

ADX Energy Ltd (ASX:ADX)

ASX RELEASE



24 December 2019

Whistleblower Policy

Please find attached ADX's Whistleblower Policy.

For further details please contact:

Amanda Sparks

Company Secretary

+61 (08) 9381 4266

amanda.sparks@adxenergy.com.au

END OF THIS RELEASE - Authorised for lodgement by ADX's Board of Directors



**ADX ENERGY LTD
and its subsidiaries ('ADX' or 'ADX Group')**

WHISTLEBLOWER POLICY

Dated: **23 December 2019**

For personal use only

Contents

1	Introduction	3
2	Purpose	3
3	Who does this Policy apply to?	3
4	Matters that should be reported	3
4.1	Personal Work-Related Grievances	4
5	Responsibility to report	4
6	Making a report	4
6.1	Internal Reporting for Employees	4
6.2	Reporting to the Whistleblower Protection Officer	5
6.3	Reporting to Eligible Recipients	5
7	Support and Protections Available to Disclosers	5
7.1	Anonymous Reporting	5
7.2	Support for Disclosers	6
8	Resources	6
8.1	Whistleblower Protection Officer (“WPO”)	6
9	Reports concerning the Executive Chairman and WPO	6
10	Investigating a report	6
11	Support for Persons Implicated	7
12	Investigation feedback	7
13	Reports to other bodies	7
14	Breach of this Policy	7
15	General	8
16	Review of the policy	8

For personal use only

1 Introduction

ADX's Code of Conduct and other policies have been developed to align with our values to ensure that we observe the highest standards of fair dealing, honesty, integrity, transparency and ethical behaviour in our business activities. These values are the foundation of how we behave and interact with each other, shareholders, and other stakeholders. Together our values reflect the priorities of the business and provide guidance in decision making.

Our Whistleblower Policy (this "**Policy**") has been put in place to ensure employees and other Disclosers can raise concerns regarding any misconduct or improper state of affairs or circumstances (including unethical, illegal, corrupt or other inappropriate conduct) without being subject to victimisation, harassment or discriminatory treatment. This Policy has been established pursuant to Part 9.4AAA of *The Corporations Act 2001* (Cwth) ("**Corporations Act**").

2 Purpose

This Policy aims to:

- encourage Disclosers to report an issue if they reasonably believe someone has engaged in serious wrongdoing;
- outline how ADX will deal with whistleblowing reports; and
- set out the avenues available to Disclosers to report serious wrongdoing to ADX. Whilst it is generally expected that these issues will be raised through the normal channels of line management, reporting by other avenues may be appropriate or necessary in certain situations.

3 Who does this Policy apply to?

This Policy applies to "**Disclosers**", which means anyone who is, or has been, any of the following with respect to all entities within the ADX Group:

- employees;
- Directors;
- officers;
- contractors (including employees of contractors);
- suppliers (including employees of suppliers);
- associates;
- consultants; or
- Relatives, dependents, spouses, or dependents of a spouse of any of the above.

The protections in this Policy will also apply to anyone who has made a disclosure of information relating to an entity in the ADX Group to a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to whistleblowing protection laws.

4 Matters that should be reported

Any matter that a Discloser has reasonable grounds to believe is misconduct or an improper state of affairs or circumstances, is in breach of ADX's policies and should be reported in accordance with this Policy. Please note that personal work-related grievances are excluded from this Policy and will be handled separately.

Reportable matters include any conduct that involves:

- dishonest behaviour;
- fraudulent activity;
- unlawful, corrupt or irregular use of company funds or practices;
- illegal activities (including theft, dealing in or use of illicit drugs, violence or threatened violence and criminal damage against property);
- unethical behaviour, including anything that would breach ADX's Code of Conduct;
- improper or misleading accounting or financial reporting practices;
- a breach of any legislation relating to ADX's operations or activities, including the Corporations Act 2001 (Cth), environmental laws and mining laws;
- behaviour that is oppressive, discriminatory or grossly negligent;
- an unsafe work-practice;
- any behaviour that poses a serious risk to the health and safety of any person at the workplace;
- a serious risk to public health, public safety or the environment;
- any other conduct which may cause loss to ADX or be otherwise detrimental to the interests of ADX, including reputation damage.

4.1 Personal Work-Related Grievances

Personal work-related grievances are not covered under this Policy and should be reported to your direct manager, or Human Resources representative if applicable. "Personal workplace grievances" means a grievance about any matter in relation to the Discloser's employment, or former employment, having (or tending to have) implications for the discloser personally. This includes:

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

However, it does not include:

- any conduct that would be considered victimisation of an individual because they have made, may have made, or propose to make a report under this Policy; or
- a matter that would have significant implications for any ADX Group company.

5 Responsibility to report

The ADX Group relies on its employees and Disclosers to help maintain and grow its culture of honest and ethical behaviour. It is therefore expected that any Discloser who becomes aware of such conduct will make a report.

6 Making a report

6.1 Internal Reporting for Employees

Employees should first report any matters of concern to their direct manager or the CEO.

Where this is not appropriate, where the person making a report does not feel comfortable

making an internal report, or where an employee has made an internal report but no action has been taken within a reasonable time, the report can be made to the Board of ADX through the Company Secretary, who is also the Whistleblower Protection Officer (**WPO**).

6.2 Reporting to the Whistleblower Protection Officer

A report can be made directly to the Whistleblower Protection Officer (WPO). Reports to the WPO can be made in person, email or by telephone.

6.3 Reporting to Eligible Recipients

If a Discloser is unable to use any of the above reporting channels, a disclosure can be made to an “eligible recipient” within the company. Eligible recipients in relation to an ADX Group company are:

- officers;
- Directors;
- senior managers;
- auditor or member of an audit team conducting an audit; and

Reports to an eligible recipient can be made in person, by email or by telephone.

An eligible recipient may direct the Discloser to make the report to the WPO, if they consider it appropriate in the circumstances.

7 Support and Protections Available to Disclosers

A Discloser will not be subject to any civil, criminal or disciplinary action for making a report that is covered by this Policy, or for participating in any subsequent investigation by an ADX Group company.

No employee, officer or contractor of an ADX Group company may engage in detrimental conduct against a Discloser who has made or proposes to make a report in accordance with this Policy, because of such report or proposed report.

All reasonable steps will be taken to ensure that a Whistleblower will not be subject to any form of victimisation, discrimination, harassment, demotion, dismissal or prejudice, because they have made a report. However, this Policy will not protect the Discloser if they are also involved in or connected to the improper conduct or illegal activities that are the subject of a report.

7.1 Anonymous Reporting

A report can be made anonymously. However, it may be difficult for ADX to properly investigate or take other action to address the matters disclosed in anonymous reports. In circumstances where the Discloser has not consented to the disclosure of their identity, the matter may be referred for investigation, but the investigator will be required to take all reasonable steps to reduce the risk that the discloser will be identified as a result of the investigation.

Information about a Discloser’s identity and information that is likely to lead to the identification of the Discloser may be disclosed in the following circumstances:

- where the information is disclosed to ASIC or other regulator;

- where the information is disclosed to a legal practitioner for the purpose of obtaining legal advice in relation to the operation of applicable whistleblowing protection laws; or
- where the Discloser consents.

7.2 Support for Disclosers

Support available for Disclosers includes:

- connecting the Discloser with access to external agencies when and if required;
- appointing an independent support person from the Group to deal with any ongoing concerns they may have; or
- connecting the Discloser with third party support providers if required.

Use of these support services by a Discloser may require the Discloser to consent to disclosure of their identity or information that is likely to lead to the discovery of their identity.

8 Resources

The Board of ADX governs and is responsible for the ultimate decision-making power regarding reports and investigations under this Policy.

8.1 Whistleblower Protection Officer (“WPO”)

The ADX Group has appointed a Whistleblower Protection Officer (**WPO**) who will safeguard the interests of Discloser making reports under this Policy and will ensure the integrity of the reporting mechanism.

The WPO will also carry out or supervise the investigation of reports made under this Policy.

The WPO reports directly to the Executive Chairman (“**Executive Chairman**”) and the Audit and Risk Committee if applicable. The WPO also has access to independent advisers as and when required.

The current WPO is ADX’s Company Secretary.

9 Reports concerning the Executive Chairman and WPO

If a report involves the Executive Chairman and the WPO, this will be directed to Directors who are not the Executive Chairman or WPO.

10 Investigating a report

Where a report is made under this Policy, the WPO will investigate the report. Where the WPO deems necessary, the WPO may use an external investigator to conduct an investigation, either in conjunction with the WPO or independently. Where the WPO deems necessary, the WPO may also use an external expert to assist with an investigation. All investigations will be conducted in a fair and independent manner and all reasonable efforts will be made to preserve confidentiality of an investigation.

To avoid jeopardizing an investigation, a Discloser who has made a report under this Policy is required to keep confidential the fact that a report has been made (subject to any legal requirements).

Where a Discloser wishes to remain anonymous, the Discloser's identity will not be disclosed to the investigator or to any other person. Information that is likely to lead to the identification of the Discloser can be disclosed without the Discloser's consent, provided that:

- it is disclosed for the purpose of reasonably investigating the matter; and
- all reasonable steps are taken to reduce the risk that the Discloser will be identified.

11 Support for Persons Implicated

No action will be taken against employees or officers who are implicated in a report under this Policy until an investigation has determined whether any allegations against them are substantiated. However, an employee or officer who is implicated may be temporarily stood down on full pay whilst an investigation is in process, or may be temporarily transferred to another office, department or workplace, if appropriate in the circumstances. Any such stand-down or temporary transfer may only continue for the duration of the investigation. If the investigation determines that the allegations are not substantiated, the employee or officer must be immediately reinstated to full duties.

Any disclosures that implicate an employee or officer must be kept confidential, even if the Discloser has consented to the disclosure of their identity, and should only be disclosed to those persons who have a need to know the information for the proper performance of their functions under this Policy, or for the proper investigation of the report. An employee or officer who is implicated in a disclosure has a right to be informed of the allegations against them, and must be given an opportunity to respond to those allegations and provide additional information, if relevant, in the course of an investigation into those allegations (subject to the Discloser's right to anonymity).

Support available for persons implicated in a report under this Policy includes:

- connecting the person with access to external agencies when and if required;
- appointing an independent support person from the Group to deal with any ongoing concerns they may have; or
- connecting the person with third party support providers.

12 Investigation feedback

Wherever possible, and assuming that the identity of the Discloser is known, the Discloser will be kept informed of the progress and outcomes of the investigation, subject to privacy and confidentiality considerations.

13 Reports to other bodies

In certain circumstances a Discloser may have a legal obligation to make a report to a statutory body or government department. Disclosers should ensure that they comply with all such reporting requirements. The WPO can advise Disclosers on these reporting obligations.

14 Breach of this Policy

Any breach of this Policy will be taken seriously and may result in counselling and/or disciplinary action, up to and including dismissal.

15 General

It is a condition of any employment or engagement by ADX that all employees, officers and contractors must comply at all times with this Policy. However, this Policy does not form part of any agreement between any person and any ADX Group company, nor does it constitute terms and conditions of any person's employment or engagement with an ADX Group company.

This policy is available to officers and employees of all ADX Group companies by making it accessible from the ADX website.

16 Review of the policy

This Policy will be reviewed on every two years to ensure it remains consistent with all relevant legislative requirements, as well as the changing nature of the organisation. This Policy may be amended, withdrawn or replaced from time to time at the sole discretion of ADX.

Approved By: Board of ADX Energy Ltd
Last Updated: 23 December 2019

For personal use only