

JANUARY 2020

INTRODUCTION

This policy supports the commitment of the Adara Group to promoting and supporting a culture of corporate compliance, honest and ethical behaviour, and good corporate governance. This policy is established to encourage reporting of qualifying concerns regarding potentially unethical, unlawful or improper practices or behaviours, and provides protection from reprisal for Eligible Whistleblowers reporting in good faith.

This Policy will be available on the Adara Group website and to all officers, employees and contractors of the Adara Group on our intranet <https://intranet.adaragroup.org/people-and-culture>

WHO IS COVERED BY THIS POLICY?

The **Adara Group** comprises companies and trusts in Australia, Bermuda, Nepal, Uganda, the United Kingdom and the United States of America. This policy applies to the Adara Group globally (subject to local laws) and all “**Adara Persons**”, meaning the following people who are currently or have previously been engaged by the Adara Group:

- (a) directors and other officers;
- (b) employees;
- (c) suppliers and employees of suppliers;
- (d) consultants and employees of consultants;
- (e) associates;
- (f) trustees;
- (g) panel members;
- (h) secondees;
- (i) contractors and employees of contractors;
- (j) trainees;
- (k) interns;
- (l) work experience students;
- (m) volunteers;
- (n) in-country partners receiving funds from the Adara Group;
a relative of any person referred to in paragraphs (a) to (n); and
a dependant of any person referred to in paragraphs (a) to (n) or of that person's spouse;

As the Adara Group operates in multiple countries, this policy is subject to the laws that apply in those countries, which means that in some cases, whistleblower matters may be handled differently. However, the Adara Group intends to apply this policy in all cases, unless it is unable or it is impractical to do so.

Whistleblowers are encouraged to seek advice on statutory protections or regimes from the Whistleblower Protection Officer that may apply to them in their relevant jurisdiction, prior to making a disclosure.

DEFINITIONS

ASIC means the Australian Securities and Investments Commission.

Reportable Conduct means information that concerns misconduct or an improper state of affairs or circumstances in relation to the Adara Group. This includes any conduct, state of affairs or circumstances that is illegal, improper, unacceptable or undesirable, or relates to the concealment of such conduct. It includes, but is not limited to, conduct engaged by the Adara Group (or its officers or employees) that:

- (a) breaches any applicable law or regulatory requirement, or is a failure to comply with any applicable legal obligation;
- (b) is unethical or breaches the Adara Group's policies, protocols or codes of conduct;
- (c) is dishonest (or involves deception that is intended to mislead), fraudulent or corrupt;
- (d) is coercion, harassment, victimisation or discrimination;
- (e) is misleading or deceptive conduct of any kind (including conduct or representations which amount to improper or misleading accounting or financial reporting practices either by, or affecting, the Adara Group)
- (f) is potentially damaging to the Adara Group, an Adara Person or a third party, including unsafe work practices, environmental damage, health risks or substantial wasting of corporate resources;
- (g) may cause actual or potential financial or non-financial loss to the Adara Group or damage its reputation, or be otherwise detrimental to the Adara Group or its interests;
- (h) represents a danger to the public or the financial system; or
- (i) involves any other serious impropriety.

Senior Manager means the Chief Executive Officer, Chief Operating Officer, Senior Advisor or General Counsel;

Whistleblower means an Adara Person who makes, attempts to make or wishes to make a report in connection with Reportable Conduct that has occurred within the Adara Group (whether anonymously or not) in accordance with this policy.

Whistleblower Protection Officer means a person nominated by the Adara Group whose key responsibilities include safeguarding the interests of Whistleblowers and ensuring the integrity of the reporting mechanism. The Adara Group's current Whistleblower Protection Officers are identified below.

Whistleblower Protection Scheme means the protections for Whistleblowers in Australia contained in the *Corporations Act 2001 (Cth)* and the *Taxation Administration Act 1953 (Cth)*

PURPOSE OF THIS POLICY

It is expected that Adara Persons will report known, suspected or potential cases of Reportable Conduct. Failure to raise known or suspected issues may result in disciplinary action.

The purpose of this policy is to:

- encourage honesty, transparency and integrity in all of the Adara Group's activities;

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- ensure that the Adara Group has independent, confidential and objective reporting and investigation mechanisms so that all Adara Persons can raise any concerns about and report instances of Reportable Conduct (where there are reasonable grounds to suspect such conduct), without fear of intimidation, disadvantage or reprisal;
 - outline the process for reporting an actual or potential instance(s) of Reportable Conduct;
 - outline the process for conducting fair, unbiased, evidence-based investigations in order to substantiate or refute claims of Reportable Conduct;
 - ensure that measures are in place to protect and support Whistleblowers; and
 - implement a robust and trusted framework for escalating and addressing claims of Reportable Conduct.

SCOPE

This policy applies to the Adara Group and all Adara Persons who wish to report Reportable Conduct (where there are reasonable grounds to suspect such conduct) in relation to the Adara Group's activities to an eligible recipient (see paragraph x below) or any person or body that is authorised under relevant legislation to receive whistleblower disclosures. For example, in Australia, under the Whistleblower Protection Scheme these include ASIC, APRA, the Commissioner of Taxation in relation to tax matters, a prescribed Commonwealth authority or a legal practitioner (to obtain legal advice or legal representation).

In Australia, public interest and emergency disclosures also qualify for protection – see the Annexure to this policy for more detail.

This policy does not deal with staff grievances (see below) which are not Reportable Conduct and for which separate procedures exist. Please refer to the relevant staff policies and procedures manual for these procedures.

Any investigative activities required with respect to the Reportable Conduct will be conducted without regard to the suspected wrongdoer's length of service, position/title or relationship with/to the Adara Group.

HOW TO MAKE A REPORT

In reporting an actual or potential instance(s) of Reportable Conduct, an Adara Person should ensure that he or she is acting honestly, reasonably and with genuine belief in relation to that conduct. This means that even if a disclosure turns to be incorrect, the protections will still apply provided the Adara Person had reasonable grounds to suspect an instance of Reportable Conduct. If the Adara Person is unsure whether conduct constitutes Reportable Conduct, he or she should seek guidance from a Whistleblower Protection Officer.

Protection under this Policy and the Whistleblower Protection Scheme applies only where Reportable Conduct is disclosed directly to an eligible recipient, as described below. A Whistleblower can make a disclosure during and outside of business hours.

Reportable Conduct does not necessarily involve a contravention of a law. For example, misconduct or an improper state of affairs or circumstances could involve conduct that, whilst not unlawful, indicates a systemic issue of concern that the relevant regulator should know about to properly perform its functions. It may also relate to business behaviour and practices that may cause consumer harm. Also, information that indicates a significant risk to public safety or the stability of, or confidence in, the financial system, is Reportable Conduct, even if it does not involve a breach of a particular law.

DIRECTLY TO A SENIOR MANAGER OR A WHISTLEBLOWER PROTECTION OFFICER OR DIRECTOR

An Adara Person can report an actual or potential instance(s) of Reportable Conduct directly:

- to a Senior Manager; or
- an officer of the Adara Group; or
- a Whistleblower Protection Officer.

The current Whistleblower Protection Officers nominated by the Adara Group and their contact details are as follows:

- Susan Burns, General Counsel, Adara Group, +61 2 9395 2812 and susan.burns@adaragroup.org; and
- Melanie Champion, Chief Operating Officer, Adara Group +61 2 9395 2814 and melanie.champion@adaragroup.org.

You may also contact the Whistleblower Protection Officers to obtain advice or information about this policy and how a disclosure can be investigated.

You can also send an email to complaints@adaragroup.org.

DIRECTLY TO A REGULATORY BODY

An Adara Person can also report an actual or potential instance(s) of Reportable Conduct directly to a relevant regulatory body, including ASIC, APRA or a Commonwealth authority prescribed in the Corporations Regulations in respect of conduct concerning an Australian entity in the Adara Group.

DIRECTLY TO OTHER RECIPIENTS

An Adara Person can also report an actual or potential instance(s) of Reportable Conduct:

- directly to the auditor (or a member of the audit team) of the Adara Group; and
- to a legal practitioner only for the purpose of obtaining legal advice in relation to the operation of relevant whistleblower laws. In Australia, this protection continues to apply even if the legal practitioner concludes that a disclosure does not relate to a Reportable Conduct.

The Adara Group will take all reasonable steps to ensure that it does not constrain, impede, restrict or discourage (whether by confidentiality clauses, policies or other means) any person from disclosing information or providing documents to, or discussing issues with, any recipient.

ANONYMITY

A Whistleblower can choose to make a disclosure anonymously and remain anonymous over the course of the investigation and after the investigation is finalised, including during follow-up conversations. In Australia, anonymous disclosures are still capable of being protected under this Policy and the Whistleblower Protection Scheme.

If an Adara Person has a concern about their identity becoming known, they may prefer to adopt a pseudonym (not their true name) for the purposes of their disclosure.

If an Adara Person chooses to disclose Reportable Conduct anonymously, it may hinder the ability of the Adara Group to fully investigate the matter (particularly if the Whistleblower Protection Officer is not able to disclose the identity of the Adara Person, in the absence of consent, in any engagement

with the Board and internal functions within the Adara Group, (such as legal, risk and company secretarial).

Further, in certain circumstances it may prevent the Whistleblower from accessing additional protection at law. For this reason, we encourage anonymous Whistleblowers to maintain ongoing two-way communication with us (such as via an anonymous email address) so that we can ask follow up questions or provide feedback.

With limited exceptions in Australia, it is illegal for an individual to disclose the identity of a discloser, or information that is likely to lead to the identification of the discloser. Adara Group may be compelled or permitted by law, regulatory obligations or broader external and management requirements to disclose the Whistleblower's identity. In particular, disclosures that involve a threat to life or property, illegal activities or legal action against the Adara Group may require actions that do not allow for complete anonymity and, in such cases, will be referable to the Australian Federal Police.

STAFF GRIEVANCES

Personal work-related grievances are not covered by this policy and do not qualify for protections referred to in it. However a personal work-related grievance may still qualify for protection if it relates to Reportable Conduct and a personal work-related grievance.

Examples of personal work-related grievances include:

- an interpersonal conflict between the Whistleblower and another employee;
- a decision relating to the engagement, transfer or promotion of the Whistleblower;
- a decision relating to the terms and conditions of the Whistleblower;
- a decision to suspend or terminate the engagement of the Whistleblower, or otherwise to discipline the Whistleblower.

INVESTIGATION

HANDLING OF REPORTS

The Adara Group will acknowledge receipt of a disclosure within a reasonable period, assuming the Whistleblower can be contacted (including through anonymous channels).

All qualifying reports of Reportable Conduct will be investigated by a Whistleblower Protection Officer, where necessary and practicable, on a timely basis for the purposes of seeking evidence that either substantiates or refutes the claims made by the Whistleblower. Appropriate corrective action will be taken as warranted by the investigation.

Generally, if an investigation is required, the Adara Group will determine:

- the nature and scope of the investigation;
- who should lead the investigation, including whether an external investigation is appropriate;
- the nature of any technical, financial or legal advice that may be required to support the investigation; and
- the anticipated timeframe for the investigation. Each investigation will be different which will impact the applicable timeframe. However the Adara Group's intent is to complete an investigation as soon as possible.

The Whistleblower Protection Officer is responsible for:

- conducting or coordinating the investigation into any report received from a Whistleblower;

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- documenting and handling all matters in relation to the report and investigation; and
 - finalising all investigations.

The Whistleblower Protection Officer will, at all times:

- act impartially, fairly and objectively without any pre-conceived opinion on the Whistleblower or the subject matter, or any conflicts of interest; and
- have direct and unrestricted access to reasonable financial, legal and operational assistance when it is required for any investigation.

Unless prevented by applicable laws, a person who is the subject of an investigation is entitled to be:

- informed as to the allegations being made against them and the substance of any adverse comment that may be included in a report or other document arising out of the investigation; and
- given a right to respond to the allegations or put their case to the Whistleblower Protection Officer who is conducting or coordinating the investigation. A decision regarding the report should not be made until the person has been given the opportunity to be heard.

The Whistleblower will be kept appropriately informed of the progress of action taken in respect of their report and of the outcome of the investigation. The frequency and timeframe of any updates may vary depending on the nature of the disclosure. The extent of any information shared will be subject to applicable confidentiality considerations, legal obligations and any other factors the Adara Group considers relevant in the particular situation.

FINDINGS AND NEXT STEPS

The Whistleblower Protection Officer (or other investigator) will provide to the relevant Board a report setting out the findings on the allegations raised by the Whistleblower and a summary of evidence. The findings may be that an allegation has been fully substantiated, partially substantiated, is not able to be substantiated or is disproven. The Whistleblower Protection Officer will inform the Whistleblower of the findings, however the Whistleblower will not receive a copy of the investigation report.

Subject to any confidentiality restrictions, at the conclusion of the investigation, the People and Culture team of the Adara Group will be engaged to consider appropriate next steps in relation to any substantiated allegations. Any findings that relate to possible criminal activity will be reported to police and/or relevant regulatory bodies.

CONFIDENTIALITY

Subject to applicable laws, the Adara Group and any persons receiving reports will not disclose particulars of reported matters that would suggest the identity of the Whistleblower without obtaining the Whistleblower's prior consent (preferably in writing). Any such disclosure to which the Whistleblower consents will be on a strictly confidential basis. However, a disclosure that is not of the identity of the Whistleblower and is reasonably necessary for the purpose of investigating the reported matter may be made without consent of the Whistleblower, provided that all reasonable steps have been taken to reduce the risk that the Whistleblower will be identified in the disclosure.

The Adara Group and/or any person receiving the report will ensure that reasonable steps are taken to reduce the risk and protect the identity of the Whistleblower. All files and records created from an investigation will be retained under strict security. Subject to applicable laws, the unauthorised release of information without a Whistleblower's consent to any person not involved in the investigation is a breach of this policy and will be the subject of disciplinary action, which could include dismissal.

If there is a breach of confidentiality, a Whistleblower can lodge a complaint with the Whistleblower Protection Officer, or in Australia, a regulator, such as ASIC or APRA, for investigation.

PROTECTION OF WHISTLEBLOWERS

The Adara Group takes the protection of a Whistleblower's identity seriously. Steps it will take to help achieve this includes

- maintaining mechanisms to reduce the risk that the Whistleblower will be identified from the information contained in a disclosure (such as redactions or referring to the person in gender neutral terms);
- maintaining mechanisms for secure record-keeping and information-sharing processes and limiting access to records and information; and
- assisting the Whistleblower by providing support services such as counselling services and access to resources for strategies to manage stress, time or performance impacts resulting from the investigation.

The Adara Group will take all reasonable steps to protect Whistleblowers who report a concern in good faith under this policy from reprisal as a direct result of making the report, including protection from actions which cause or will cause a detriment, such as:

- dismissal;
- harm or injury, including psychological harm;
- alteration of position or duties to their disadvantage, including demotion;
- any form of harassment, intimidation or victimisation;
- discrimination;
- damage to their property, reputation, or business or financial position
- current or future bias; or
- threats of any of the above.

Any action which causes detriment to an Whistleblower will be treated as serious misconduct and will result in disciplinary action, which could include dismissal. It may be necessary during the course of an investigation to take reasonable administrative action to protect a Whistleblower from detriment (e.g. changing the Whistleblower's reporting line if the disclosure relates to a manager). Such conduct will not be detrimental conduct.

The Adara Group retains the ability to raise with a Whistleblower matters that arise in the ordinary course of their employment or engagement, including separate performance or misconduct issues.

A Whistleblower may not be protected from civil or criminal liability for any of his or her conduct which may be revealed by the report. However, if a Whistleblower reports such conduct and actively cooperates in an investigation in which they may be implicated, there may be some cases where the fact that they have made a report will be taken into account as a mitigating factor when determining actions that may be taken against them.

A Whistleblower may be subject to disciplinary action if, in the course of investigating a disclosure, the Adara Group determines that the Whistleblower was complicit in the misconduct or improper state of affairs or has otherwise acted in an improper way. No contractual or other remedy will be enforced or exercised against a Whistleblower for merely making a qualifying disclosure.

If a Whistleblower believes they have been subject to detrimental action under this policy, they can lodge a complaint with the Whistleblower Protection Officer, or in Australia, a regulator such as ASIC or APRA for investigation.

Further, in certain jurisdictions, courts have broad scope to make orders remedying a detriment or threatened detriment. These include injunctions, compensation orders (including against individual employees and their employer), reinstatement, exemplary damages and the making of apologies. For example, civil and criminal sanctions apply to breaches of the Whistleblower Protection Scheme in Australia.

The Adara Group will treat all disclosures of Reportable Conduct seriously and protect staff who raise concerns in good faith. However, while protection is provided to Whistleblowers under this policy, deliberate false reports will not be tolerated and anyone found making a deliberate false claim or report will be subject to disciplinary action, which could include dismissal.

ADDITIONAL PROTECTION UNDER LEGISLATION

In addition to the protection of Whistleblowers under this policy, some legislation provides protection for certain disclosures made in accordance with the provisions of that legislation. In broad terms, these protections are designed to encourage people to disclose unlawful, improper or unethical behaviour to relevant parties.

The Adara Group and each Whistleblower Protection Officer will conduct all of their activities in accordance with the requirements of the relevant statutory obligations including, for the Australian members of the Adara Group, Part 9.4AAA of the *Corporations Act 2001* (Cth) and Part IVD of the *Tax Administration Act 1953* (Cth). The statutory protections do not normally extend to anonymous reports.

INDIVIDUALS MENTIONED IN A DISCLOSURE

The Adara Group will take all reasonable steps to protect an individual mentioned in a qualifying disclosure. Steps it will take to maintain this, includes

- ensuring that disclosure will be handled confidentially, when practical and appropriate to do so;
- ensuring that an employee who is the subject of a disclosure be advised of the subject matter of the disclosure as and when required by principles of natural justice and procedural fairness and prior to any action being taken;
- ensuring that an employee who is the subject of a disclosure has access to support services such as counselling services and access to resources for strategies to manage stress, time or performance impacts resulting from the investigation.

Annexure

1. Before making a public interest or emergency disclosure, it is important that an Adara Person understands the criteria for protection under the relevant legislation. An Adara Person should obtain independent legal advice prior to making any disclosure.

1. PUBLIC INTEREST DISCLOSURES

- 1.1 There is an additional category of disclosures called 'public interest disclosures' that qualify for protection under Australia's Whistleblower Protection Scheme. These can be made to journalists and members of Parliament but only if the Whistleblower complies with the following strict requirements:
 - (a) the Whistleblower must have first made a qualifying disclosure to ASIC, APRA, or a prescribed Commonwealth authority;
 - (b) at least 90 days has passed since the qualifying disclosure was made;
 - (c) the Whistleblower does not have reasonable grounds to believe that action is being, or has been, taken to address the matters to which the qualifying disclosure related;
 - (d) the Whistleblower has reasonable grounds to believe that making a public interest disclosure would be in the public interest;
 - (e) after 90 days has passed, the Whistleblower must give the body to which the qualifying disclosure was originally made, a written notification that:
 - (i) includes sufficient information to identify the qualifying disclosure; and
 - (ii) states that the Whistleblower intends to make a public interest disclosure; and
 - (f) the extent of the information disclosed in the public interest disclosure is no greater than to inform the journalist or member of Parliament of the misconduct or improper state of affairs or circumstances, or other conduct falling within the scope of the Whistleblower Protection Scheme.

2. EMERGENCY DISCLOSURES

- 2.1 Also, Australia's Whistleblower Protection Scheme creates an additional category of disclosures called 'emergency disclosures' that qualify for protection. These can be made to journalists and members of Parliament but only if the Whistleblower complies with the following strict requirements:
 - (a) the Whistleblower must have first made a qualifying disclosure to ASIC, APRA or a prescribed Commonwealth authority;
 - (b) the Whistleblower has reasonable grounds to believe that information concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment;
 - (c) the Whistleblower gave notice to the body to which the qualifying disclosure was made that states:
 - (i) that they intend to make an emergency disclosure; and
 - (ii) includes sufficient information to identify the qualifying disclosure; and
 - (d) the extent of the information disclosed in the emergency disclosure is no greater than is necessary to inform the journalist or member of Parliament of the substantial and imminent danger.