

Arq Group

Whistleblower Protection Policy

Whistleblower Policy	
Document Number	
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Author	Gilbert + Tobin Lawyers
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Sponsor	General Manager – Legal & Company Secretary
Approver	Approved by Chair of Board and Chair of Human Resources Remuneration and Nomination Committee under delegated authority from Board of Arq Group Limited
Date of Approval	18 December 2019
Date of Last Review	16 December 2019
Date for Next Review	Bi-annually – 18 December 2022



1. Policy purpose and application

Arq Group Limited (ACN 073 716 793) and its related companies (**Arq Group**) are committed to the values of accountability to customers, suppliers, peers, managers and team workers, integrity of our processes and procedures and treating others with respect, courtesy and professionalism. This policy is designed to instil those values (set out in full in Arq Group's Code of Conduct) and encourage a culture where any officer, employee or contractor does not suffer detriment because of speaking up about potential misconduct concerns. This policy has been adopted to provide a safe and confidential environment for people to raise any such concerns without fear of reprisal

This policy sets out:

- when you will be protected for speaking up about misconduct;
- the protections that may be provided to you if you speak up; and
- how disclosures made under this policy will be handled by Arq Group.

All officers, employees and contractors of Arq Group, wherever they are based, must comply with this policy.

Officers and employees of Arq Group based outside Australia may also be subject to additional local Whistleblower requirements in the country in which they are based. This policy is also available in the Corporate Governance section of our website:

<https://arq.group/investor-centre/corporate-governance>.

This policy also protects those who are entitled to Whistleblower protection under the Australian Whistleblower laws (see section 11 of this Policy).

2. Who is protected under this policy?

You will be protected under this policy if:

- you are one of the individuals set out in section 3;
- you disclose information about the type of matters set out in section 4; and
- you disclose that information to one of the persons set out in section 5.

We encourage you to contact a Whistleblower Protection Officer if you have any questions about making a disclosure or this policy generally.

In some cases, you may wish to obtain independent legal advice:

- before making a disclosure (for example, if you are thinking about making a disclosure to an MP or a journalist); or
- if you feel you have suffered detriment because you made a disclosure, including if you wish to seek compensation or remedies in court for potentially detrimental conduct or a failure to protect your identity).

That communication with your legal adviser will also be protected under the Australian whistleblower laws (irrespective of the outcome of that advice).



3. Who can make a disclosure?

You can make a disclosure that qualifies for protection under the Australian whistleblower laws if you are or were:

- an officer or employee of Arq Group, including permanent, part-time, fixed-term or temporary employees or interns and secondees;
- a supplier of goods and services to Arq Group (whether paid or unpaid), including their employees (for example, contractors, consultants, service providers and business partners); or
- an associate of Arq Group; or
- a parent, grandparent, child, grandchild, sibling, spouse or dependent of any of those people.

4. What can a disclosure be about?

We encourage people to make disclosures about a broad range of matters. Whilst not all matters will qualify for protection under the Australian whistleblower laws, we will treat all disclosures made under this policy in the same way. However, disclosures cannot be made under this policy relating solely to personal work-related grievances.

To be protected under the Australian whistleblower laws, you must make an eligible disclosure and must have reasonable grounds for that disclosure. You can still qualify for protection if your disclosure turns out to be incorrect, but you will not be protected if you make a deliberately false disclosure.

Disclosures do not have to be about breaking the law. Eligible disclosures can be about misconduct or an improper state of affairs or circumstances that you have reasonable grounds to suspect has occurred or is occurring in relation to Arq Group.

Some examples of matters that are eligible disclosures are:

- conduct that amounts to a criminal offence or contravention of the *Corporations Act 2001* or *Australian Securities and Investments Commission Act 2001*;
- conduct that is a Commonwealth criminal offence punishable by more than 12 months imprisonment;
- illegal conduct, such as fraud, theft, corruption, bribery, criminal damage to property or breaches of work health and safety laws;
- negligence, default, breach of trust and breach of duty;
- improper, unethical or dishonest conduct, such as misuse of company assets, conflicts of interest or abuses of authority;
- an activity that poses a significant risk to public safety, people, property, operations or the environment (irrespective of whether it involves a breach of law);
- any conduct that may indicate a systemic issue in relation to ARQ Group;
- any business behaviours and practices that may cause consumer harm;
- conduct that represents a danger to the public or the financial system;
- conduct that represents a significant risk to stability of or confidence in the financial system (irrespective of whether it involves a breach of law);
- conduct that is damaging to Arq Group's financial position or reputation;



- misconduct in relation to Arq Group’s tax affairs;
- other misconduct concerning corporate governance, accounting or audit matters; or
- 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.

Personal work-related grievances

A personal work-related grievance is a grievance about an individual’s employment that has implications only for the individual personally (such as payroll or remuneration issues, promotion decisions and interpersonal conflicts), but does not have any other significant implications for Arq Group or relate to conduct about an eligible disclosure as referred to above.

Disclosures about **solely personal work-related grievances are not covered** by this policy and **do not** qualify for protection under the Australian whistleblower laws unless they also relate to any detriment or threat of detriment (as explained in section 7.3) to you.

However, such a disclosure may still qualify for protection if:

- it is a ‘mixed’ disclosure – meaning it includes information indicating other misconduct beyond your personal circumstances (for example, widespread bullying or harassment);
- Arq Group has breached employment or other laws punishable by imprisonment for a period of 12 months or more;
- Arq Group has engaged in conduct that represents a danger to the public;
- you suffer from or are threatened with, detriment for making a disclosure; or
- you seek legal advice or representation about the operation of the Australian whistleblower laws.

If your disclosure is a solely personal work-related grievance, you should make it in accordance with our Corporate Governance Policies which can be accessed on our website: <https://arq.group/investor-centre/corporate-governance>.

If you are unsure, we encourage you to make your disclosure under this policy.

5. Who can receive a disclosure?

All of the people listed in this section 5 can receive disclosures that qualify for protection under the Australian whistleblower laws. However, we encourage you to make your disclosure to one of our dedicated Whistleblower Protection Officers¹.

Whistleblower Protection Officer 1 – Company Secretary	Telephone: 0411 132 226 Email: whistle.blower@arq.group
Whistleblower Protection Officer 2 – (Acting) Head of Audit & Risk	Telephone: 03 9628 3608 Email: whistle.blower@arq.group

¹ ARQ Group’s Whistleblower Protection Officer are its Company Secretary and its Head of Audit & Risk



If you prefer, you can instead make a disclosure to the following people:

- A member of our Group Leadership Team;
- Any other director, officer or senior manager within Arq Group;
- an internal or external auditor² (including a member of an audit team conducting an audit on Arq Group); or
- Arq Group's registered tax agent or BAS agent³, if the disclosure concerns our tax affairs or the tax affairs of an associate of Arq Group, or an employee or officer within Arq Group who has functions or duties relating to our tax affairs and who you consider may be assisted in their role by knowing that information.

6. How can a disclosure be made?

You may make a disclosure at any time to the people identified in section 5 in person, by email, post, or delivered by hand.

An example form for making a disclosure is attached to this policy and is also available at <https://arq.group/investor-centre/corporate-governance>.

If you make a disclosure from or to an Arq Group email address, your email may be accessed by certain people within our IT department in accordance with Arq Group's policies. If you are concerned about those limited circumstances in which your email might be accessed, you may prefer to make your disclosure verbally or by mail.

You can make your disclosure anonymously (and stay anonymous throughout and after any investigation) and still qualify for protection under the Australian whistleblower laws.

7. Protections for disclosers

ARQ Group handles any disclosures made to it under this policy to protect disclosers.

7.1. Identity protections

If you make a protected disclosure, it is illegal for anyone to identify you or disclose any information that is likely to lead to you being identified, unless:

- any disclosure of information does not include your identity and is reasonably necessary to investigate your disclosure (but all reasonable steps must be taken to reduce the risk that you will be identified from the information);
- it is necessary to obtain legal advice about your disclosure and the whistleblower laws, in which case, we can pass the information on to our lawyer;
- we need to disclose the information to the Australian Federal Police; the Australian Securities and Investments Commission (**ASIC**); the Australian Prudential Regulatory Authority (**APRA**); or the Australian Commissioner of Taxation (**ATO**), if the disclosure concerns Arq Group's tax affairs or the tax affairs of an associate of Arq Group; or
- you consent to that disclosure.

² Arq Group's external auditor can be found in its Annual Report and as at December 2019 is Ernst & Young.

³ Arq Group's tax agent as at December 2019 is Grant Thornton.



7.2. Confidentiality and secure record keeping

Subject to the exceptions allowed under section 7.1 of this policy or otherwise by law, the identity of a whistleblower (or information that is likely to lead to their identity becoming known) must be kept confidential at all times during and after the investigation (including in any reporting to the Board or to any persons affected). All persons responsible for or involved in an investigation must take all reasonable steps to reduce the risk that a whistleblower will be identified.

Arq Group will keep your identity and your disclosure confidential and secure by:

- obscuring your name and identifying features from any internal reporting about your disclosure (unless you agree for your identity to be known);
- limiting access to all paper and electronic documents and materials to those directly involved in managing and investigating the disclosure; and
- ensuring that anyone who is involved in handling and investigating your disclosure is aware of the confidentiality requirements.

7.3. Protection from detriment

Arq Group is committed to protecting people who make disclosures under this policy.

No-one at Arq Group (including any officers, employees or contractors) may cause or threaten any detriment to any person because they think a disclosure has been or might be made under this policy.

“**Detriment**” includes (but is not limited to):

- dismissal of an employee;
- injury of an employee in their employment;
- alteration of an employee’s position or duties to their disadvantage;
- discrimination, harassment or intimidation;
- harm or injury including psychological harm, damage to property, reputation or financial position; or
- taking action against a person (including any disciplinary action or imposing a liability) for making a disclosure.

However, Arq Group is entitled to take steps that:

- are reasonably necessary to protect you from detriment (for example, moving you to another office to protect you from detriment if you have made a disclosure about your immediate work area); or
- relate to managing unsatisfactory work performance in line with Arq Group’s performance management framework.

7.4. Protection from civil, criminal and administrative liability

You will also be protected from any of the following in relation to your disclosure:

- civil liability – for example, any legal action against you for breach of an employment contract, duty of confidentiality or another contractual obligation;



- criminal liability – for example, prosecution for unlawfully releasing information or otherwise using your disclosure against you in a prosecution (other than for making a deliberately false disclosure); and
- administrative liability – for example, disciplinary action for making a disclosure.

However, you may be liable for any personal misconduct revealed by your disclosure.

7.5. Compensation and other remedies

You may seek compensation and other remedies through the courts if:

- you suffer loss, damage or injury because of a disclosure; and
- Arq Group failed to take reasonable precautions and exercise due diligence to prevent detrimental conduct.

7.6. Support and practical protections

Arq Group has in place processes for protecting, supporting and monitoring the welfare of anyone who makes a disclosure. This includes risk assessment of any potential detriment, work adjustment considerations and support services such as stress management strategies which may include counselling.

8. Investigations of disclosures under this policy

When you make a disclosure under this policy, your disclosure will typically be investigated as follows and by maintaining confidentiality in accordance with section 7.2:

STEP 1	The person who receives your disclosure will provide the information to a Whistleblower Protection Officer, as soon as practicable, ensuring your identity is protected (in accordance with section 7.1), unless you have consented otherwise.
STEP 2	The Whistleblower Protection Officer will determine whether your disclosure is covered by this policy and, if appropriate, appoint an investigator with no personal interest in the matter to conduct an investigation. If required, an external investigator will be appointed to ensure the investigation is handled fairly and independently or where specialist skills or expertise are necessary.
STEP 3	<p>The investigator(s) will conduct the investigation in an objective and fair manner, ensuring that they give any employee who is mentioned in the disclosure an opportunity to respond to the allegations prior to any adverse findings being made against them. Those employees are also entitled to access the support services referred to in section 7.6.</p> <p>If you can be contacted (including through anonymous channels), we will give you regular updates on the status of the investigation as appropriate, with the frequency and timing of such updates depending on the nature of your disclosure.</p> <p>Arq Group will aim to conclude the investigations within six months of receiving your disclosure. But that time may vary depending on the nature of your disclosure.</p>
STEP 4	The outcome of the investigation will be reported to the Board (protecting your identity, if applicable) and may, if the Whistleblower Protection Officer considers appropriate, be shared with you and any persons affected.



We encourage you to raise any concerns you have about the investigation of your disclosure, your treatment or any aspects of this policy with a Whistleblower Protection Officer or the person to whom you made your disclosure, and we will consider whether any further steps need to be taken.

9. Board Reporting

The Whistleblower Protection Officers must provide the Board or its delegated committee at least quarterly reports on all active whistleblower matters, including information on:

- the number and nature of disclosures made in the last quarter (for example, by who, who to and matter type);
- how disclosures were reported;
- the status of any investigations underway;
- the frequency of communications with disclosers;
- the outcomes of completed investigations and actions taken; and
- the timeframes for responding and investigating disclosures.

The Board or its delegated committee will also be immediately informed of any material incidents reported under this policy, including any information that may be materially price sensitive in accordance with ARQ Group's Disclosure Policy.

10. Training

Our Whistleblower Protection Officers and all eligible recipients of disclosures must attend compulsory training organised by Arq Group on responding appropriately to disclosures made under this policy.

Our employees must attend compulsory training on our whistleblower program which will include information on how to make a disclosure, what the disclosure can be about, to whom a disclosure can make it, the protections and support available and when further information or independent legal advice might be sought.

11. How this policy interacts with whistleblower laws

By making a disclosure in accordance with this policy, you may be protected under the Australian whistleblower laws if the type of matter you disclose is protected by those laws.

While this policy principally deals with internal disclosures, the protections afforded by the Australian whistleblower laws (set out in section 7) also include some types of disclosure made to external parties, such as:

- legal representatives, to obtain advice or representation about the Australian whistleblower laws;
- ASIC, APRA or the ATO; or
- MPs or journalists, where you have reasonable grounds to believe that making the further disclosure would be in the public interest or the information concerns a substantial and imminent danger to the health or safety to one or more persons or to the natural environment, but only where prior disclosure has been made to ASIC, APRA or the ATO and ARQ Group in certain circumstances. It is important you understand strict criteria



apply and we recommend you obtain legal advice before making a disclosure to one of these people.

For more information about the Australian whistleblower laws (including how to make a disclosure directly to ASIC or the ATO), see the information available on the ASIC website (including Information Sheet 239 *How ASIC handles whistleblower reports*) and the ATO website.

If you are an Arq Group officer, employee or contractor based outside Australia, you may also have protections and obligations under the whistleblower laws in the country in which you are based.

12. Non-compliance with this policy

Any breach of this policy by an officer, employee or contractor will be taken seriously by Arq Group and may be the subject of a separate investigation and/or disciplinary action.

A breach of this policy may also amount to a civil or criminal contravention under the Australian whistleblower laws, giving rise to significant penalties.

We encourage you to raise any concerns about non-compliance with this policy with the Whistleblower Protection Officer in the first instance. You can also lodge any concerns to ASIC or the ATO for investigation.

13. Policy review

This policy must be reviewed by the Board or its delegated committee with the assistance of the Whistleblower Protection Officers at least every two years to ensure it is operating effectively. Any recommended changes must be approved by the Board or its delegated committee.

The Company Secretary is authorised to make administrative and non-material amendments to this policy provided that any such amendments are notified to the Board or its delegated committee at or before its next meeting.

Contact for Enquiries and Proposed Changes

All queries regarding this document should be directed to:

Name	Anne Jordan
Title	Company Secretary
Telephone	0436 009 352
Email	company.secretary@arq.group



Change History

Version	Date	Details
1	18 December 2019	Approved by Chair of Board and Chair of Human Resources Remuneration and Nomination Committee under delegated authority from Board of Arq Group Limited



Optional – Disclosure Form

ARQ Group Ltd (ACN 073 716 793) and its related companies (**ARQ Group**) are committed to values of accountability to customers, suppliers, peers, managers and team workers, integrity of our processes and procedures and treating others with respect, courtesy and professionalism. This policy is designed to instil those values (set out in full in ARQ Group’s Code of Conduct) and encourage a culture where any officer, employee or contractor does not suffer detriment because of speaking up about potential misconduct concerns. ARQ Group appreciates you taking the time to bring matters of concern to our attention; thank you for speaking up.

This form can be used by anyone who is or was a director, other officer, employee, contractor, consultant, supplier, supplier’s employee, as well as a parent, grandparent, child, grandchild, sibling, spouse or dependant of any of these individuals.

This form is part of ARQ Group’s whistleblower program and is intended to assist you make a disclosure by email or post relating to ARQ Group, or an officer or employee of ARQ Group, under ARQ Group’s Whistleblower Policy.

Use of this form (including provision of all information requested in it) is optional and it is open to you to make your disclosure in another way. You can provide this form to ARQ Group by email, post or by hand via:

Whistleblower Protection Officer 1 – Company Secretary	Telephone: [insert] Email: [insert]
Whistleblower Protection Officer 2 – Head of Audit & Risk	Telephone: [insert] Email: [insert]
[external service provider]	Telephone: [insert] (within Australia) Telephone: [insert] (outside Australia) Email: [insert] Post: [insert] Website: [insert]



SECTION A: CONSENT

- | | |
|--------------------------|--|
| <input type="checkbox"/> | I consent to my identity being shared in relation to this disclosure; OR |
| <input type="checkbox"/> | I wish for my identity to remain anonymous
<i>(If you wish to remain anonymous, you do not need to complete section B and Section C)</i> |
| <input type="checkbox"/> | I consent to being contacted about my disclosure
<i>(If so, please complete Section C)</i> |
| <input type="checkbox"/> | I wish to receive updates about my disclosure
<i>(If so, please complete Section C)</i> |

SECTION B: PERSONAL DETAILS

Name:	
Address:	
Location (if applicable):	<input type="checkbox"/> Australia <input type="checkbox"/> [List other countries – if none, delete row]
Department / Team (if applicable):	
Role / Position:	



SECTION C: CONTACT DETAILS

Preferred telephone no: (<i>this may be a private number; please include country and area code</i>)	
Preferred email address: (<i>this may be a private email address</i>)	
Preferred contact method: (<i>phone / email / in person</i>)	<input type="checkbox"/> Phone <input type="checkbox"/> Email <input type="checkbox"/> Mail <input type="checkbox"/> In person
Best time to contact you:	

SECTION D: DISCLOSURE

All questions are optional – however, the more information that you provide, the easier it will be for us to investigate and address your concerns.

1.	<p>A description of your concerns, including:</p> <ul style="list-style-type: none">• <i>Location</i>• <i>Time</i>• <i>Persons involved</i> <p>(<i>You are encouraged to include with this disclosure any supporting evidence you may hold – you can use box 7 or a separate page if you run out of space</i>)</p>	
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SECTION D: DISCLOSURE

All questions are optional – however, the more information that you provide, the easier it will be for us to investigate and address your concerns.

2.	How did you become aware of the situation?	
3.	Who was involved in the conduct, including any names, departments and position?	
4.	Does anyone else know about the matters you are concerned about? <i>(If yes, please describe any steps you have taken to report or resolve your concern and the outcome, if applicable)</i>	
5.	Do you have any concerns about you or any other person being discriminated against or unfairly treated because of this disclosure?	



SECTION D: DISCLOSURE

All questions are optional – however, the more information that you provide, the easier it will be for us to investigate and address your concerns.

<p>6.</p>	<p>Do you think the reported conduct might happen again?</p>	
<p>7.</p>	<p>Please include any other details which you believe are relevant</p>	

