



**FRANKLIN TEMPLETON AUSTRALIA LIMITED**  
**WHISTLEBLOWER POLICY**

**DEFINITIONS**

<b>APRA</b>	Australian Prudential Regulation Authority
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ATO</b>	Australian Taxation Office
<b>Corporations Act</b>	Corporations Act 2001, including regulations made for the purposes of that Act
<b>Detrimental Conduct</b>	Conduct, or a threat to engage in conduct, that causes detriment to a Discloser
<b>Disclosable matter</b>	Information to which the whistleblower protections apply Note: See RG 270.50–RG 270.57 and s1317AA of the Corporations Act
<b>Discloser</b>	An individual who discloses wrongdoing or an eligible whistleblower
<b>Disclosure</b>	A disclosure of information relating to wrongdoing or a disclosable matter qualifying for protection
<b>Eligible Recipient</b>	An individual who can receive a disclosure
<b>Eligible Whistleblower</b>	An individual to whom the whistleblower protections apply
<b>Emergency Disclosure</b>	The disclosure of information to a journalist or parliamentarian, where the Discloser has reasonable grounds to believe that the information concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment
<b>Personal Information</b>	Information or an opinion about an identified individual, or an individual who is reasonably identifiable, whether: true or not; and recorded in a material form or not
<b>Personal Work-Related Grievance</b>	A disclosure that relates to the Discloser’s current or former employment, which has implications for the discloser personally, but does not: have any other significant implications for the entity (or another entity); or relate to conduct, or alleged conduct, about a disclosable matter
<b>Public Interest Disclosure</b>	The disclosure of information to a journalist or a parliamentarian, where the Discloser has reasonable grounds to believe that making a further disclosure of the information is in the public interest. The disclosure must meet a number of other criteria to qualify
<b>Whistleblower Investigation Officer</b>	Nominated by the RMC: Compliance Manager. This role is responsible for investigating disclosures
<b>Whistleblower Protection Officer</b>	Nominated by the RMC: Head of Human Resources, Australia- This role is responsible for protecting or

	safeguarding Disclosers and ensuring the integrity of the reporting mechanisms
<b>Whistleblower Protections Bill</b>	Treasury Laws Amendment (Enhancing Whistleblower Protections) Bill 2018

## Introduction

Franklin Templeton Australia Limited (**FTAL**) is committed to the highest standards of conduct and ethical behavior and to providing an environment that supports these values. FTAL has a responsibility to act in the best interests of its employees, clients, stakeholders and associates. Having a process in place to manage potential misconduct such as illegal, unethical, fraudulent or improper behaviour is one way FTAL can help to protect these interests. This policy provides a framework for reporting and investigating misconduct at FTAL and subsidiaries and to support a culture that encourages people to speak up about such misconduct. This policy is fully supported by the Board, Risk Management Committee (RMC) and Leadership team and forms part of FTAL's overall compliance, risk management and corporate governance framework.

## Purpose of the policy

The purpose of this policy is to:

- Encourage disclosures of misconduct
- Ensure individuals who disclose misconduct can do so safely, securely and with confidence that they will be protected and supported;
- Ensure that processes for making such disclosures are clearly documented;
- Ensure disclosures of misconduct are dealt with appropriately and on a timely basis;
- Provide transparency around the entity's framework for receiving, handling and investigating disclosures;
- Provide information about how individuals who are mentioned in disclosures or to whom such disclosures may relate will receive fair treatment;
- Support the values and reputation of FTAL and the parent company Franklin Resources Inc and related companies within the Franklin Templeton group of companies;
- Ensure that FTAL meets all of its legal and regulatory obligations under the Whistleblowing provisions of the Corporations Act.

## Roles and responsibilities

The RMC is ultimately responsible for this Policy and will review the Policy annually in line with its RMC Policy Review Schedule.

The **Whistleblower Protection Officer** is the initial point of contact for individuals seeking accurate and confidential advice or information about the Policy without having to make a disclosure.

The responsibilities of the **Whistleblower Protection Officer** include:

- Protecting and safeguarding Whistleblowers; and
- Ensuring the integrity of the reporting process.

The responsibilities of the **Whistleblower Investigation Officer** include:

- Investigating disclosures; and
- Owning the Whistleblower Policy and periodically reviewing and updating the Whistleblower Policy as required.

### **Application of the Policy**

The Corporations Act 2001 and Taxation Administration Act 1953 (Cth) provide special protections to Whistleblower who make disclosures that qualify for protection (Statutory Protections).

The following individuals can make a Disclosure of misconduct:

- Employees and officers of FTAL. These include current and former employees who are permanent, part-time, contractors, interns, secondees and directors;
- Associates of FTAL. These include the director or secretary of FTAL and any related companies;
- Current and former officers and employees of providers / suppliers of goods and services to FTAL (whether paid or unpaid); and
- Spouses, relatives or dependents of the above.

Such individuals will be eligible for protection as a Whistleblower if:

- They make the Disclosure directly to an Eligible Recipient/ASIC/APRA/any Commonwealth body prescribed by regulation;
- They make the Disclosure to a legal practitioner for the purposes of obtaining legal advice or legal representation about the operations of the whistleblower provisions; or
- They make a Public Interest Disclosure or Emergency Disclosure.

### **What Disclosures can be made under this Policy**

The following types of Disclosures can be made under this Policy:

- Where there are reasonable grounds to suspect that the information being disclosed relates to misconduct, or an improper state of affairs or circumstances or a criminal offence that has been or is likely to be committed;
- Where dishonest, fraudulent, corrupt, unethical, discriminatory, bullying, harassing or illegal conduct has occurred;
- Where a bribe may be offered or accepted;
- Where a serious breach of internal policy (including the Franklin Templeton Code of Conduct) has occurred;
- Disclosure of information that relates to FTAL or its employees or an officer who is engaged /engaging in conduct that constitutes:
  - A breach of the Corporations Act;
  - A breach of other laws enforced by ASIC or APRA;
  - Represents any damages/danger to the public or the financial system as a whole;
  - Matters that concern public interest or emergencies or endanger the health or safety of an individual;
- Where threats are made 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;
- Where an offence has been committed against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
- Any other conduct which may cause financial or non-financial loss (including reputational harm) or be otherwise detrimental to the interests of FTAL, our clients or staff members.

## What Disclosures don't apply

The following types of disclosures cannot be reported under this Policy:

- Personal Work-Related Grievances, such as:
  - Inter-personal conflict between employees;
  - Decisions relating to employment, transfer or promotion;
  - Decisions relating to the terms and conditions of employment;
  - Decisions to suspend/terminate employment or otherwise to discipline.

Individuals are encouraged to seek independent legal advice or raise issues internally for grievances that fall under this category. Disclosures that do not qualify for Whistleblower protections may be protected under other legislation such as Workplace laws and these disclosures can be escalated to Human Resources or Compliance as appropriate via the contact details provided below.

A Personal Work-Related Grievance can still qualify for protection under this policy if it includes information about misconduct or a breach of law or if the Whistleblower suffers from or is threatened with detriment for making a disclosure or seeks legal advice about the operation of Whistleblower protections.

## Who can receive a Disclosure

A disclosure can be made to the following Eligible Recipients:

- A director, company secretary, officer, senior manager or internal auditor of FTAL;
- FTAL's external auditor, details of which can be found in the Annual Reports.
- An actuary;
- ASIC - refer to ASIC Information Sheet INFO 239 on how ASIC handles Whistleblower disclosures(<https://asic.gov.au/about-asic/asic-investigations-and-enforcement/whistleblowing/how-asic-handles-whistleblower-reports/>);
- APRA; and
- A legal practitioner

A Whistleblower will qualify for the protections under this policy from the time that a disclosure is made, as long as the disclosure is made directly to an Eligible Recipient and the Whistleblower has reasonable grounds for suspicion of misconduct.

At first instance, it is FTAL's preference that a Disclosure is made to the following person:

**Head of Human Resources Australia Phone: +61 3 9603 1244**  
**Marilyn Buhagiar Email: marilyn.buhagiar@franklintempleton.com**

However, please be aware that Disclosure to the above person is not mandatory.

Note: The Template Disclosure Form in Appendix A of this Policy may be used to assist in making a Disclosure.

## Public Interest and Emergency Disclosures

A Disclosure can also be made to:

- A Journalist; and
- Members of Commonwealth, State or Territory Parliaments.

Journalists and members of the above Parliaments will only be Eligible Recipients if the Disclosure falls under either a Public Interest or Emergency Disclosure.

### **Public interest disclosures:**

Public Interest Disclosures are Disclosures where:

- 90 days have passed since the first Disclosure was made to ASIC or APRA or a Commonwealth body prescribed by regulation;
- The Whistleblower does not have reasonable grounds to believe that action is being taken to address the concern;
- The Whistleblower has reasonable grounds to believe that making a further Disclosure is in the interest of the public; and
- Prior to making the Public Interest Disclosure, the Whistleblower provides ASIC or APRA with a written notice that includes enough information to identify the previous report and states his/her intention to make a Public Interest Disclosure. This could be done by contacting the officer who considered the previous Disclosure and quoting the relevant reference numbers.

### **Emergency disclosures:**

Emergency Disclosures are Disclosures made where:

- The Whistleblower has reasonable grounds to believe that the information poses substantial and imminent threat to the health or safety of one or more persons or to the natural environment;
- A previous Disclosure has been reported to ASIC, APRA or a Commonwealth body prescribed by regulation;
- Prior to making a Disclosure, a written notice was provided to the Regulator that received the previous report, which includes enough information to identify that previous disclosure and the Whistleblower's express intention to disclose emergency disclosures. This could be by contacting the ASIC officer who considered your concerns and quoting the reference number of your case; and
- The extent of the information disclosed is sufficient to inform the journalist or parliamentarian of the substantial and imminent danger.

A Whistleblower should contact an independent legal adviser before making a Public Interest disclosure or an Emergency Disclosure.

### **How are Whistleblowers protected**

The following types of protection fall under the Corporations Act, and are therefore available to a Whistleblower:

- Identity protection (confidentiality);
- Protection from detrimental act or omission;
- Compensation and other remedies;
- Civil, criminal and administrative liability protection.

There are also protections available under the *Taxation Administration Act 1953* for individuals who disclose information to the Australian Taxation Office on tax avoidance behaviour and other tax issues.

For further information about the protections under the tax whistleblower regime, see the ATO's webpage on tax whistleblowers: <https://www.ato.gov.au/general/gen/whistleblowers/>.

### **Identity Protection (Confidentiality)**

FTAL is committed towards protecting the confidentiality and anonymity of a Whistleblower's identity.

The parties involved in receiving the Disclosure and investigating the alleged misconduct are not allowed to disclose the identity of the Whistleblower, or any information which may lead to the identification of the Whistleblower. It is illegal for an individual to identify a Whistleblower or disclose any information that would lead to the identification of the Whistleblower, except in the instances listed below.

Note: A Whistleblower can lodge a complaint with an Eligible Recipient or a regulator if there is a breach of confidentiality.

FTAL is committed towards treating the Whistleblower's identity and any information submitted by the Whistleblower in the strictest confidence from the time the disclosure is received to the end of the investigation process and any information will only be distributed to parties on a need-to-know basis.

FTAL may disclose the identity of the Whistleblower in the following instances:

- To ASIC, APRA, a member of the Australian Federal Police;
- 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;
- With consent of the Whistleblower.

FTAL may disclose information in the disclosure without the Whistleblower's consent if:

- There is no information on the Whistleblower's identity;
- FTAL has taken reasonable steps to reduce the risks of the Whistleblower being identified from the information;
- It is reasonably necessary for a thorough investigation to be conducted on the issues raised in the disclosure.

A person cannot disclose the identity of a Whistleblower or information that is likely to lead to the identification of the Whistleblower, regardless of whether they have obtained this information directly or indirectly.

FTAL has established secure record keeping systems to ensure that confidentiality is maintained in relation to all Disclosures. These include the following:

- A Whistleblower can refuse to answer questions they believe could reveal their identity at any time, including during follow up conversations;
- All personal information or reference to the Whistleblower will be redacted;
- The Whistleblower will be referred to in a gender-neutral context;
- Where possible, the Whistleblower will be contacted to help identify certain aspects of their disclosure that could inadvertently identify them;
- Access to all information relating to a Disclosure will be limited to those directly involved in managing and investigating the Disclosure;
- Only a restricted number of people who are directly involved in handling and investigating a Disclosure will be made aware of a Whistleblower's identity (subject to the Whistleblower's consent) or information that is likely to lead to the identification of the Whistleblower;
- Communications and documents relating to the investigation of a Disclosure will not to be sent to an email address or to a printer that can be accessed by other staff; and

- Each person who is involved in handling and investigating a Disclosure will be reminded about the confidentiality requirements, including that an unauthorised Disclosure of a Whistleblower's identity may be a criminal offence.

Failure by Eligible Recipients to maintain confidentiality may result in disciplinary action. Internal Eligible Recipients who are made aware of a Disclosure or are involved in an investigation are responsible for ensuring the confidentiality of the parties involved and any related information or documentation.

### **Protection from Detrimental Conduct against a Whistleblower**

FTAL will not countenance any conduct, either implied or express, that retaliates against or causes detriment to a Whistleblower in relation to a disclosure. A person cannot make a threat (express, implied, conditional or unconditional) to cause detriment to a Whistleblower. Examples of Detrimental Conduct include:

- 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, business or financial position; or
- Any other damage to a person.

If a Whistleblower believes they have been the subject of any such Detrimental Conduct, they can report such conduct immediately to any of the Eligible Recipients.

The Whistleblower Investigation Officer will then investigate any such complaint and make the findings available to the RMC.

FTAL will make best endeavours to support a Whistleblower in such a situation, including making support services available, such as the external confidential Employee Assistance Program and allowing employees to work from other locations where practical. FTAL has established processes to assess the risk of detriment against a Whistleblower.

The following are examples of actions that are not Detrimental Conduct:

- Administrative action that is reasonable for the purpose of protecting a Whistleblower from detriment (e.g. moving a Whistleblower who has made a disclosure about their immediate work area to another office to prevent them from detriment); and
- Managing a Whistleblower's unsatisfactory work performance, if the action is in line with the entity's performance management framework.

### **Compensation and other remedies**

A Whistleblower (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
- FTAL failed to prevent the detriment from being caused.

It is advisable that independent legal advice be sought if application for compensation is being considered.

### **Civil, criminal and administrative liability protection**

A Whistleblower is protected from any of the following in relation to their Disclosure:

- Civil liability (e.g. any legal action against the Whistleblower for breach of an employment contract, duty of confidentiality or another contractual obligation);
- Criminal liability (e.g. attempted prosecution of the Whistleblower for unlawfully releasing information, or other use of the disclosure against the Whistleblower in a prosecution (other than for making a false disclosure)); and
- Administrative liability (e.g. disciplinary action for making the Disclosure).

The above protections are on the proviso that these protections do not grant immunity for any misconduct a Whistleblower has engaged in that is revealed in their Disclosure.

### **How to make a Disclosure**

A disclosure can be:

- A Non-anonymous disclosure;
- An Anonymous disclosure.

A Non-anonymous Disclosure can be made:

- Verbally or in writing to an Eligible Recipient;
- By calling the Compliance and Ethics Hotline at 1-800-636-6592 – All calls are toll-free;
- Submitting an email to the dedicated FTAL Whistleblower email address [[WhistleblowerOfficerFTAL@franklintempleton.com](mailto:WhistleblowerOfficerFTAL@franklintempleton.com)];
- By completing the form contained in Appendix A of this policy and submitting it to any Eligible Recipient.

An Anonymous Disclosure can be made:

- By completing the form contained in Appendix A of the policy. The completed form can be submitted in a sealed envelope and addressed to an ‘Eligible Recipient’;
- By calling the Compliance and Ethics Hotline at 1-800-636-6592 and choosing to remain anonymous.

A Whistleblower can choose to remain anonymous while making a Disclosure, over the course of a disclosure investigation and after the investigation is finalized. If an anonymous disclosure is made, as much detail as possible should be provided. A Whistleblower may refuse to answer questions that they feel could reveal their identity at any time. This will ensure that appropriate action can be taken as anonymity otherwise restricts FTAL from reaching out to the person concerned. Whilst FTAL will make best endeavours to investigate an anonymous disclosure, there may be some practical limitations. It is recommended that a Whistleblower who wishes to remain anonymous maintain an ongoing communication with FTAL to enable follow-up questions to be asked or feedback provided.

A Whistleblower may choose to adopt a pseudonym for the purposes of their disclosure. This may be appropriate in circumstances where the Whistleblower’s identity is known to their supervisor, the internal reporting point or Whistleblower Protection Officer but the Whistleblower prefers not to disclose their identity to others.



## **Handling and investigating a Disclosure**

All investigations in relation to a Disclosure will be conducted in a fair and independent manner. The following steps will be taken to investigate a disclosure when received:

- The Eligible Recipient will gather as much information as necessary and appropriate;
- The Disclosure will then be referred to the Whistleblower Investigation Officer for investigation;
- The Whistleblower Investigation Officer will make a preliminary assessment and determine if the report falls under the definition of a Disclosure. If this is the case, the Whistleblower Investigation Officer will determine the extent of the investigation and the resources and timeframes required to conduct an investigation;
- The investigation will then be conducted by the Whistleblower Investigation Officer, including an analysis of various sources of information, gathering facts pertaining to the disclosure, conducting interviews with the Whistleblower (subject to anonymity factor), relevant persons, and if necessary, with the alleged wrongdoer;
- Engage with appropriate subject matter experts (internal or external) to determine what action, if any, needs to be taken.

Any disclosures relating to FTAL's Managing Director will be handled and investigated directly by the Whistleblower Investigation Officer, whereas any issues relating to the Whistleblower Investigation Officer or Whistleblower Protection Officer will be dealt with directly by Corporate Counsel.

## **Timeframes for an investigation and communication to a Whistleblower**

The investigation will be conducted within a practical timeframe. The Whistleblower will receive an acknowledgement within five (5) days of making their disclosure, via their preferred method of contact, this may include information that an investigation has commenced and the Whistleblower will subsequently be regularly advised on the progress of the investigation (at a minimum quarterly) and the final outcome of the investigation.

## **Findings from an investigation**

An investigation will determine if a Disclosure is:

- Fully substantiated;
- Partially substantiated;
- Not able to be substantiated; or
- Disproven.

If a Disclosure has been substantiated or partially substantiated, the Whistleblower Investigation Officer will engage with relevant FTAL personnel to consider the appropriate next steps.

Any findings that relate to criminal activity will be reported to the police and/or regulators.

## **Steps if the Whistleblower is not happy with the result of an investigation**

If a Whistleblower is not satisfied with the outcome of an investigation, the matter will be referred to the FTAL Managing Director, who will conduct a review of the investigation. If the Managing Director concludes that the investigation was conducted properly, there is no requirement to reopen the investigation. However, if the Managing Director is not reasonably satisfied that the findings were appropriate, a recommendation will be made in relation to next steps. The findings of the review of the investigation will be provided to the Whistleblower and if they remain unsatisfied with the outcome of the review, they may lodge a complaint with a regulator such as ASIC or APRA.

**Ensuring fair treatment**

Disclosures must be made in good faith. Even though it is not the Whistleblower's duty to prove misconduct, the Whistleblower should have reasonable grounds to suspect a misconduct in order to lodge the disclosure. Reviews will be conducted to ensure that there was no deliberate false disclosing, and that the individual against whom the allegation is made is not unfairly implicated. An individual who submits a disclosure knowing it to be untrue will not be eligible for the Whistleblower protections as one of the potential consequences of deliberate false reporting include damage to the reputation of FTAL, the Whistleblower as well as the individual implicated in the disclosure. On the other hand, if the Whistleblower had reasonable grounds to suspect a misconduct, he/she will still qualify for protection even if the disclosure turns out to be incorrect.

In order to ensure fair treatment towards an individual implicated in the disclosure, they will be advised about the subject matter of the disclosure prior to any action being taken and a brief outcome of the investigation.

**Reporting**

A report on all Whistleblower disclosures, investigations and outcomes will be made on a quarterly basis to the Risk Management Committee and Boards of FTAL.

However, the Whistleblower Investigation Officer will notify the Boards immediately if the disclosure relates to serious misconduct.

In addition, all disclosures will be reported to FTAL's external auditors.

**Training**

The Compliance function is responsible for ensuring general awareness of this policy, including at induction for all new employees.

**Availability of policy**

This Whistleblower Policy, any associated forms and all relevant contact details are available on FTAL's internal intranet site under 'Compliance' and on the FTAL external website.

**Breaches of this policy**

Any breach of this policy may be regarded as misconduct, which may lead to disciplinary action including termination of employment or engagement. An individual may also be exposed to criminal or civil liability for a breach of relevant legislation.

**Administration of this policy**

Any modifications to or replacements of this policy must be approved by the RMC.

Compliance is the business unit designated with the primary coordination responsibility for the administration of this policy and will consult with appropriate business units as required.