

Whistleblower Policy

Objective

This policy outlines the rights of officers, employees, contractors and consultants of K&S Freighters Pty Ltd (ACN 007 544 390) and the K&S group of companies (collectively “K&S”) to report any perceived malpractice, impropriety, serious unethical behaviour, legal or regulatory non-compliance, or questionable accounting or audit matter and to expect and receive protection from any reprisal or detrimental action resulting from such disclosure.

Purpose

The purpose of this policy is to detect and address unacceptable conduct, provide employees, contractors and suppliers with an open working environment in which they are able to raise issues of legitimate concern to them and to K&S, to provide a process which can be used for reporting unacceptable conduct, and to protect people who report unacceptable conduct on reasonable grounds.

1. Policy

K&S is committed to fostering a culture of corporate compliance, ethical behaviour and good corporate governance. K&S will not act to the detriment of any employee, contractor or supplier as a consequence of them (or any of their relatives, spouses or dependants) raising with management on reasonable grounds any actual or suspected breach of law or any violation of K&S’ principles or values or any other legal or ethical concerns.

- **Who does this policy apply to?**

This policy applies to all current and former employees and officers of K&S whether full time, part time or casual, at any level of seniority and wherever employed, as well as all contractors, suppliers (including their employees) or associates as well as all relatives, spouses and dependants of those persons.

- **What is “whistleblowing”?**

In this policy, whistleblowing is the deliberate, voluntary disclosure by a person (sometimes referred to as a ‘whistleblower’) of individual or organisational malpractice, impropriety, serious unethical behaviour, legal or regulatory non-compliance, or questionable accounting or audit matter that involves K&S or one or more of its employees or contractors.

- **What sort of concerns should be reported?**

All employees and contractors are encouraged to report any genuine matter or behaviour which they honestly believe on reasonable grounds contravenes K&S’ policies or the law or which concerns K&S acting unethically, not in a socially responsible manner or any material concern regarding the culture of K&S. However, employees and contractors must ensure that they have reasonable grounds to suspect wrongdoing or an improper state of affairs or circumstances on which to base their disclosure.

For the purposes of making a report under this policy, matters may include any of the following actual or suspected improper conduct or improper state of affairs or circumstances:

- Conduct or practices which are illegal or breach any law;
- Negligence;
- Breach of any of K&S’ policies;

- Corrupt activities or unethical conduct;
- Theft, fraud or misappropriation;
- Significant mismanagement or waste of funds or resources;
- Abuse of authority;
- Serious harm to public health, safety, environment or of any K&S employee;
- Any action taken against, or harm suffered by an employee, contractor or supplier, as a result of making a report under this policy;
- Any other kind of conduct which involves a serious impropriety; or
- Any attempts to conceal any of the above.

- **Who do you Report to?**

If an employee, contractor, or supplier becomes aware of any matter or behaviour that he or she genuinely believes contravenes K&S' policies or the law, then they should report that matter to the General Counsel / Company Secretary, Executive General Manager – Human Resources, a member of the Executive Team of K&S, and/or the Internal Audit Manager of K&S. A report may also be made to K&S' Directors or external auditors. In the event that the concern relates to the General Counsel / Company Secretary, it should be reported directly to the Managing Director.

- **Emergency or Public Interest Disclosure**

A whistleblower may be protected for an emergency or public interest disclosure made to the media or members of Parliament in extreme cases, including where at least 90 days has passed since an earlier protected disclosure was made and had not been acted upon, or where there will be a substantial and imminent danger to someone's health or safety. The whistleblower must first provide written notice to K&S before making this disclosure.

- **What happens after a Report is made?**

All complaints reported to the General Counsel / Company Secretary will be documented and investigated promptly by the Internal Audit Manager, with details of the complaint also reported at the next quarterly meeting of the Audit Committee of K&S.

The General Counsel / Company Secretary may form a committee to investigate the matter further comprising the Internal Audit Manager, General Counsel / Company Secretary, the Managing Director and the Chief Financial Officer of K&S. However, if the disclosure is an allegation made against a member of this committee, that person shall not be involved in the investigation and a member of the K&S Audit Committee will sit on the investigating committee.

K&S will take appropriate corrective action as is warranted by the circumstances the subject of a report. That corrective action will include addressing any verified wrong doing the subject of the report and taking action required to prevent any future occurrences of the same or similar conduct.

The General Counsel / Company Secretary will, where applicable, provide feedback regarding the outcome of the investigation to the whistleblower and if no action is taken, will give the whistleblower an explanation why.

Where a report is submitted anonymously, K&S will conduct the investigation and its enquiries based on the information provided to it.

2. Managing the Welfare of the Whistleblower

- **Confidentiality**

K&S will take all reasonable steps to protect the identity of the whistleblower and to maintain the confidentiality of a person K&S knows or suspects to have made a disclosure. The whistleblower has the right to not have their identity revealed and can elect to remain anonymous. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower. The contents of the report will also be kept confidential and no details of an employee whistleblower's participation in the process will be included in that employee's personnel file or performance review. The report will not be disclosed to anyone except those who are actively involved in investigating the matters raised in the report and K&S' Directors. The identity of the whistleblower will not be disclosed except where the whistleblower has consented to the disclosure or where the disclosure is otherwise required or permitted by law.

- **Protection of Whistleblowers**

K&S is committed to the protection of genuine whistleblowers against action taken in reprisal for the making of protected disclosures. Whistleblowers will not be discriminated against or disadvantaged in their employment with K&S for making a report in accordance with this policy, nor will whistleblowers receive reprisals due to their actions in making a report. K&S will take all reasonable steps to ensure that adequate and appropriate protection is provided for those who make a report with reasonable grounds to suspect wrongdoing, misconduct, a contravention or improper state of affairs or circumstances. This protection applies if the matter reported is proved or not and regardless of whether it is referred to an external authority.

All K&S employees, contractors and suppliers must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a protected disclosure. A whistleblower has the right to not have his or her identity revealed, not to suffer any detriment (real or threatened) as a result of the disclosure, and to receive compensation for any detriment suffered, including dismissal, demotion, harassment, discrimination or other unfavourable treatment. However, disclosures of personal work grievances are not covered under this Policy and should be reported to Human Resources (unless the grievance relates to victimisation following an initial legitimate protected disclosure).

3. Whistleblower's Implication in Improper Conduct

K&S acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. A person's liability for his or her own conduct is not affected by the person's disclosure of that conduct. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action. Whistleblowing is not about airing a grievance, but rather about reporting a real or perceived malpractice.

A report may damage the career prospects and reputation of people who are the subject of serious allegations. If a person's report is not made with reasonable grounds to suspect wrongdoing, misconduct or an improper state of affairs or circumstances, or is found to be malicious, deliberately misleading or frivolous, the person making the report may be subject to disciplinary action.

4. False Reporting by a Purported Whistleblower

Where it is shown that a person purporting to be a whistleblower has deliberately made a false or malicious report, then the conduct of the person making the report will be considered a serious matter and render the person concerned subject to disciplinary proceedings as provided by K&S' internal policies and procedures.

5. Penalties for Breaches

Severe penalties apply under the Corporations Act 2001 (Cth) for breaches of whistleblower laws by individuals and companies. Individuals who:

- fail to maintain the confidentiality of the identity of a whistleblower; or
- victimise or threaten to victimise a whistleblower,

commit a criminal offence punishable by imprisonment and are also exposed to civil penalties of up to \$1,050,000. In the case of K&S, the maximum fine applicable for this conduct is \$10.5 million or up to 10% of K&S' annual turnover.

6. General Reporting

In addition to informing the Audit Committee of any specific concerns reported by whistleblowers, the Internal Audit Manager of K&S will report quarterly to the Audit Committee of K&S summarising any whistleblowing activities for the period. The Internal Audit Manager may also use this report to develop internal audit review actions. The Board may choose to publish a summary of K&S' whistleblowing program and its consequences for K&S in K&S' annual report to shareholders.

7. Reporting Non-Compliance to Parties Outside of K&S

It is K&S' aim to ensure that employees, contractors and suppliers do not feel the need to discuss any concerns involving K&S outside the K&S group of companies without first using all reasonable endeavours to resolve those concerns directly with K&S. Employees, contractors and suppliers are reminded of their duty to keep confidential information of K&S secret. If circumstances compel a person to consider making disclosures of non-compliance outside the K&S group of companies, K&S encourages people to reconsider whether someone in the group can help and recommends that, only as a last resort, people take the matter to the police or other appropriate regulatory authority rather than to the media.

Review

The contents of this policy will be reviewed on an annual basis by the General Counsel / Company Secretary to ensure that it complies with relevant laws and remains relevant and effective.

Application of Policy

All K&S employees will be issued with a copy of this policy. They must sign a written statement acknowledging that they have received the policy, understand it and will comply with it.

Employees will be promptly notified of any material changes to this policy by the General Counsel / Company Secretary.

This policy, and any changes to it, must be endorsed by the Board of Directors.

K&S Corporation - Board of Directors

Adopted: 24th June 2008
Reviewed: 17th December 2019
Review Date: 17th December 2020