



LEGAL & COMPLIANCE

COMPLIANCE POLICY

WHISTLE-BLOWER PROTECTION POLICY

1 JANUARY 2020

1. SCOPE AND OBJECTIVE

The Whistle-blower Protection Policy (the Policy) forms part of the Mercer Australia Risk Management Framework, and applies to Mercer (Australia) Pty Ltd and the following subsidiaries (collectively known as "Mercer Australia"):

- Mercer Superannuation (Australia) Limited (MSAL)
- Mercer Investments (Australia) Limited (MIAL)
- Mercer Consulting (Australia) Pty Ltd (MCAPL)
- Mercer Financial Advice (Australia) Pty Ltd (MFAAPL)
- Mercer Outsourcing (Australia) Pty Ltd (MOAPL)
- Mercer Administration Services (Australia) Pty Ltd (MASAPL)
- Evolve Intelligence Pty Ltd

The objective of the Policy is to encourage speaking up by providing whistle-blower protections, ensuring that they are appropriately investigated and fairly dealt with.

2. COMMITMENT

Mercer Australia, our directors, senior management and colleagues are committed to the effective reporting of corrupt and illegal practices, and all behaviour that is contrary to the Marsh and McLennan Companies (MMC) Code of Practice 'The Greater Good' (the Code). Speaking up is part of our culture. If you speak up in good faith and you have a reasonable basis for doing so, we are here to protect you. We also commit to the fair treatment of any colleague named in a protected disclosure.

3. WHISTLE-BLOWER PROTECTION

Mercer will protect whistle-blowers who qualify as an 'eligible whistle-blower' (as set out in 5 below) who make a protected disclosure (as set out in 6 below) on reasonable grounds and in good faith.

'Reasonable grounds' means that a reasonable person in the same position would also suspect the information contained in the whistle-blower report indicates misconduct or a breach of the law.

You can still qualify for protection even if the 'protected disclosure' turns out to be incorrect. In practice, a mere allegation with no supporting information is not likely to be considered as having 'reasonable grounds to suspect'. However, there is no need to prove the allegation.

4. POLICY OWNERSHIP

The Chief Risk and Compliance Officer (CRCO) has responsibility for its administration, including promoting and maintaining the policy. The CRCO will establish procedures to help colleagues make a protected disclosure in the event that they need to do so. Any change in the Policy which may from time to time be necessary in order for it to remain current, will need to be endorsed by the relevant Mercer Board(s).

5. WHO IS AN 'ELIGIBLE WHISTLE-BLOWER'?

An 'eligible whistle-blower' is:

- (a) a current or former Mercer Australia colleague, including any of the following:
 - temporary employees;
 - directors; and
 - contractors,
- (b) service providers and suppliers and their respective employees; or
- (c) a spouse (including de facto and same sex spouse), relative or dependant of any of the people referred above.

6. WHAT IS A PROTECTED DISCLOSURE?

A *protected disclosure* is information about Mercer Australia, or a colleague who engages in conduct that either:

- contravenes any of the laws by which we are governed;
- represents a danger to the public or the financial system (even if not involving a breach of a particular law);
- may indicate a significant risk to public safety or a systemic issue that a regulator should know about to properly perform its functions; or
- is otherwise inconsistent with the Code.

7. WHO CAN I REPORT A PROTECTED DISCLOSURE TO?

INTERNAL REPORTING

As part of our speaking up culture, colleagues are encouraged to raise their concerns internally to any of the following:

- their immediate manager;
- HR or Legal & Compliance;
- any member of the Pacific Leadership Team;
- Internal Audit; or
- a director or company secretary of the relevant Mercer entity to which the concern relates.

If a colleague feels uncomfortable raising these concerns internally, they are encouraged to utilise the MMC Ethics and Compliance Hotline. The MMC Ethics and Compliance Hotline is administered by a third party on behalf of Mercer and can be accessed at www.compliance.mmc.com or www.EthicsComplianceLine.com or by calling 1800 988 007 (toll free from anywhere in Australia).

EXTERNAL REPORTING

External Whistle-blowers, such as former colleagues or spouses, may make a disclosure by any of the following:

- Telephoning 1800 988 007;

- Completing the requisite details online at www.EthicsComplianceLine.com;
- Emailing risk&compliance@mercer.com
- Posting the written disclosure (marked confidential) to:

*Whistle-blower Investigation Officer
Mercer
GPO Box 4303,
Melbourne VIC 3001.*

Protection is also available where a protected disclosure is made to any of the following external channels:

- the auditor or member of the audit team auditing or actuary of a Mercer entity or a superannuation fund of which a Mercer entity is the trustee; or
- the lawyer of the discloser in relation to obtaining legal advice.

Mercer will not tolerate retaliation against any disclosures made in any of the above criteria, however you can raise your concerns anonymously if you wish.

External whistle-blowers wishing to remain anonymous need to ensure that they take care not to include personal details which may undermine their anonymity.

Whilst colleagues are encouraged to use the above method first, the “no retaliation policy” will also be applied to eligible whistle-blowers to make a protected disclosure to a regulator (e.g. ASIC, APRA or the ATO).

PUBLIC INTEREST AND EMERGENCY DISCLOSURES

In certain circumstances a public interest disclosure or emergency disclosure can be made to a journalist or a federal parliamentarian.

A public disclosure generally applies where a disclosure has already been made to a regulator and after a period of 90 days, the discloser:

- has reasonable grounds to believe that:
 - no action is or has been taken in relation to their disclosure; and
 - making a further disclosure of the information is in the public interest; and
- gives written notice to the relevant regulator to which the previous disclosure was made) that:
 - includes sufficient information to identify the previous disclosure; and
 - states that the discloser intends to make a public interest disclosure.

It is advisable to seek independent legal advice before making a disclosure to a journalist or parliamentarian.

8 HOW WILL A DISCLOSURE BE INVESTIGATED?

ASSESSMENT

Initial assessment of a ‘disclosable matter’ to determine whether:

- it qualifies for protection; and
- whether a formal, in-depth investigation is required, will generally be completed within 2 business days of receipt, with the aim of completing the investigation within 20 business days of commencement.

WHO INVESTIGATES?

Any disclosures made to internal channels will be referred for investigation by the Chief Risk & Compliance Officer (hereafter the *Whistleblowing Investigation Officer* or *WIO*).

To ensure confidentiality and impartiality with regard to disclosures made to the MMC Ethics & Compliance Hotline that concern or relate to a member of the PLT or another person to whom an internal protected disclosure may be made, will normally be investigated by MMC appointed personnel outside of Australia.

Depending on the circumstances, Mercer may appoint an arm’s length external investigator to carry out an investigation of the matters raised.

INVESTIGATION PROCESS

Investigations will follow a fair process, be conducted in as timely a manner as the circumstances allow and be independent of the person(s) about whom a disclosure (“an Allegation”) has been made. The Whistle-blower Investigation Officer will, as appropriate, provide you with feedback on the progress and expected timeframes of the investigation. Provided there are no restrictions or other reasonable bases for doing so, persons against whom an Allegation has been made will be informed of the Allegation and will have an opportunity to respond to any Allegation.

9. WHAT PROTECTIONS WILL I HAVE IF I AM AN ‘ELIGIBLE WHISTLE-BLOWER’?

Mercer’s Chief People Officer will have overall responsibility of ensuring that there is no retaliation against internal whistle-blowers by Mercer (hereafter ‘*Whistle-blower Protection Officer*’ or ‘*WPO*’).

You will have access to the assistance of the WPO as provided in this policy. The WPO helps ensure that the interests of the whistle-blower are safeguarded in accordance with the applicable legislation and Mercer’s internal policies and procedures. The WPO’s role is to:

- seek to protect you from detrimental action;
- assist you in maintaining your wellbeing;

- maintain your confidentiality, where relevant, including as required by law;
- review and consider any complaints of detrimental conduct or any concern that your disclosure has not been dealt with in accordance with this policy; and
- escalate matters as appropriate.

In addition to Mercer's "no retaliation" policy, the law affords further protections to whistle-blowers.

It is against the law to take detrimental action against the whistle-blower in reprisal for making a protected disclosure.

In addition, whistle-blowers acting in good faith, who have not engaged in serious or illegal misconduct, and are making a report under reasonable grounds, are generally protected from any of the following:

- *civil liability* relating to any legal action against the whistle-blower for breach of an employment contract, duty or confidentiality or other contractual obligations;
- *criminal liability* relating to any attempted prosecution of the whistle-blower for unlawfully releasing or other use of disclosure other than making a false disclosure.
- *administrative liability* relating to disciplinary action for making the disclosure.

Whistle-blowers can also take advantage of any of the following:

- *protected disclosure* to a legal practitioner for the purposes of obtaining legal advice or legal representation (even if the legal practitioner concludes that a disclosure does not relate to a 'disclosable matter');
- legal protection from detrimental acts or omissions (see 10 below);
- legal protection of identity (see 11 below); and
- compensation through the courts and other remedies should the whistle-blower believe detrimental action or threat of detrimental action to have occurred (see 12 below).

10. COMMITMENT TO PROTECTING WHISTLE-BLOWERS

Mercer Australia is committed to protecting whistle-blowers as we want to encourage and maintain a culture where colleagues can feel comfortable speaking up. The WPO is responsible for ensuring whistle-blowers are protected from direct and indirect detrimental action, and the culture of the workplace is supportive of protected disclosures being made, and is empowered to make.

11. WHISTLE-BLOWER IDENTITY

The WIO can only pass on the information provided and the identity of the whistle-blower (or information that may lead to the identity of the whistle-blower) under the following circumstances:

- to APRA, AUSTRAC or the police (and ASIC if protected disclosure is made under the Corporations Act) without asking for the whistle-blower's permission;
- to a legal practitioner (for the purposes of obtaining legal advice or legal representation about the whistle-blower provisions of the Corporations Act);
- to a third party if the whistle-blower has given their consent. This means, for example, that the WIO cannot pass on information provided or the identity of the whistle-blower to members of the relevant Board(s) or the Chief Executive Officer, unless the whistle-blower has given written consent to such a disclosure; and
- with or without the consent of the whistle-blower if the information does not include the whistle-blower's identity, Mercer Australia has taken all reasonable steps to reduce the risk that the discloser will be identified from the information and it is reasonably necessary for investigating the issues raised in the disclosure.

12. YOUR RIGHT OF APPEAL

While whistle-blowers suffering damage as a result of retaliatory detrimental action, may be entitled to seek compensation through the courts, Mercer Australia encourages colleagues to resolve the matter internally.

Any colleague that feels that reprisals have been taken, or have threatened to be taken, against them as an '*eligible whistle-blower*', have a right of appeal. In these events colleagues are encouraged to raise the matter with the WPO, or via the [MMC Ethics and Compliance Hotline](#). You can appeal to us and we will take remedial action wherever and whenever it is necessary to do so.

If the matter cannot be resolved internally, we may request the matter be dealt with by independent mediator or arbitrator. In the event that an appeal is made, this would be on the basis that all parties will accept the determination of the independent appeal body or arbitrator.

13. YOUR RIGHT OF REVIEW

You also have the right to request for another WIO to review the investigation if you consider that the investigation was not conducted properly or if you are not satisfied with the outcome of the investigation. In short, you have a right to have the matter reviewed if you consider information you

have already provided may not have been dealt with appropriately, or if you have access to new or additional information which you consider may have sufficient weight to have varied the outcome of the original investigation.

Mercer is not obliged to reopen an investigation and can conclude a review if it finds the investigation was conducted properly, or new information is either not available or would not change the findings of the investigation. Whistle-blowers are entitled to lodge a complaint with the relevant regulator, such as ASIC or APRA, if they are not satisfied with the outcome of the investigation.

14. FAIR TREATMENT

We are committed to ensure fair treatment for any colleague who is mentioned in disclosures that qualify for protection by complying with the general principles of natural justice and procedural fairness at all times, in its dealings with that colleague during the conduct of any investigation.

In some circumstances, informing an individual at an early stage of an investigation may compromise the effectiveness of the investigation, such as when there may be concerns that the individual may destroy information or the disclosure needs to be referred to ASIC, APRA, the ATO or the police.

Depending on the circumstances at the time of the disclosure, if you are named in a 'disclosable matter' you will be treated fairly, as far as it is practicable for Mercer Australia to do so.

15. ACCESSIBILITY AND TRAINING

Mercer is committed to ensuring that this policy is easily accessible and to providing upfront and ongoing periodic

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training on the operation of the Policy to all colleagues. Accordingly, Mercer will disseminate the Policy in the following ways:

- the Policy will be accessible on the Mercer intranet and public internet page;
- any future policy updates will be communicated across the Organisation (e.g. via Mercer Weekly and people manager updates); and
- employee induction sessions will include information about the Policy and training for new starters.
- Online training about the Code, includes whistle-blower training.

Additional training about procedures for receiving and handling disclosures will be provided to the following:

- eligible recipients for disclosures; and
- senior managers

16. REVIEW CYCLE

This policy is reviewed at least every two (2) years by Risk & Compliance, or more frequently if required. Material changes are subject to approval from each individual Mercer Board.

The Risk and Compliance Team may make out of cycle minor amendments to the Policy if needed, provided the amendment is approved by any two members of the Pacific Leadership Team. Management is delegated to make adjustments to the procedure, as necessary, which must be reviewed by Risk & Compliance before adoption.