

Heartland Bank Australia Limited

Whistleblower Policy

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Summary

Why is this policy required?	We are committed to supporting our people when they speak up about matters that concern them. Speaking up and constructively challenging behaviour that does not seem right allows us to identify and address wrongdoing as early as possible. The purpose of this policy is to encourage employees and other eligible person(s) to disclose concerns about potential wrongdoing safely and securely, and provide transparency around the Bank's framework for receiving, handling, and investigating disclosures. Any reportable conduct reported by an eligible person to an eligible recipient will be protected under this Policy.
Key Information	The term 'Whistleblower' describes an eligible person who makes a disclosure in accordance with this policy that qualifies for protection under the Corporations Act/Tax Administration Act. A disclosure made under these conditions is eligible for the protections under the relevant legislature. A disclosure made outside of these conditions will still be treated confidentially and seriously, however, the Whistleblower may not have the benefit of these statutory protections. This policy covers the disclosure of wrongdoing within the Bank and is not intended to replace the standard internal procedures for employment issues or complaints contained in any individual or collective employment agreements. To protect anonymity where required or desired, and uphold integrity in the Whistleblowing process, the Bank uses the Whistleblower portal, accessible on the internet, which is managed entirely by a third-party service provider comprised of experienced employees.

Who does this policy apply to?

This Policy applies to all legal entities, divisions, business units, support functions, employees and workers that act for or on behalf of the Bank and/or its subsidiaries regardless of division or geographical location.

It applies to any person who is, or has been, in relation to any legal entity within the Bank:

- (a) an officer or employee e.g., current and former who are permanent, part-time, fixed-term or temporary, interns, secondees, managers and directors;
- (b) a supplier of services or goods to the entity (whether paid or unpaid) including their employees e.g., current and former contractors, consultants, service providers and business partners;
- (c) an associate of the entity and / or;
- (d) a relative, dependent or spouse of an individual described in section (a), (b) or (c) above.

The policy does not apply to customers.

The policy applies to behaviour:

- (a) in the workplace, including when working outside normal working hours;
- (b) while undertaking work activities including interaction with third parties and working away from the Bank's premises;
- (c) at work-related events e.g., conferences and social functions; and
- (d) outside of work hours, if that interaction involves other employees, including where the interaction is through social media.

Key Terms

APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
The Bank	Heartland Bank and its subsidiaries
CPCO	Chief People and Culture Officer
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
CRO	Chief Risk Officer

Eligible Person	In relation to the Bank: • An officer or employee, current and former, who are permanent, part-time, fixed-term or temporary, interns, secondees, managers and directors; • A supplier of services or goods to the entity, including their employees e.g., current and former contractors, consultants, service providers and business partners; • An associate of the entity; or • A relative, dependent or spouse of the individuals listed above.
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Eligible Recipient	An eligible recipient for the Bank is: • a member of the Bank's the Bank Leadership team; • a director or a company secretary; • the Bank auditor, or an audit team member conducting an audit of the Bank; and • an independent third-party whistleblower service provider authorised by the Bank (YourCall). In addition, disclosures for tax-related reportable conduct can be made to: • an employee or officer of the Bank who has functions or duties that relate to the tax affairs; • a registered tax agent or BAS agent who provides tax services or BAS services to the Bank; and/ or • Commissioner of Taxation.
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HOPC	Head of People & Culture
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Leadership Team	The Chief Executive Officer and direct reports to the Chief Executive Officer.
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Modern Slavery	Modern Slavery means conduct which would constitute: a) an offence under Division 270 or 271 of the Criminal Code; b) an offence under either of those Divisions if the conduct took place in Australia; or c) trafficking in persons, as defined in Article 3 of the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, done at New York on 15 November 2000 ([2005] ATS 27); d) the worst forms of child labour, as defined in Article 3 of the 25 ILO Convention (No. 182) concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, done at Geneva on 17 June 1999 ([2007] ATS 38).
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Personal Grievances	Work-related	Personal work-related grievances are those that relate to the employee's current or former employment, but do not relate to any conduct, or alleged conduct, about a disclosable matter. Examples of personal work-related grievances include: • <i>an interpersonal conflict between the employee and another employee;</i> • <i>a decision that does not involve a breach of workplace laws;</i> • <i>a decision about the engagement, transfer or promotion of the employee;</i> • <i>a decision about the terms and conditions of engagement of the employee; or</i> • <i>a decision to suspend or terminate the engagement of the employee, or otherwise to discipline the employee.</i>
Policy		This Whistleblower policy
Protected Disclosure		A disclosure made to an eligible recipient in accordance with this policy that qualifies for protection under the Corporations Act.
Reportable Conduct		Misconduct, or an improper state of affairs or circumstances, in relation to the Bank including conduct or a state of affairs which is: • dishonest; • fraudulent; • corrupt; • illegal; • in breach of legal obligation (e.g., legislation); • contravenes or constitutes an offence against certain legislation (e.g., the Act); or • represents a danger to the public or the financial system; • constitutes an offence against any law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more; • in serious breach of internal policy; • unethical; • improper; • bullying and harassment; • unsafe; or any other conduct which may cause financial or non-financial loss to the Bank or be otherwise detrimental to the interests of the Bank and its customers, including environmentally unsound practices subject to Section 3.1 below. In relation to tax matters, Reportable Conduct includes information about misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of the Bank which the employee considers may assist the recipient to perform functions or duties in relation to the tax affairs of the Bank.
Whistleblower		An eligible person who makes a disclosure about 'reportable conduct'.
Whistleblower Portal		An online platform managed by a third-party service provider - YourCall.
WIO		Whistleblower Investigation Officer. This will be the CRO, and/or CPCO.

1. Objectives

This Policy forms part of the Bank's commitment to ethical and honest business practices. The purpose of this policy is to outline the principles and processes supporting eligible persons to safely disclose reportable conduct – it is designed to support our people when speaking up. Specifically, the policy aims to:

- encourage and facilitate disclosure of reportable conduct.
- provide a clear framework and set out avenues to make a disclosure.
- ensure that the matters disclosed are properly investigated and any wrongdoing is corrected.
- provide anonymity (where sought) and protection for the eligible person(s) who make these disclosures.

The Bank's whistleblower provisions are central to our commitment to an open culture in which concerns and issues are disclosed in a supportive environment.

2. Scope

An Eligible Person is someone who falls under one of the following criteria:

- An officer or employee (current and former, who are permanent, part-time, fixed-term or temporary, interns, secondees, managers and directors).
- A supplier of services or goods to the entity, including their employees (e.g., current and former contractors, consultants, service providers and business partners);
- An associate of the entity; or
- A relative, dependent or spouse of the individuals listed above.

This Policy is applied in accordance with the laws of the relevant jurisdiction where we operate. Where local rules and regulations are stricter than those this policy, the local regulations will apply in addition to this Policy. Any conflict between local laws and the requirements under this policy, must be notified to the policy owner prior to implementing any local policies or procedures.

3. Whistleblower process

The following sections outline matters that can be disclosed using whistleblower channels, how to make a disclosure, the investigation process, and protection of Whistleblowers.

3.1 Matters that can be reported under the Whistleblower process.

Misconduct, or an improper state of affairs or circumstances, in relation to the Bank including conduct or a state of affairs which is:

- dishonest;
- fraudulent;
- corrupt;
- illegal;
- in breach of legal obligation (e.g., legislation);
- contravenes or constitutes an offence against certain legislation (e.g., the Act); or
- represents a danger to the public or the financial system;
- constitutes an offence against any law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
- in serious breach of internal policy;
- unethical, improper or unsafe;
- bullying and harassment; or
- any other conduct which may cause financial or non-financial loss to the Bank or be otherwise detrimental to the interests of the Bank and its customers, including environmentally unsound practices of a material nature.

Examples of types of reportable conduct include:

- illegal conduct, such as theft, dealing in, or use of illicit drugs, violence or threatened violence, and criminal damage against property;
- fraud, money laundering or misappropriation of funds;
- offering or accepting a bribe;
- modern slavery practices;
- financial irregularities;
- failure to comply with, or breach of, legal or regulatory requirements; and
- engaging in or threatening to engage in detrimental conduct against a person who has made a disclosure or is believed or suspected to have made, or be planning to make, a disclosure.

Reportable conduct can apply to (but is not limited to) behaviour which occurs:

- in the workplace, including when working outside normal working hours;
- while undertaking work activities including interaction with third parties and working away from the Bank's premises;
- at work-related events, e.g., conferences and social functions; and
- outside of work hours, if that interaction involves other employees, including where the interaction is through social media.

If an individual advises or lodges a concern regarding Reportable Conduct, it will be considered a disclosure under this policy. It may also qualify for protections under Whistleblowing laws if it meets the required criteria. Not all Disclosures of Reportable Conduct meet these requirements.

3.1.1 Treatment of personal work-related complaint

Concerns that relate solely to personal work-related grievances and customer complaints have separate dedicated processes to report such as through a people leader or People and Culture. They are not covered by this policy or the protections of the legislation.

A personal work-related grievance may still qualify for protection if:

- (a) it is a mixed concern (raising matters that may qualify for protection);
- (b) the Bank 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 eligible person's personal circumstances;
- (c) the eligible person suffers from or is threatened with detriment for making a disclosure; or
- (d) the eligible person seeks legal advice or legal representation about the operation of the whistleblower protections under the Corporations Act.

Nothing in this policy limits the ability of the Bank to manage performance or misconduct issues related to an employee or service provider, including where the relevant individual has made a disclosure of reportable conduct.

Separately, control failures and operational incidents (not involving deliberate employee misconduct) should be reported as incidents in Protecht.

3.2 How to make a disclosure

All disclosures of reportable conduct are handled sensitively and taken seriously. Disclosures can be made through whichever Speak Up option feels most comfortable to the Whistleblower about the nature and sensitivity of the reportable conduct, and/or relationships with other employees.

Heartland offers multiple options for disclosing reportable conduct, including:

- (a) Directly reporting to a member of the Leadership Team in person, by phone or by email;
- (b) Directly reporting to a director or a company secretary in person, by phone or by email;
- (c) Directly reporting to an auditor or an audit team member conducting an audit of HBAL in person, by phone or by email;
- (d) Directly reporting to an authorised third-party service provider (YourCall):
 - Go to www.yourcall.com.au/Heartland
 - Call 1300 790 228

For further details about Speak Up or Whistleblowing hotline refer to the Heartland Speak Up page using the following link: <https://heartlandconz.sharepoint.com/SitePages/Speak-Up.aspx>

In addition, disclosures for tax-related reportable conduct can be made to:

- an employee or officer of the Bank who has functions or duties that relate to the tax affairs;
- a registered tax agent or BAS agent who provides tax services or BAS services to the Bank; and/ or
- Commissioner of Taxation.

If the eligible person is unclear or uncomfortable on any aspect of the whistleblowing process or prefers to discuss matters informally before formally making their disclosure, discussions can be held directly with a member of the Leadership Team, an auditor or audit team member always conducting an audit of the Bank, these discussions will remain confidential.

The Bank respects the right to make an anonymous disclosure and will protect a Whistleblower's identity throughout the process. Whistleblowers can opt for anonymity at any point during the process, including while making a disclosure, interacting with an eligible recipient, as well as after a case has closed.

Where this occurs, the Bank work to protect the Whistleblower's identity and explicitly outline who in the organisation will have knowledge of the disclosure (outlined in Section 3.4.1 of this policy). The Bank will also take all steps necessary (see Section 3.4 in this policy) to ensure a Whistleblower does not suffer any detriment and is able to continue to fulfil their role whether internal or external to the Bank

The Bank will make every endeavour to investigate whistleblower disclosures, but in some cases, there are limitations to what can be achieved if a Whistleblower decides to remain anonymous.

At any given time, Whistleblowers can also identify themselves, however this is entirely at the discretion of the Whistleblower and at no point is this required. Protections will apply regardless of whether the report was made anonymously.

3.2.1 Reporting to a legal practitioner

An eligible person may engage a legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions under the Corporations Act. This disclosure will qualify the eligible person for protection under the Corporations Act.

3.2.2 Public interest and emergency disclosures

An eligible person has the right to make a public interest disclosure or emergency disclosure to a member of Parliament or a journalist that qualifies for protection under the Corporations Act if specific conditions found in Section 1317AAD of the Corporations Act are met.

3.2.3 Public interest and emergency disclosures

Nothing in this policy is intended to restrict an eligible person from disclosing reportable conduct, providing information to, or communicating with a government agency, law enforcement body or a regulator such as ASIC or APRA or another Commonwealth body in accordance with any relevant law or regulatory guidance applicable in a jurisdiction in which the Bank operates. A disclosure made by an eligible person that relates to reportable conduct qualifies for protection under the Corporations Act if the disclosure has been made to ASIC, APRA, ATO or another Commonwealth body prescribed by regulation.

3.3 Investigation process

3.3.1 Investigation

Outlined below are the end-to-end process steps to investigate a disclosure of reportable conduct:

- Upon receipt of a disclosure of reportable conduct, the eligible recipient will gather the information necessary to determine next steps (which may include contacting the eligible person)
- Unless the eligible recipient is a WIO, the disclosure will then be referred to the CRO and/or CPCO, otherwise known as WIOs.
- The WIOs will preliminarily review the disclosure (including determining if this is a Protected Disclosure) and determine the appropriate investigation approach.
- Within five working days of receipt of the disclosure, the eligible person will receive an acknowledgement – either directly (if contact details have been provided) or via the whistleblower portal if the eligible person has chosen to remain anonymous.
- This investigation will be conducted by one of the WIOs, a delegated employee or through an external resource as appropriate. Investigations will follow a fair process and be independent of you and any persons the subject of the disclosure.
- Investigations will follow a fair process and be independent of the Whistleblower and any persons/business units the subject of the disclosure. Where it is appropriate, the subject of the allegations may be informed of the allegations and provided with an opportunity to respond.
- Whilst we will seek to conduct the investigation as quickly as the circumstances allow, timing may vary due to the nature of the disclosure and information available. An update will be provided to the Whistleblower on a regular basis.
- Once the investigation is finalised, the WIO will determine the action (if any) to be taken. If appropriate, and subject to any applicable confidentiality, privacy, or legal constraints, the WIO may notify the Whistleblower of the course of action taken relating to the protected disclosure (subject to privacy or legal restrictions) and Board of Directors of the relevant legal entity whilst ensuring the confidentiality of the eligible person's identity in accordance with the law.
- The Whistleblower will be able to provide feedback as to whether the response has addressed the concerns raised in their disclosure.

If the disclosure of reportable conduct relates to a Leadership Team member, the WIO will engage the Chair of the Board.

If required, external legal counsel will be engaged by the Bank to investigate. The General Counsel will arrange instructions for the external legal counsel and the WIO will communicate with the external legal counsel.

3.3.2 Communication with the Whistleblower

As part of the investigation process, the Bank will update the Whistleblower on the progress of the investigation. These updates may include the following:

- Confirming receipt of the disclosure;
- Confirming commencement of the investigation process;
- Explicitly outlining who in the organisation will have knowledge of the disclosure;
- Requests for additional information from the Whistleblower; and
- Completion and outcomes of the investigation.

At a minimum, the Bank will commit to providing an update to the Whistleblower during the investigation. While the Bank strives to provide as much feedback on the investigation as possible, privacy and legal restrictions may restrict the level and content of information shared with the Whistleblower.

3.3.3 If the Whistleblower is not satisfied with the result

If, after receiving the outcomes of the investigation, the Whistleblower is not satisfied with the result, the Whistleblower can request a formal review of the investigation, including consideration of any additional evidence. This review will be performed by the CRO or CPCO who did not conduct or lead the original investigation. The Whistleblower must provide this escalation request in writing such that a formal review can take place. A written request can be made directly to the CRO or CPCO or anonymously via YourCall. While the Bank commits to review the request, the Bank is under no obligation to reopen the investigation. If the CRO or CPCO concludes that the investigation was conducted properly and no new information exists that would change the results of the investigation, the matter will be concluded.

3.4 Whistleblower protection

A disclosure made within the scope of this policy (e.g., reportable conduct disclosed by an eligible person to an eligible recipient) qualifies the Whistleblower for protection under law, including:

- protection of identity (confidentiality);
- protection from detrimental conduct against the Whistleblower;
- compensation and other remedies; and
- protection from civil, criminal, and administrative liability.

3.4.1 Protection of identity

The Bank has a legal obligation to protect the confidentiality of an eligible person's identity or any information that is likely to lead to the identification of the eligible person. It is illegal for a person to disclose an eligible person's identity or any information that is likely to lead to the identification of the eligible person, outside of the exceptions listed below.

The eligible person's identity may be disclosed if the identity is disclosed to:

- to ASIC, APRA, or a member of the Australian Federal Police (within the meaning of the Australian Federal Police Act 1979);
- to a legal practitioner (for the purposes of obtaining legal advice or legal representation about the whistleblower provisions in the Corporations Act);
- to a person or body prescribed by regulations; or
- with the consent of the eligible person.

The information contained in the disclosure may be disclosed with or without the eligible person's consent if:

- the information does not include the eligible person's identity;
- the entity has taken all reasonable steps to reduce the risk that the eligible person will be identified from the information; and
- it is reasonably necessary for investigating the issues raised in the disclosure.

However, where the eligible person provides consent to share their identity, a register with the names of all those who are aware of the disclosure or eligible-person's identity will be maintained within the whistleblower platform.

Third party service providers are also used as part of our whistleblowing program to protect anonymity and confidentiality. Specifically, this includes:

- Anonymous disclosure: Eligible persons can disclose to our third-party provider (YourCall) and ensure their identity is not inadvertently compromised (e.g., through identification of voice);
- Anonymous, two-way communication: Where a Whistleblower opts to remain anonymous, the Whistleblower will be assigned a pseudo-name and case ID to communicate and receive updates; and
- External investigation: Where there is a risk that the Whistleblower's identity or protection may be compromised by an internal investigation, an external party will be engaged to investigate the allegations.

3.4.2 Protection from detrimental conduct

Engaging in detrimental conduct towards, or making a threat to cause detriment to, an eligible person or any other person in relation to a disclosure, is an offence. The Bank does not tolerate any attempts to retaliate against an eligible person who has made a disclosure or any other person in relation to a disclosure and will take all reasonable steps to protect the Whistleblower.

Detrimental conduct (because of a disclosure) includes any of the following:

- dismissal of an employee;
- injury of an employee in his or her employment;
- alteration of an employee's position or duties to his or her disadvantage;
- discrimination between an employee and other employees of the same employer;
- harassment or intimidation of a person;
- harm or injury to a person, including psychological harm;
- damage to a person's property, reputation, or business / financial position; and
- any other damage to a person.

This includes detrimental conduct made on the belief that an eligible person may or may not make a disclosure.

Any employee or associated person found to have instigated (or threatened to cause) detriment will face disciplinary action, including the potential to be terminated from their roles.

If the eligible person feels they have been the subject of detrimental conduct, or if there is a reasonable possibility that detriment is near or imminent, they can report this immediately to any of the eligible recipients. The eligible recipient will take action(s) as appropriate, including providing recommendations as to how the situation should be resolved. Some of the examples of how the Bank will support and protect eligible persons from detriment are:

- providing options to work remotely;
- switch team or roles; or
- Employee Assistance Program

3.4.3 Compensation and other remedies

Under Section 1317 AD and 1317 AE of the Corporations Act, an eligible person (or any other employee or person) can seek compensation and other remedies through the courts if:

- they suffer loss, damage or injury because of a disclosure; and
- the Bank fails to take reasonable precautions and exercise due diligence to prevent the detrimental conduct.

3.4.4 Civil, criminal and administrative liability protection

If an eligible person makes a disclosure that qualifies for protection under the Corporations Act:

- the eligible person is not subject to any civil, criminal or administrative liability (including disciplinary action) for making the disclosure;
- no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the eligible person on the basis of the disclosure; and
- if the disclosure qualifies for protection under section 1317AA (1) or section 1317AAD of the Corporations Act - the information is not admissible in evidence against the eligible person in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the information.

The protections do not grant immunity for any misconduct of the eligible person that is revealed in the disclosure.

3.4.5 Fair treatment and protection of employees to whom disclosures relate.

The Bank management and its employees are bound by the Code of Conduct. The Code of Conduct documents the standard of behaviour required of Heartland employees. The Bank will ensure that the Whistleblower and those involved in the investigation, and any subjects of the disclosure are treated fairly.

As noted in Whistleblower Protection Officers this policy, investigations will be performed independent of the Whistleblower, the subject of the disclosure and which business unit is concerned. Where it is appropriate, the subject of the disclosure may be informed of the allegations and provided with an opportunity to respond.

4. Governance

4.1 Reporting to Board of Directors

The Board of Directors are updated on a quarterly basis on the Bank's whistleblowing program, inclusive of broader trends, themes, emerging risk from disclosures made and how those risks were mitigated. Any reports or investigations carrying an undue amount of risk will be reported to the Board of Directors outside of the quarterly updates. At any time, the Board of Directors can ask about disclosures made, investigations being conducted, investigation outcomes and the state of the Bank's whistleblowing program. Any information provided to the Board of Directors will comply with the limits of the confidentiality protections.

The following persons will receive updates and training on Heartland's procedures and processes as to handling, investigating, and responding to disclosures every two years, or earlier if deemed necessary:

- (a) Heartland's officers and employees who have been authorised by Heartland to receive disclosures; and

(b) Investigators

Additionally, all Heartland Australia employees will receive Whistleblowing training every two years, or earlier if deemed necessary.

4.2 Review Cycle

This policy will be reviewed at least every two years or as required if there are material changes in the regulatory framework or business activities.