

## **Pegasystems Pty Limited Australia Whistleblower Policy**

**Department:** Legal

**Owner:** Senior Legal Counsel APJ Compliance Officer

**Version:** v1.0 Annually **Effective:** 17<sup>th</sup> AUGUST 2022 **Revised:** 9<sup>th</sup> AUGUST 2022 **Last Reviewed:** 16th AUGUST 2022



### **OBJECTIVE**

The Pegasystems group of companies supports and practices a culture of passionate engagement at the same time as being committed to accountability and ethical and honest business values. For a culture of accountability and good corporate governance to take hold, Pegasystems Pty Limited (“Pegasystems”) has developed a specific process to encourage the reporting of any suspected unethical, illegal or undesirable behaviour involving Pegasystems along with corresponding protections for the individuals who disclose suspected wrongdoing. These individuals can disclose safely, securely and with confidence that they will be supported without fear of reprisal. The policy is also necessary for Pegasystems to align with the community expectations of how a good corporate citizen behaves, and to meet its legal and regulatory obligations. This policy will be published on the company intranet and website.

### **SCOPE**

This policy applies to eligible whistleblowers defined below. This policy will apply when a whistleblower makes a disclosure in accordance with the requirements under the whistleblower protections of the Corporations Act 2001 (Cth) (*Corporations Act*). Protection will be afforded when:

- (a) an eligible whistleblower;
- (b) makes a disclosure of information relating to a Disclosable Matter;
- (c) to an Eligible Recipient.

### **POLICY**

#### PROTECTIONS UNDER THIS POLICY

The types of protections offered by this policy and under law to an eligible whistleblower include:

- (a) identity protection (confidentiality);
- (b) protection from detrimental acts or omissions;
- (c) compensation and other remedies; and
- (d) civil, criminal and administrative liability protection.

In addition to the protections under this policy, which is based on the provisions of the Corporations Act, the Taxation Administration Act 1953 (Cth) (*Taxation Administration Act*) provides specific protections to whistleblowers on tax related matters.

It is expected that employees of Pegasystems who become aware of actual Disclosable Matters, or suspect, on reasonable grounds, potential cases of Disclosable Matters, will make a report under this policy or under other applicable policies or laws.

#### ELIGIBLE WHISTLEBLOWER

An “eligible whistleblower” or (“discloser” for the purposes of this Policy) is someone who is:

- (a) an officer of Pegasystems;
- (b) an employee of Pegasystems;
- (c) an individual who supplies services or goods to Pegasystems (whether paid or unpaid);
- (d) an employee of a person that supplies services or goods Pegasystems (whether paid or unpaid);
- (e) an individual who is an associate of Pegasystems;
- (f) a relative of an individual referred to in any of paragraphs (a) to (e); and
- (g) a dependent of an individual referred to in any of paragraphs (a) to (e), or of such an individual's spouse.

## DISCLOSABLE MATTER

A discloser can report a “disclosable matter” under this Policy where the discloser has reasonable grounds to suspect that Pegasystems, or a director, officer, employee, contractor, supplier or tenderer of Pegasystems or its related entities, or other person who has business dealings with Pegasystems:

- (a) has engaged in misconduct; examples of such behaviour could be:
  - (i) fraud, bribery, corruption, dishonest dealings or other breaches of Pegasystems’ Code of Conduct;
  - (ii) financial or corporate misconduct, such as irregular or illegal accounting or any unauthorised or illegal corporate declarations or announcements;
  - (iii) illegal conduct, such as theft, violence or threatened violence, and criminal damage against property; or
  - (iv) engaging in or threatening to engage in detrimental conduct against a person who has made a disclosure or is believed or suspected to have made, or be planning to make, a disclosure;
- (b) has engaged in conduct that constitutes an offence against, or a contravention of, a provision of any of the following:
  - (i) the Corporations Act;
  - (ii) the ASIC Act;
  - (iii) the Banking Act 1959 ;
  - (iv) the Financial Sector (Collection of Data) Act 2001 ;
  - (v) the Insurance Act 1973 ;
  - (vi) the Life Insurance Act 1995 ;
  - (vii) the National Consumer Credit Protection Act 2009 ;
  - (viii) the Superannuation Industry (Supervision) Act 1993 ;
  - (ix) an instrument made under an Act referred to in any of subparagraphs (i) to (viii); or
- (c) represents a danger to the public or the financial system.

It is not a requirement that the Disclosable Matter involve a contravention of a particular law. Conduct that creates a significant risk to public safety or the stability of, or confidence in, the financial system is also a Disclosable Matter, even if it does not involve a breach of a particular law.

A discloser can still qualify for protection even if their disclosure turns out to be incorrect, provided there were reasonable grounds to suspect that the conduct was a Disclosable Matter. Pegasystems expects that reports made under this policy are made honestly, ethically and on reasonable grounds. If an Eligible Whistleblower is located offshore, the protections described in the [global whistleblowing policy] will be more suitable.

## WORK RELATED GRIEVANCES

Disclosable matters generally do not include personal work-related grievances. These are grievances which relate to a current or former employee’s employment or engagement that have implications for only that person and do not have broader implications for Pegasystems, and provided the grievance is unrelated to any activity described in this Policy, such as conduct that has been taken against a person because they made a report under this policy. Examples of a personal work grievance include:

- (a) a conflict between an employee and another employee;
- (b) a decision relating to an employee’s promotion or transfer; or
- (c) a decision relating to the termination of an employee’s employment.

Such matters can be raised directly with the Talent Advisory team or management.

## ELIGIBLE RECIPIENTS

To be afforded whistleblower protection under both this policy and the Corporations Act, a discloser must disclose his or her concerns about Disclosable Matters to an Eligible Recipient. An Eligible Recipient includes:

- (a) an officer or senior manager of Pegasystems or a related body corporate:

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Miri Seeff  
Pegasystems Pty Ltd

Level 16  
1 Margaret St  
Sydney, NSW 2000  
[Miri.seeff@pega.com](mailto:Miri.seeff@pega.com)

Lead Business Officer, APJ  
David Glanz  
Pegasystems Pty Ltd  
Level 16  
1 Margaret St  
Sydney, NSW 2000  
[David.glanz@pega.com](mailto:David.glanz@pega.com)

- (b) Pegasystems' internal or external auditor (including a member of an audit team conducting an audit) or actuary of Pegasystems or a related body corporate:

Phil Benvenuti  
Pegasystems Inc.  
1 Main Street  
Cambridge, MA 02142  
[Phil.Benvenuti@pega.com](mailto:Phil.Benvenuti@pega.com)

- (c) a person or entity authorized by Pegasystems to receive disclosures that may qualify for protection.

It is of course permissible to bypass Pegasystems altogether and disclose directly to regulatory bodies external to Pegasystems. Such disclosure will be protected under the Corporations Act. However, Pegasystems would like to identify and address wrongdoing as early as possible. Using Pegasystems as a first step for disclosure is intended to help build confidence and trust in Pegasystems' whistleblower policy, processes and procedures and disclosers are encouraged to consider the overall benefits in using the Pegasystems process first.

If a person requires legal advice prior to a disclosure, then the discussions with the legal practitioner for the purposes of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Corporations Act are also protected. In certain circumstances, disclosures that are made to journalists and to politicians will also be protected, but these must follow the requirements in the Corporations Act.

#### HOW TO DISCLOSE

Pegasystems provides for several methods of disclosure. Anyone wishing to report a Disclosable Matter can report to the above-mentioned Pegasystems' Eligible Recipients by telephone, in person, email or postal service. Pegasystems has also authorized an external provider to help manage disclosures under this policy, as well as other general reports. Disclosures can be made to Pegasystems' external provider, Lighthouse Services, via the 24/7 telephone hotline, website, email, or fax:

##### Toll-Free Telephone:

English speaking USA and Canada: 844-320-0006

Spanish speaking USA and Canada: 800-216-1288

French speaking Canada: 855-725-0002

Spanish speaking Mexico: 01-800-681-5340

All other countries: 800-603-2869 (must dial country access code first to obtain access to the toll-free number, [click here for access codes and dialing instructions](#))

Website: [www.lighthouse-services.com/pega](http://www.lighthouse-services.com/pega)

E-mail: [reports@lighthouse-services.com](mailto:reports@lighthouse-services.com) (must include the Pegasystems name with report)

Fax: (215) 689-3885 (must include the Pegasystems name with report)

Reports can also be made to Pegasystems external auditors and actuaries.

## INVESTIGATION

Pegasystems will investigate matters reported under this policy as soon as practicable after the matter has been reported. An Eligible Recipient within Pegasystems may, with the discloser's consent, appoint a person to assist in the investigation of a report. Where appropriate, Pegasystems will provide feedback to the discloser regarding progress of the investigation and outcome (subject to considerations of the privacy of those against whom allegations are made). Pegasystems endeavours to handle investigations with discretion and sensitivity, however confidentiality cannot be assured if Pegasystems is to take appropriate action to thoroughly investigate and remedy the situation.

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

Where a report is submitted anonymously, Pegasystems will conduct the investigation based on the information provided to it. Pegasystems may not be able to undertake an investigation if a disclosure is made anonymously and the discloser has refused to provide, or has not provided, a means of contacting them.

## PROTECTION

Pegasystems prohibits any form of discipline, reprisal, intimidation or retaliation for reporting any Disclosable Matters of any kind, pursuing a disclosure or cooperating in related investigations.

Pegasystems 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. Protections are available in 4 key areas:

- (a) identity protection and confidentiality;
- (b) protection from detrimental acts or omissions;
- (c) compensation and other remedies; and
- (d) civil, criminal and administrative liability protection.

### Identity Protection

Subject to compliance with legal requirements, upon receiving a report under this policy, Pegasystems will take reasonable steps to keep the discloser's identity confidential, including not disclosing information that is likely to lead to the identification of the discloser and will only share the identity of a discloser or information likely to reveal his or her identity if:

- (i) the discloser consents;
- (ii) the matter 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 matter is raised with a lawyer for the purpose of obtaining legal advice or representation.

Any disclosures of the kind noted above identity or information likely to reveal the discloser's identity will be made on a strictly confidential basis.

Documents that are created as a result of a Disclosable Matter will be protected and all paper and electronic documents and other materials relating to disclosures will be stored securely. Access to all information relating to a disclosure will be limited to those directly involved in managing and investigating the disclosure. 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 the discloser's consent may be considered a breach of this policy.

### Protection against detrimental acts or omissions

Detrimental treatment includes the following:

- (i) dismissal of an employee or alteration of an employee's position to his or her disadvantage, and any other injury of an employee in his or her employment;
- (ii) discrimination, harassment or intimidation of a person;
- (iii) harm or injury to a person, including psychological harm;
- (iv) damage to a person's property, reputation, business or financial position; or
- (v) any other damage to or unfavourable treatment of a person.

If any conduct outlined above is experienced as a result of making a report under this policy the discloser should raise it pursuant to this policy or to any Eligible Recipient or senior executive.

## Compensation

If a discloser suffers loss, damage or injury because of a disclosure; and Pegasystems failed to take reasonable precautions and exercise due diligence to prevent the detrimental conduct then the discloser can seek compensation and other remedies through the court.

In the event of this happening, disclosers should seek independent advice.

## Civil, criminal and administrative liability protection

A discloser is protected from any of the following in relation to their disclosure:

- (i) civil liability (e.g. any legal action against the discloser for breach of an employment contract, duty of confidentiality or another contractual obligation);
- (ii) criminal liability (e.g. attempted prosecution of the discloser for unlawfully releasing information, or other use of the disclosure against the discloser in a prosecution (other than for making a false disclosure)); and
- (iii) administrative liability (e.g. disciplinary action for making the disclosure).

These protections do not grant immunity for any misconduct a discloser has engaged in that is revealed in their disclosure.

## REPORTING PROCEDURES

Eligible Recipients will report to the appropriate country boards on the number and type of whistleblower reports annually, to enable Pegasystems to address any issues and trends at a divisional/country/business unit and/or Group level.

These reports will be made on a 'no names' basis, maintaining the confidentiality of matters raised under this policy.

The Audit and Risk Committee will receive copies of all divisional/business unit board whistleblower reports, and whistleblower reports from Eligible Recipients. In addition, serious and/or material Disclosable Matters will be considered by the Eligible Recipients for immediate referral to the Chair of the Audit and Risk Committee.

The reports could include the following information on individual disclosures received under the entity's policy, when it is not likely to lead to the identification of a discloser:

- (a) the subject matter of each disclosure;
- (b) the status of each disclosure;
- (c) for each disclosure, the type of person who made the disclosure (e.g. employee or supplier) and their status (e.g. whether they are still employed or contracted by the entity);
- (d) the action taken for each disclosure;
- (e) how each disclosure was finalised;
- (f) the timeframe for finalising each disclosure; and
- (g) the outcome of each disclosure.

The reports could also include the following statistics on the entity's handling of individual disclosures, including a comparison with the timeframes for handling and investigating disclosures outlined in the entity's policy, response times and frequency of communications with the discloser.

## POLICY AMENDMENT

This policy cannot be amended without approval of the Compliance Governing Board (CGB). It will be reviewed from time to time to ensure that it remains effective and meets best practice standards and the needs of Pegasystems.

DATED 20 June 2022

## VERSION HISTORY

*\*List the latest changes at the top of the below table*

<b>Version</b>	<b>Date</b>	<b>Author (Pega ID)</b>	<b>Reason for change</b>
1.0	20 June 2022	SEEFM	

### Document Approval

The Senior Legal Counsel APJ is the owner of this document and is responsible for ensuring that it is reviewed annually. The current version of this policy was approved by the Compliance Governing Board (CGB) on the approval date recorded below and is issued on a version-controlled basis under their authority.

Owner Title: Senior Legal Counsel APJ

Approval Date: 16th AUGUST 2022