



## Code of Conduct

# Code of Conduct

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Australian Finance Group Ltd (**Company**)

ACN 066 385 822

Version 1.2

First adopted by the Board on 25 February 2016

Amendments adopted by the Board on 20 June 2019

Dear Colleague

The success of the AFG group (**AFG Group**) is dependent on the knowledge, experience and talent of our employees, the strength of our management team, the quality of our business strategy and our compliance with the highest standards of corporate conduct, ethics and governance. We are constantly working to reinforce and communicate our values to our employees, shareholders, customers, suppliers and the broader community.

The Board of Directors believes it is important to provide a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct.

The Code of Conduct has been prepared for the guidance and benefit of all people employed, contracted by, associated with, or acting on behalf of the AFG Group. The Code of Conduct extends to all AFG Group Directors. The Code of Conduct has been adopted by the AFG Group as it expresses the core values that drive our behaviour and aspirations.

The key values underpinning the Code of Conduct are as follows:

- our actions must be governed by the highest standards of integrity and fairness;
- our decisions must be made in accordance with the spirit and letter of applicable law;
- our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and the AFG Group alike.

You are required to read and be familiar with the Code of Conduct. The Board of Directors will adhere to the values and standards in the Code of Conduct and expect all employees to do the same. By doing so we can be proud of our individual and collective achievements, and ensure that the AFG Group maintains a reputation for the highest standards of business conduct, professionalism and integrity.

We appreciate your support.

Yours sincerely



David Bailey  
Chief Executive Officer

# Code of Conduct

## Part A – Scope and application

### I Purpose of the Code

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The AFG Group is committed to the highest level of integrity and ethical standards in all business practices. Employees must conduct themselves in a manner consistent with current community and AFG Group standards and in compliance with all relevant legislation.

The Code of Conduct outlines how the AFG Group expects its representatives to behave and conduct business in the workplace on a range of issues. It includes legal compliance and guidelines on appropriate ethical standards.

The objective of the Code of Conduct is to:

- provide a benchmark for professional behaviour throughout the AFG Group;
- support the AFG Group’s business reputation and corporate image within the community; and
- make directors and employees aware of the consequences if they breach the policy.

We regularly monitor and test our policies under this Code of Conduct to ensure our commitments remain relevant, effective and consistent with our stakeholders’ expectations.

While the Code of Conduct is designed to ensure the AFG Group delivers on its commitment to corporate responsibility and sustainable business practice, it does not create any rights in any employee, client, customer, supplier, competitor, security holder or any other person or entity.

### 2 Who the Code applies to

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All employees must comply with the Code of Conduct. A reference to ‘employees’ includes temporary employees, contractors and company directors.

The Code of Conduct applies to all business activities with suppliers, contractors, customers, shareholders and employees.

Responsibility lies with every person covered by the Code of Conduct to conduct themselves in accordance with the Code of Conduct.

Some employees may also have additional responsibilities relating to the Code of Conduct (see below).

<b>Position</b>	<b>Responsibility</b>
<b>Employee/Contractor</b>	It is the employee’s/contractor’s responsibility to: <ul style="list-style-type: none"><li>• comply with the Code of Conduct;</li></ul>

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Position	Responsibility
	<ul style="list-style-type: none"> <li>• act at all times in the best interests of the AFG Group, with strict integrity and according to legal and approved AFG Group business practices; and</li> <li>• raise any concerns or issues with their direct Manager.</li> </ul>
<b>Manager</b>	<p>It is a Manager’s responsibility to:</p> <ul style="list-style-type: none"> <li>• communicate the Code of Conduct to employees and contractors;</li> <li>• take a leadership role in observing and promoting the behaviour and standards in the Code of Conduct and related policies; and</li> <li>• take immediate action where an employee reports a potential breach of the Code of Conduct, or where the Manager observes a potential breach.</li> </ul>
<b>Human Resources</b>	<p>It is the responsibility of Human Resources (<b>HR</b>) to:</p> <ul style="list-style-type: none"> <li>• conduct preliminary investigations in relation to potential breaches of the Code;</li> <li>• review and recommend updates of the Code of Conduct and related policies as required; and</li> <li>• conduct regular training on the Code of Conduct for employees.</li> </ul>
<b>Risk and Compliance Committee</b>	<p>It is the responsibility of the Risk and Compliance Committee to:</p> <ul style="list-style-type: none"> <li>• review and discuss with management the overall adequacy and effectiveness of the AFG Group’s legal, regulatory and ethical compliance programs;</li> <li>• review the procedures the AFG Group has in place to ensure compliance with laws and regulations (particularly those which have a major potential impact on the AFG Group);</li> <li>• review the AFG Group’s policies and culture with respect to the establishment and observance of appropriate ethical standards (including the Code of Conduct).</li> </ul>

### 3 How the Code interacts with other AFG Group policies

The Code of Conduct must be read in conjunction with the following AFG Group policies, as amended from time to time:

- Whistleblower Policy and Procedure;
- Grievance Policy & Procedure;

- Continuous Disclosure Policy;
- Policy for Dealing in Securities;
- Diversity and Inclusion Policy;
- Responsible Use of AFG Technology Policy;
- Workplace Discrimination and Harassment Policy;
- Leave Entitlements Policy & Procedures;
- Social Media Policy;
- Education Assistance Policy; and
- Occupational Health & Safety Policy.

Copies of these policies are available on the AFG Group's intranet.

The AFG Group continually assesses and upgrades its policies and procedures to ensure compliance with corporate governance requirements. You will be notified of any material changes to the policies and procedures.

## 4 What to do if you suspect the Code has been breached

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The AFG Group has a formal Whistleblower Policy & Procedure which sets out channels for you to make a confidential report, if you become aware of misconduct or an improper state of affairs within the group.

The AFG Group is committed to protecting Whistleblowers. These protections include ensuring that an employee (or other eligible person) who makes a Whistleblower Report in good faith, does not suffer detriment as result.

There are numerous people with whom you can lodge a Whistleblower Report. Full details are set out within the Whistleblower Policy & Procedure which is published on the AFG Group's intranet and externally on its corporate website.

The AFG Group's process for addressing Whistleblower Reports is separate to the process which applies to a personal, work-related grievance of an employee. There are specialist policies and procedures for addressing personal work-related grievances including a Grievance Policy and Procedure and a Workplace Discrimination and Harassment Policy, both of which are published on AFG Group's internal intranet.

If you observe a workplace issue or situation which you believe is problematic or detrimental to the AFG Group - but neither amounts to misconduct nor an improper state of affairs (and therefore does not warrant a Whistleblower Report), nor is a personal work related grievance - you should still raise the matter with your direct Manager, a HR Manager or the Company Secretary, so that matter can be addressed appropriately.

## 5 Consequences of breaching the Code

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The AFG Group recognises that breaches of the Code of Conduct may occur from time to time. We expect that any breach will be inadvertent and without intent, however it must be clearly understood that any breach may result in disciplinary action or other penalties including, in extreme circumstances, dismissal or termination of the contract or engagement.

Depending on the nature of the breach, penalties may be imposed ranging from counselling to dismissal or termination of the contract or engagement (in extreme circumstances). The AFG Group will act objectively and in accordance with any applicable provisions or requirements in an employment contract.

The AFG Group reserves the right to inform the appropriate authorities where it is considered that there has been criminal activity or an apparent breach of the law.

## 6 Who to speak to if you have questions

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The Code of Conduct does not include:

- every ethical issue that an employee might face; nor
- every law and policy that applies to the AFG Group.

In representing the AFG Group you are expected to act in a manner consistent with the key values underpinning the Code, namely:

- our actions must be governed by the highest standards of integrity and fairness;
- our decisions must be made in accordance with the spirit and letter of the applicable law; and
- our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and the AFG Group alike.

If you have any questions regarding the Code of Conduct or any of the AFG Group's policies at any time, you should contact your direct Manager, a HR Manager or the Company Secretary.

Similarly, if you believe that the application of the Code of Conduct in a particular circumstance would be inappropriate or detrimental to the AFG Group, you must contact your direct Manager, a HR Manager or the Company Secretary to ask for clarification or request that an exception be made.

## Part B – Your obligations

### I Compliance with laws and regulations

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You should be aware of, and comply with, your duties and obligations under all laws and regulations relating to your work.

We encourage you to:

- actively understand the laws which affect or relate to the AFG Group's operations;
- attend seminars presented by the AFG Group or other external service providers to maintain your knowledge of the laws and regulations, as well as to increase your awareness of relevant legal and industry developments; and
- interpret the law in a way which reinforces the AFG Group's reputation for integrity.

If you have a question as to whether particular laws apply or how they may be interpreted, please contact either your direct Manager, a HR Manager or the Company Secretary.

### 2 Fair trading and dealing

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The AFG Group aims to maintain the highest standard of ethical behaviour in conducting business and to behave with integrity in all dealings with customers, shareholders, government, employees, suppliers and the community.

When dealing with others, you must:

- perform your duties in a professional manner;
- act with the utmost integrity and objectivity; and
- strive at all times to enhance the AFG Group's reputation and performance.

You are encouraged to familiarise yourself with the legal requirements applying to fair trading and dealing, and to undertake training or attend seminars to develop and maintain your knowledge so that you can act in accordance with those requirements.

If you have a question or wish to report a breach of fair dealing requirements, please contact either your direct Manager, a HR Manager or the Company Secretary.

### 3 Conflicts of interest

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You are responsible for notifying the AFG Group of any conflicts of interest (actual or potential). If you are concerned that you may have a conflict of interest you should disclose that interest and discuss the matter with your HR Manager or the Company Secretary.

#### (a) What is a conflict of interest?

A conflict of interest exists where loyalties are divided.

It is important to note that whilst you may not consider that a particular circumstance could give rise to a conflict of interest, other persons may have a different view. It is for this reason that this Code of Conduct refers to both actual and apparent conflicts of interest.

You may have a conflict of interest if, in the course of your employment or engagement with the AFG Group:

- any of your decisions lead to an improper gain or benefit to you or your associate; or
- your personal interests, the interests of an associate, or relative, or obligation to some other person or entity, conflict with your obligation to the AFG Group.

The following are some common examples that illustrate actual or apparent conflicts of interest that you must avoid. The examples are intended to be a guide only.

**(b) Improper personal benefits**

Conflicts of interest can arise when you or a member of your family receive improper or inappropriate gifts, hospitality or entertainment (collectively **Personal Benefits**) as a result of your position. You and your relatives must not give unreasonable Personal Benefits to, or receive unreasonable Personal Benefits from, the AFG Group's customers, panel lenders, suppliers or others with whom the AFG Group interacts.

You should not accept Personal Benefits (of any kind or value), in circumstances where your business judgment might appear to have been compromised, or where you or the AFG Group would be embarrassed if the gift was made public.

If you are in doubt as to the appropriateness of a Personal Benefit, please check with the Company Secretary.

An internal reporting obligation applies to all AFG Group employees to disclose any Personal Benefits they receive or are offered - by an AFG customer, supplier, panel lender or any other entity AFG is associated with in a professional context - which are above \$100 in value. The process for disclosing Personal Benefits (which you are offered or you receive) is as follows:

- upon offer or receipt of a Personal Benefit send an email to the Company Secretary and copy in your direct Manager;
- Include the date of the offer/receipt of the Personal Benefit, who offered or provided it and details of the monetary value and context the Personal Benefit was received in;
- the disclosure of the Personal Benefit will then be logged on specialised register by the Company Secretary's office.

**(c) Financial interests in other businesses**

You should avoid having a significant ownership interest or personal financial interest in any other enterprise if that interest compromises or appears to compromise your loyalty to the AFG Group.

You must disclose all personal financial interests that you or members of your family have in organisations which have established, or are attempting to establish, a business relationship with the AFG Group or which compete with the AFG Group.

Personal financial interests include, among other things, interests resulting from the following relationships:

- officer, director, employee or independent contractor;
- ownership of shares or other equity interest;

- debtor or creditor (other than in respect of personal financing arrangements with a recognised financial institution, such as mortgages); or
- lessee or lessor.

Ownership of less than one percent (1%) of the common or ordinary shares in an entity is not normally considered a conflict.

If you have any doubt about personal financial interests, consult with either your direct Manager, a HR Manager or the Company Secretary.

**(d) Corporate opportunities**

You must not take advantage of property, information, or other opportunities arising from your position in the AFG Group.

For example, if you learn of a business or investment opportunity through the use of corporate property or information or your position within the AFG Group, you should only participate in the business or make the investment with approval from the Company Secretary. As a general principle, you should only participate in a joint venture, partnership or other business arrangement with the AFG Group with approval from your direct Manager or the Company Secretary.

**(e) Conflict of interest arising from a personal relationship**

Employees who have the responsibility for or authority to affect the careers or employment of other employees should perform their functions free from any conflict of interest arising from a personal relationship.

For example, a conflict of interest will arise from a personal relationship if you have a family, business or personal relationship (including a personal financial interest, sharing living quarters or a romantic relationship) with any other employee within the AFG Group and that relationship causes, or might reasonably be anticipated to cause, an inability on your part or their part to perform responsibilities objectively and impartially as far as the other party to the relationship is concerned.

You must disclose any conflict of interest arising from a personal relationship to the Company Secretary. This will **always** include a situation where you manage or supervise a person with whom you have a personal relationship. Such disclosures will be treated confidentially. Breach of this policy may lead to disciplinary action being taken against the employee, including dismissal in serious cases.

**(f) Outside memberships, directorships, employment and public office**

The AFG Group supports involvement of its employees in community activities and professional organisations. However, outside employment or activity must not conflict with an employee's ability to properly perform their work for the AFG Group, nor create a conflict (or the appearance of a conflict) of interest.

Before accepting outside employment or a position on the board of directors of another company or non-profit organisation, you must carefully evaluate whether the position could cause, or appear to cause, a conflict of interest. If there is any question, consult the Company Secretary.

You must obtain prior written consent from the Company Secretary where the proposed employment or position relates to an outside organisation that has or seeks to have a business relationship with the AFG Group or competes with services provided by the AFG Group.

You may accept public office or serve on a public body in your individual private capacity, but not as a representative of the AFG Group. If such public office would require time away from work, you must comply with AFG Group policies regarding leave of absence and absenteeism.

**(g) Use of company name**

It is the AFG Group's policy to make available to all employees any company discounts with suppliers or other businesses that may be passed on to employees. However, you may not use the AFG Group's name or purchasing power to obtain personal discounts or rebates unless the discounts or rebates are made available to all employees.

## 4 Improper use or theft of AFG Group property, assets and email

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You are responsible for protecting any AFG Group property and assets that are under your control and you should safeguard them from loss, theft and unauthorised use. Such assets include:

- cash, corporate cards & vouchers;
- plant and equipment, e.g. cars or machinery;
- company information;
- computers and software; and
- intellectual property.

You must not:

- use AFG Group assets for any unlawful purpose or unauthorised personal benefit;
- remove AFG Group property and documents from official premises without a good and proper reason. If required to be removed, they should be stored in a secure manner and covered by appropriate insurances; and
- make improper disclosure, including inadvertent or careless disclosure, of competitive business strategies and plans, special methods of operation and other information that is of competitive value to the AFG Group. If you are unsure whether information is of a confidential nature, seek advice from your direct Manager before disclosure.

As set out in the AFG Group's Responsible Use of Technology Policy, you are encouraged to use common sense and observe standards of good taste regarding content and language when creating documents that may be retained by the AFG Group or a third party. The AFG Group's electronic communications systems should not be used to access or post material that violates AFG Group policies or any laws or regulations. Personal non-business use of the AFG Group's electronic communications systems must also be consistent with the Responsible Use of Technology Policy.

## 5 Privacy

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The AFG Group respects your privacy and the privacy of others.

You should familiarise yourself with, and comply with:

- the privacy laws of Australia and, where applicable, the jurisdiction of your business unit; and
- the AFG Group's privacy policies which detail the appropriate use of personal information.

If you have any questions in relation to privacy, please contact either your direct Manager, a HR Manager or the Company Secretary.

## 6 Public communications and disclosures

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You are responsible for the integrity of the information, reports and records under your control and you are expected to exercise the highest standard of care in preparing materials for public communications.

Those documents and materials should:

- comply with any applicable legal requirements;
- fairly and accurately reflect the transactions or occurrences to which they relate;
- not contain any false or intentionally misleading information, nor intentionally misclassify information; and
- be in reasonable detail and recorded in the proper account and in the proper accounting period.

Media statements and official announcements may only be made by persons authorised under the Continuous Disclosure Policy and Communications Strategy. If you receive a request for information and you are not authorised to respond to the enquiry, refer the request to the appropriate person. Unless the Company Secretary has given prior written consent, AFG Group employees and associated parties must not participate in public forum discussions (including internet-based forums and social media platforms) where the subject matter is related to the AFG Group, its competitors or the industry in which the AFG Group operates.

The AFG Group has adopted the Continuous Disclosure Policy as a means of ensuring compliance with its disclosure and communication obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules. The aim of the Continuous Disclosure Policy is to keep the market fully informed of information that may have a material effect on the price or value of the AFG Group's securities, and to correct any material mistake or misinformation in the market.

Ensure that you are aware of the requirements of the Continuous Disclosure Policy and, if it applies to you, you must act in accordance with the policy.

## 7 Employment practices

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### (a) Equal opportunity and anti-discrimination

The AFG Group is committed to:

- equal employment opportunity;
- compliance with the letter and spirit of a full range of fair employment practices and anti-discrimination laws; and
- a workplace free from any kind of discrimination, harassment or intimidation of employees.

A copy of the AFG Group's Workplace Discrimination and Harassment Policy can be found on the AFG Group's intranet. All employees are expected to be familiar with this policy.

The AFG Group will promptly investigate all allegations of harassment, bullying, victimisation or discrimination and will take appropriate corrective action. Retaliation against individuals for raising claims of harassment or discrimination will not be tolerated.

### (b) Occupational health and safety

The AFG Group is committed to maintaining a healthy and safe working environment for its employees. All appropriate laws and internal regulations (including occupational health and safety laws) should be fully complied with. All people have obligations to assist in ensuring that this situation is maintained at all times.

Misusing controlled substances or alcohol or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs on the job will not be tolerated.

You should familiarise yourself with the AFG Group's Occupational Health and Safety (**OH&S**) policies and all relevant procedures to ensure the workplace is safe and without risk to the health of others and yourself. You should follow any lawful and reasonable instructions consistent with that policy and those procedures.

**(c) AFG Group reputation**

Employees must not act in any way that could cause harm to the AFG Group's reputation or market position during or after their employment. Employees have a duty to act in a manner that merits the continued trust and confidence of the public.

**(d) Securities trading**

The AFG Group is committed to upholding fair and ethical securities trading practices complying with all laws and avoid any conflicts of interest.

Employees must not:

- use any price-sensitive information (which is not generally available to others) in deciding whether or not to buy or sell the AFG Group's securities;
- deal with the AFG Group's securities when in possession of price-sensitive information about the AFG Group which has not been publicly disclosed; and
- act contrary to the AFG Group's policy in dealing in securities (which provides guidance on when employees are likely to possess price-sensitive information).

You should familiarise yourself with the AFG Group's Policy for Dealing in Securities and ensure you act in accordance with it in conducting any dealing in the AFG Group's securities.

**(e) Bribes, inducements and commissions**

You must not pay or receive any bribes, facilitation payments, inducements or commissions (this includes any item intended to improperly obtain favourable treatment or avoid unfavourable circumstances).

You must not give or receive any unreasonable gifts (see section 3 of this Part B – 'Conflicts of interest') or otherwise act in an unethical way. Remember that agreeing not to act may have the same ramifications as acting in an unethical way.

## 8 Community

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**(a) Contribution to the community**

The AFG Group is a responsible corporate citizen and actively supports the communities in which we live and work. Each employee is expected to uphold the

AFG Group's commitment to pursue good corporate citizenship while engaging in its corporate activity.

You must abide by all local laws and regulations, and are expected to respect and care for the environments in which the AFG Group operates.

The AFG Group supports and encourages you to actively contribute to the needs of the community. If you wish to make such a contribution (such as donations or sponsorship) on behalf of the AFG Group, consult your HR Manager for approval.

**(b) Environment**

The AFG Group is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations.

If you are aware of, or suspect, an action that is not environmentally responsible or in breach of the applicable laws and regulations, report the matter in accordance with section 4 of Part A – 'What to do if you suspect the Code has been breached'.

**(c) Politics**

You may voluntarily participate in the political process as an individual. We ask that you do not engage in actions that could cause someone to believe that your actions reflect the views or position of the AFG Group, if that is not the case.

It is against AFG Group policy to use corporate funds for political purposes. This policy does not prohibit:

- communications by the AFG Group to its shareholders on any lawful subject;
- payments of salaries and expenses of employees whose duties may include communication with government officials; or
- political activity by any employee in his or her individual, private capacity. However, to eliminate any appearance of coercion in such political activities, it is against AFG Group policy for any supervisor to solicit funds from a subordinate for political purposes.