter must be fully investigated. If the Protected Disclosure is an allegation made against a director or a staff member, then that person shall not be involved in the investigation.

All staff have an important responsibility concerning the welfare of the Whistleblower within the organisation, and must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a Protected Disclosure.

If a staff member is made aware that a person has or is suspected of making a Protected Disclosure, then they must take all reasonable steps to maintain the confidentiality of the Whistleblower.

5.1 Confidentiality

DNR Capital will take all reasonable steps to protect the identity of the Whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a Whistleblower.

5.2 Managing the welfare of the Whistleblower

5.2.1 Commitment to protecting Whistleblowers

DNR Capital is committed to the protection of Whistleblowers against action taken in reprisal for the making of Protected Disclosures. All Protected Disclosures will be treated sensitively and seriously and will be dealt with promptly, fairly and objectively.

DNR Capital encourages Whistleblowers to provide their name making a disclosure under this Policy, however recognises that in some cases they might wish to remain anonymous by e.g. using an anonymised email address or adopting a pseudonym. If anonymity is preferred, DNR

Capital will conduct its investigation as best as possible in the circumstances but will be unable to provide the Whistleblower with the same level of practical support and protection as it would were the Whistleblower's identity known.

5.2.2 Whistleblower Protection Officer (WPO)

The nominated Whistleblower Protection Officer for DNR Capital is the Chief Executive Officer. Responsibilities include:

- safeguarding the interests of the Whistleblower in terms of this Policy and applicable legislation
- safeguarding the interests of person who is subject to a Protected Disclosure
- (where their identity is known) ensuring the Whistleblower is kept informed through the investigation and outcomes of the investigation, and
- having a direct line of reporting Whistleblowing matters to the Board of Directors or the Audit, Risk and Compliance Committee.

If the Whistleblower Protection Officer is subject to a Protected Disclosure an alternative Director may fulfil this role.

5.2.3 Whistleblower Investigations Officer (WIO)

The nominated Whistleblower Investigations Officer for DNR Capital is the Head of Risk & Compliance.

Responsibilities include:

- liaison with and taking instructions from the Whistleblower Protection Officer on Protected Disclosures,
- conducting investigations into Protected Disclosures, determining whether there is evidence in support of the matters raised or alternatively; to refute the matters raised, and
- once the investigation has been completed, making recommendations as to any course of action to be taken in respect of the findings. The method of documenting and reporting the findings will depend on the nature of the disclosure.

If the Whistleblower Investigations Officer is subject to a Protected Disclosure an alternative manager may fulfil this role.

5.2.4 Keeping the Whistleblower informed

The Whistleblower Protection Officer or alternate director will (subject to their identity being known) ensure the Whistleblower is kept informed of action taken in relation to their disclosure.

5.2.5 Whistleblowers implicated in Reportable Conduct

DNR Capital acknowledges that the act of Whistleblowing should not shield Whistleblowers from the reasonable consequences flowing from any involvement in Reportable Conduct. A person's responsibility for their own conduct is not affected by the person's disclosure of that conduct. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

6 Risks of non-compliance to the company

- Regulatory risk – the risk that the company, its officers, employees or agents will be subject to criminal, civil or administrative penalties or sanctions. This may include licensing actions, enforceable undertakings, investigative action, or total loss of licence for non-compliance with:
 - Financial services laws and regulations
 - The AFSL
 - Organisational standards
 - Internal policies and procedures

- Business risk – the risk that DNR Capital's activities may result in poor business outcomes for the company, with a key risk being loss of the AFSL and a direction to cease operations. Compliance with this Policy will enable the Board and delegated staff to appropriately manage this risk by implementing appropriate Whistleblower Protection procedures.
- Reputational risk – the associated damage to the company's reputation as a result of public reporting of non-compliance with our obligations or by being perceived as non-compliant within the market or not caring for our clients and investors. This may also have a detrimental effect on the profitability of the company due to loss of confidence by clients and investors. By approving and implementing a robust Whistleblower Protection Policy DNR Capital intends to mitigate our reputational risk.

7 Monitoring compliance with the Policy

The Head of Risk & Compliance is responsible for monitoring compliance with this Policy on an annual basis or as required to ensure it remains consistent with Whistleblower legislation and standards on Risk Management fraud and corruption control.

As part of the monitoring process, the Head of Risk & Compliance will review external audit reports, and all other relevant policies, procedure and registers to identify any instances of non-compliance with this Policy. This will involve a full review of the risk register.

Any instances of non-compliance by officers, employees and/or agents of DNR Capital will be reported to the Management Team. Instances on non-compliance will also be treated as a potential or actual breach and dealt with according to the Breach Management Policy.

Where instances of non-compliance with the Policy have been identified the Head of Risk & Compliance in conjunction with the relevant business unit manager is responsible for determining and/or recommending appropriate remedial action.

Intentional or reckless non-compliance with this Policy is not tolerated by the Board. Depending on the nature and extent of non-compliance, remedial action could include:

- Additional training
- Additional monitoring or supervision
- Formal reprimand
- Notification to relevant regulatory body or industry association
- Termination of employment (in particularly serious cases)

In determining what remedial action will be appropriate, the Head of Risk & Compliance in conjunction with the relevant business unit manager may have regard to the following matters:

- the number or frequency of similar previous instances of non-compliance by the officer, employee and/or agent (including or service providers)
- whether the non-compliance was intentional or reckless
- the impact the non-compliance has on the ability of DNR Capital to continue to provide the financial services covered by its AFSL
- the actual or potential loss arising to DNR Capital or a client of DNR Capital as a result of the non-compliance
- actions outlined in the Code of Conduct & Ethics for DNR Capital
- any other relevant facts associated with the non-compliance, and
- any other relevant issues raised.

8 Review of the Policy

The Management Team shall review the contents of this Policy at least annually to ensure it remains current and relevant to the operations of DNR Capital.

As part of the review, the Management Team in conjunction with the Head of Risk & Compliance shall also ensure that any related policies or procedures are reviewed by relevant officers, employees and/or agents. The Head of Risk & Compliance will maintain a schedule of reviews to be undertaken as part of the review of this Policy.

The Head of Risk & Compliance shall report the findings to the Management Team once the review has been finalised.

9 Training on the Policy

As DNR Capital is committed to ensuring the continued compliance with this Policy, a program of regular training sessions will be provided to staff both when they commence and on an ongoing basis.

Induction Training

The Head of Risk & Compliance will provide training on this Policy as part of the induction training for all new officers and employees.

Ongoing Training

The Head of Risk & Compliance will also provide refresher training on the Whistleblower Protection Policy and procedure at least annually (or as required, where a material change is made to the Policy).

10 Applying discretion to the Policy

Notwithstanding any requirement contained in this Policy, the Head of Risk & Compliance can apply reasonable discretion in considering how to apply the requirements of the Policy.

When applying discretion in relation to a particular matter, the Head of Risk & Compliance shall have regard to the level of risk posed by that matter and the regulatory objectives of ensuring market integrity and consumer protection.

Whenever discretion has been exercised in relation to the Policy, it should be recorded and reported to the Management Team.

11 Related policies

The following policies contain provisions which are directly or indirectly related to the contents of this Policy:

- Code of Conduct & Ethics
- Conflict of Interest Policy and Procedure
- Fraud Policy
- Dispute Resolution Policy and Procedure.

12 Further information

If you need further information regarding this Policy and how it is implemented please contact the policy owner.