



Policy No.:	LSH Group Australia AUA.2020.0508
Policy Name:	Whistleblowing Policy
Attention:	All LSH Auto Australia Employees
Version:	1.0
Last Reviewed:	8 th May 2020
Effective From:	8 th May 2020
Approved By:	MD and CFO
Updated:	Addition of duties of employees in relation to whistleblowers

LSH Auto Australia Whistleblowing Policy

LSH Auto Australia is committed to the highest standards of conduct and ethical behaviour in all of our business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.

LSH Auto Australia encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving LSH Auto Australia's businesses and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.

This policy will be made available to officers and employees of the company via the LSH Auto Australia intranet. LSH Auto Australia's businesses will adopt a consistent policy and make it available in such other ways as will ensure the policy is available to employees and persons wishing to use it.

Application

This policy applies to all directors, executive committee members and employees of LSH Auto Australia. The policy is subject to the detailed requirements of the Corporations Act 2001 (Cth.) and other applicable legislation.

Policy

What is reportable conduct?

You may make a report under this policy if you have reasonable grounds to suspect that an LSH Auto Australia director, officer, employee, contractor, supplier, tenderer or other person who has business dealings with LSH Auto Australia has engaged in conduct (Reportable Conduct) which:

- (a) is dishonest, fraudulent or corrupt, including bribery or other activity in breach of the LSH Auto Australia's Code of Business Conduct and Ethics Policy;
- (b) is illegal activity (such as theft, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law);
- (c) is unethical or in breach of LSH Auto Australia's policies (such as dishonestly altering company records or data, adopting questionable accounting practices or willfully breaching LSH Auto Australia's Code of Business Conduct and Ethics Policy or other policies or procedures);
- (d) is potentially damaging to LSH Auto Australia, an LSH Auto Australia employee or a third party, such as unsafe work practices, environmental damage, health risks or

- abuse of LSH Auto Australia's property or resources;
- (e) amounts to an abuse of authority;
- (f) may cause financial loss to LSH Auto Australia or damage its reputation or be otherwise detrimental to LSH Auto Australia's interests;
- (g) involves harassment, discrimination, victimisation or bullying,; or
- (h) involves any other kind of misconduct or an improper state of affairs or circumstances.

Personal work-related grievances are not within the scope of this policy or the protections offered by the Corporations Act. A personal work-related grievance is, in general terms, a grievance which has implications for you personally, but does not have significant implications for LSH Auto Australia as a whole. Examples include a personal conflict between you and another employee, decisions relating to promotions or your terms and conditions of employment, or decisions about disciplinary matters. A detailed definition of what does and does not amount to a personal work-related grievance is set out in the Corporations Act

Annexure A describes special protections for whistleblowers who disclose information concerning misconduct or an improper state of affairs or circumstances in relation to LSH Auto Australia or a related body corporate under the Corporations Act.

Annexure B describes special protections for tax whistleblowers.

Who can make a report?

LSH Auto Australia has a number of channels for making a report if you become aware of any issue or behaviour which you consider to be Reportable Conduct:

For the purposes of this policy to ensure appropriate escalation and timely investigation, we request that reports are made to any one of our Protected Disclosure Officers, listed below:

Head of Human Resources
Charles McComb

Phone: 02 9697 7777
Email: Charles.mccomb@lshauto.com.au

Chief Financial Officer
Aaron Cordy

Phone
Email: aaron.cordy@lshauto.com.au

Reports may also be posted to Mercedes-Benz Sydney c/- 43-47 O'Riordan Street, Alexandria New South Wales 2015 (marked to the attention of one of the Head of HR).

While it is LSH Auto Australia's preference that you raise reports with the Protected Disclosure Officers, it is important to note that under the Corporations Act, you may also raise the matter with an "officer" or "senior manager" of the company.

These are defined in the Corporations Act as "a director, or a senior manager in the company who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the company, or who has the capacity to affect significantly the company's financial standing."

Investigation of reportable conduct

LSH Auto Australia will investigate all matters reported under this policy as soon as practicable after the matter has been reported. A Protected Disclosure Officer may, with your consent, appoint a person to assist in the investigation (or to conduct the investigation) into a report. Where appropriate, LSH Auto Australia will provide feedback to you regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

The investigation will be conducted in an objective and fair manner, and otherwise as is reasonable and appropriate having regard to the nature of the Reportable Conduct and the circumstances.

While the particular investigation process and enquiries adopted will be determined by the nature and substance of the report, in general, as soon as practicable upon receipt of the report, if the report is not anonymous, a Protected Disclosure Officer or investigator will contact you to discuss the investigation process including who may be contacted and such other matters as are relevant to the investigation. Where a report is submitted anonymously, LSH Auto Australia will conduct the investigation and its enquiries based on the information provided to it.

Protection of whistleblowers

LSH Auto Australia is committed to ensuring confidentiality in respect of all matters raised under this policy, and that those who make a report are treated fairly and do not suffer detriment.

(a) Protection against detrimental conduct

Detrimental treatment includes dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats or other unfavorable treatment connected with making a report. If you are subjected to detrimental treatment as a result of making a report under this policy you should:

- (i) inform a protected disclosure officer, officer or senior manager within your relevant division/business unit immediately under the whistleblower policy; or
- (ii) raise it in accordance with of this policy.

(b) Protection of your identity and confidentiality

Subject to compliance with legal requirements, upon receiving a report under this policy, LSH Auto Australia will only share your identity as a whistleblower or information likely to reveal your identity if:

- (i) you consent;
- (ii) the concern is reported to the Australian Securities and Investments Commission (ASIC), the Australian Prudential Regulation Authority (APRA), the Tax Commissioner or the Australian Federal Police (AFP); or
- (iii) the concern is raised with a lawyer for the purpose of obtaining legal advice or representation.

If LSH Auto Australia needs to investigate a report, it may disclose information that could lead to your identification, but it will take reasonable steps to reduce this risk.

Any disclosures of your identity or information likely to reveal your identity will be made on a strictly confidential basis.

You may be asked to consent to the disclosure of your identity. In some cases our investigation into Reportable Conduct may be hampered if you do not consent.

(c) Protection of files and records

All files and records created from an investigation will be retained securely.

Unauthorised release of information to someone not involved in the investigation (other than senior managers or directors who need to know to take appropriate action,

or for corporate governance purposes) without your consent as a whistleblower will be a breach of this policy.

Whistleblowers are assured that a release of information in breach of this policy will be regarded as a serious matter and will be dealt with under LSH Auto Australia's disciplinary procedures.

The Corporations Act gives special protection to disclosures about breaches of that Act, provided certain conditions are met – refer to Annexure A for further details. The Taxation Administration Act 1953 (Cth) (Taxation Administration Act) also gives special protection to disclosures about breaches of any Australian tax law, provided certain conditions are met – refer to Annexure B for further details.

Duties of employees in relation to reportable conduct

It is expected that employees of LSH Auto Australia who become aware of actual or suspect on reasonable grounds, potential cases of Reportable Conduct will make a report under this policy or under other applicable policies.

Duties of employees in relation to whistleblowers

An investigation into Reportable Conduct is likely to involve consideration of the conduct of individual employees.

Employees, whether they are personally the subject of an investigation or not, may know or believe they know the identity of a whistleblower. Victimisation can include conduct such as harassment or intimidation. Any employee who victimises a whistleblower may be guilty of a criminal offence under the Corporations Act and may be personally liable to pay compensation to the whistleblower if the whistleblower suffers a detriment.

Victimisation of a whistleblower has serious consequences and will be treated as an instance of serious misconduct.

Any employee who has been found to have victimised a whistleblower will be subject to disciplinary action, which may include immediate termination of employment.

Annexure A – Special protections under the Corporations Act

The Corporations Act gives special protection to disclosures about any misconduct relating to LSH Auto Australia if the following conditions are satisfied:

(a) the whistleblower is or has been:

1. an officer or employee of LSH Auto Australia;
2. an individual who supplies goods or services to LSH Auto Australia or an employee of a person who supplies goods or services to LSH Auto Australia;
3. an individual who is an associate of LSH Auto Australia; or
4. a relative, dependent or dependent of the spouse of any individual referred to at (i) to (iii) above;

(b) the report is made to:

1. a Protected Disclosure Officer;
2. an officer or senior manager of LSH Auto Australia concerned;
3. ASIC;
4. APRA; or
5. a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Corporations Act;

(c) the whistleblower has reasonable grounds to suspect that the information being disclosed concerns misconduct, or an improper circumstance in relation to LSH Auto Australia. This may include a breach of legislation including the Corporations Act, an offence against the Commonwealth punishable by imprisonment for 12 months or more, or conduct that represents a danger to the public or financial system.

Examples of conduct which may amount to a breach of the Corporations Act include: insider trading, insolvent trading, breach of the continuous disclosure rules, failure to keep accurate financial records, falsification of accounts, failure of a director or other officer of the Group to act with the care and diligence that a reasonable person would exercise, or to act in good faith in the best interests of the corporation or failure of a director to give notice of any material personal interest in a matter relating to the affairs of the company.

(d) The protections given by the Corporations Act when these conditions are met are:

1. the whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
2. no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the whistleblower for making the report;
3. in some circumstances, the reported information is not admissible against the whistleblower in criminal proceedings or in proceedings for the imposition of a penalty;
4. anyone who causes or threatens to cause detriment to a whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages;
5. identity cannot be disclosed to a Court or tribunal except where considered necessary; and
6. the person receiving the report commits an offence if they disclose the substance of the report or the whistleblower's identity, without the whistleblower's consent, to anyone except ASIC, APRA, the AFP or a lawyer

for the purpose of obtaining legal advice or representation in relation to the report.

Confidentiality

If a report is made, the identity of the discloser must be kept confidential unless one of the following exceptions applies:

- (a) the discloser consents to the disclosure of their identity;
- (b) disclosure of details that might reveal the discloser's identity is reasonably necessary for the effective investigation of the matter;
- (c) the concern is reported to ASIC, APRA, or the AFP; or
- (d) the concern is raised with a lawyer for the purpose of obtaining legal advice or representation.

Annexure B – Special Protections under the Taxation Administration Act

The Taxation Administration Act gives special protection to disclosures about a breach of any Australian tax law by LSH Auto Australia or misconduct in relation to LSH Auto Australia's tax affairs if the following conditions are satisfied:

- (a) the whistleblower is or has been:
 - 1. an officer or employee of LSH Auto Australia;
 - 2. an individual who supplies goods or services to LSH Auto Australia or an employee or a person who supplies goods or services to LSH Auto Australia;
 - 3. an individual who is an associate of LSH Auto Australia;
 - 4. a spouse, child, dependent or dependent of the spouse of any individual referred to at (i) to (iii) above;
- (b) the report is made to:
 - 1. a Protected Disclosure Officer;
 - 2. a director, secretary or senior manager of LSH Auto Australia concerned;
 - 3. a registered tax agent or BAS agent who provides tax or BAS services to a LSH Auto Australia ;
 - 4. any other employee or officer of LSH Auto Australia who has functions or duties relating to tax affairs of the company (e.g. an internal accountant);
 - 5. the Commissioner of Taxation; or
 - 6. a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Taxation Administration Act; and
- c) if the report is made to an LSH Auto Australia recipient, the whistleblower:
 - 1. has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of LSH Auto Australia or an associate of that company; and
 - 2. considers that the information may assist the LSH Auto Australia recipient to perform functions or duties in relation to the tax affairs of LSH Auto Australia or an associate of the company;
- d) if the report is made to the Commissioner of Taxation, the whistleblower considers that the information may assist the LSH Auto Australia recipient to perform functions or duties in relation to the tax affairs of LSH Auto Australia or an associate of the company.

The protections given by the Taxation Administration Act when these conditions are met are:

- 1. the whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
- 2. no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the whistleblower for making the report;
- 3. where the disclosure was made to the Commissioner of Taxation, the reported information is not admissible against the whistleblower in criminal proceedings or in proceedings for the imposition of a penalty, except where the proceedings are concerned with whether the information is false;
- 4. unless the whistleblower has acted unreasonably, a whistleblower cannot be ordered to pay costs in any legal proceedings in relation to a report;
- 5. anyone who causes or threatens to cause detriment to a whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and liable to pay damages;

6. a whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary; and
7. the person receiving the report commits an offence if they disclose the substance of the report or the whistleblower's identity, without the whistleblower's consent, to anyone except the Commissioner of Taxation, the AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the report.

Confidentiality

If a report is made, the identity of the discloser must be kept confidential unless one of the following exceptions applies:

- (a) the discloser consents to the disclosure of their identity;
- (b) disclosure of details that might reveal the discloser's identity is reasonably necessary for the effective investigation of the matter;
- (c) the concern is reported to the Commissioner of Taxation or the AFP; or
- (d) the concern is raised with a lawyer for the purpose of obtaining legal advice or representation.



LSH Auto Australia Whistle-blowing Policy

I, _____ (employee name)

acknowledge that on _____ (date) I received a copy of the

LSH Auto Australia Whistle-blowing policy.

Employee Signature

Employee Name

Position and Location

Date