

Whistleblowing Policy

Pepperstone EU Limited

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1. Purpose and Scope

It is fundamental for Pepperstone EU Ltd (“Pepperstone”, “we”, “us”, “our”, “the Company”) that employees raise any concerns that they may have about suspected malpractice and report cases of actual or potential infringement within the business. It is not in anyone’s interest for malpractice to occur.

This Whistleblowing Policy (hereafter “the Policy”) covers the raising of genuine concerns that employees may have about suspected malpractice or potential infringement within the business. The Policy is intended to conform to the guidance set out in the

- **Directive (EU) 2019/1937** on the protection of persons who report breaches of Union law (also known as the “Whistleblowing Directive”), and
- **CySEC Circular C117** with subject “Procedures for the receipt and follow-up of reports of infringement of Regulation (EU) No 596/2014 on market abuse.”
- **Law 2022 6(I)/2022: The Protection of Persons who report Breaches of Union or National Law**

Pepperstone encourages employees to raise any infringement concerns in the first instance through internal reporting channels, before reporting through external reporting channels, where the breach can be addressed effectively internally and where the reporting person considers that there is no risk of retaliation.

This Policy applies to all permanent as well as short term or part time employees of Pepperstone. It also applies to secondees, external consultants, contractors and agency personnel whilst they are working at or with Pepperstone.

2. Definitions

For the purposes of this Policy, the following definitions apply:

- **“breaches”** or **“malpractice”** means acts or omissions that are unlawful or do not comply with company policies and internal procedures or the Cyprus regulatory framework in general
- **“report”** or **“qualifying disclosure”** means, the oral or written communication of information on breaches.
- **“internal reporting”** means the oral or written report of information on breaches within the Company.
- **“external reporting”** means the oral or written communication of information on breaches

to the competent authority i.e. the Cyprus Securities and Exchange Commission "CySEC".

- **"reporting person"** means a natural person who reports or discloses information on breaches acquired in the context of his or her work-related activities

- **"person concerned"** means a natural or legal person who is referred to in the report or public disclosure as a person to whom the breach is attributed or with whom that person is associated;

3. When to report a potential infringement

A report should be made when, in the reasonable belief of the reporting person making the disclosure, one or more of the below breaches has been committed, is being committed or is likely to be committed:

1. Conduct likely to prejudice the standing and reputation of the Company.
2. Breaches of internal rules and regulations.
3. Criminal offences or breaches of civil law.
4. Deliberate concealment of any malpractice.
5. Malpractice related to financial services, products and markets, investor protection and prevention of money laundering and counter terrorist financing.
6. Detriment of product safety and compliance
7. Detriment of public health, transport safety, food and feed safety, animal health and welfare.
8. Conduct disaffecting the protection of the environment.
9. Detriment of protection of privacy and personal data, and security of network and information systems.
10. Breaches related to fraud (as referred to in Article 325 of the Treaty on the Functioning of the European Union "TFEU").

4. How to report a potential infringement

Pepperstone encourages reporting through internal reporting channels before reporting through external reporting channels, where the breach can be addressed effectively internally and where the reporting person considers that there is no risk of retaliation.

4.1 Internal Reporting Procedure

1. **Raising a concern:** If an employee has a malpractice concern, they should report to their immediate manager the area where the concern has been noted and the person concerned. The employee's Head of Department/Manager must then raise the matter with an Executive Director and the Compliance Manager. If the concern involves the employee's immediate manager or Head of Department, or for any reason the employee would prefer them not to be told, the employee may raise the matter directly with the Executive Director and the Compliance Manager.

2. **Acknowledgement of reception of internal report:** acknowledgment of receipt of the report to the reporting person should take place within seven (7) days of that receipt.
3. **Fact finding meetings:** The employee raising the concern may, upon their request, be accompanied at any fact-finding meeting(s) by a fellow employee of their choice who may be a friend or colleague. The employee may confer with their companion during the course of the meeting and he/she may address the meeting but may not answer questions on the employee's behalf. Persons concerned (i.e. individual(s) under investigation) may also be accompanied on the same basis, by any Pepperstone employee upon their request. The meetings are to be conducted b
4. **Investigation:** The Executive Director (or another appointed person by the Executive Director) shall conduct a full investigation with the objective of establishing whether a breach has occurred. The format of the investigation may vary depending upon the circumstances. In any case of doubt (if the facts constitute a breach or not), the Executive Director should consult the Compliance Manager.
5. **Findings and Feedback:** The Executive Director will communicate the findings of the investigation to:
 - a) the employee who raised the malpractice concern (the reporting person);
 - b) the individual(s) under investigation (the person(s) concerned); and
 - c) those members of the Pepperstone's management (always including the Compliance Manager) or external authorities who need to consider whether action should be taken on the basis of the findings.

A reasonable timeframe to provide feedback, does not exceed three (3) months from the acknowledgment of receipt.

4.2 External Reporting Procedure

If the reporting person feels that after their report through internal reporting channels, no action was taken or no feedback was provided relating to the potential breach internally, they could report the breach to the competent authority (i.e. CySEC), for further consideration by the Department of Market Surveillance and Investigations.

Other possible reasons for submitting an external report directly could be:

1. Members of the board of directors or senior management of the organisation are or may be involved.
2. Justified by the significance and urgency of the infringement.
3. Reasonable suspicion of discrimination.
4. Likely that evidence will disappear or be concealed or destroyed.
5. Other exceptional circumstances.

The reporting person could use the following CySEC communication channels:

- via phone line: +357 22 506 750
- Electronic address: whistleblowing@cysec.gov.cy
- Postal address: 19 Diagorou Str. 1097, Nicosia, Cyprus “for the attention of the Department of Market Surveillance and Investigations”

If needed, he/she could complete the “**Whistleblowing External Disclosure Form**”, found in **Appendix A** of [CySEC Circular C177](#) and submit in electronic or paper format to the Department of Market Surveillance and Investigations of CySEC to the above email or postal addresses respectively:

It is noted that reporting persons have the right to a direct external reporting, if they consider this to be necessary, based on individual circumstances. However, employees should note that this channel should not be treated as a “gateway” to allow them to disclose any confidential information. In the case the latter is required by CySEC during investigation procedures, the reporting person should consult the Compliance Manager. In any case, Pepperstone encourages reporting through internal reporting channels first, whenever possible.

5. Employee Protection

Pepperstone provides for a high level of protection of persons reporting breaches, in order to encourage such reporting.

Reporting persons shall qualify for protection under this Policy provided that:

- (a) they had reasonable grounds to believe that the information on breaches reported was true at the time of reporting, the disclosure meets the requirements set out in this Policy and is made in good faith; and
- (b) they reported either internally or externally

Pepperstone shall take the necessary measures to prohibit any form of retaliation against reporting persons, including threats of retaliation and attempts of retaliation including in particular in the form of:

- suspension, lay-off, dismissal or equivalent measures.
- demotion or withholding of promotion.
- transfer of duties, change of location of place of work, reduction in wages, change in working hours.
- withholding of training.
- a negative performance assessment or employment reference.

- imposition or administering of any disciplinary measure, reprimand or other penalty, including a financial penalty.
- coercion, intimidation, harassment or ostracism.
- discrimination, disadvantageous or unfair treatment.
 - failure to convert a temporary employment contract into a permanent one, where the worker had legitimate expectations that he or she would be offered permanent employment.
- failure to renew, or early termination of, a temporary employment contract.
- harm, including to the person's reputation, particularly in social media, or financial loss, including loss of business and loss of income.
- blacklisting on the basis of a sector or industry-wide informal or formal agreement, which may entail that the person will not, in the future, find employment in the sector or industry. ▪ early termination or cancellation of a contract for goods or services.
- cancellation of a licence or permit.
- psychiatric or medical referrals.


In raising a malpractice concern, a disclosing employee may assume that only the Pepperstone employees tasked with investigating the malpractice concern will know their identity. There may be circumstances, however, in which Pepperstone may be required to reveal a disclosing employee's identity. If this is the case, Pepperstone will take all reasonable steps to ensure that the employee does not suffer any detriment.

If an employee raises a malpractice concern, the employee will be taken seriously and will be treated fairly and justly by Pepperstone. Pepperstone will take all reasonable steps to ensure that no person under its control engages in victimisation in any form.

Note however, that disciplinary action will be taken against anyone deliberately raising false and malicious allegations.

6. Policy renewal

The Policy should be reviewed and updated on an annual basis.



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