

# Target Whistleblower Policy



October 2020

## Purpose

At Target, we are committed to the highest standards of conduct and ethical behaviour in all of our business activities, including promoting and supporting a culture of honest and ethical behaviour, compliance and good corporate governance.

All team members, contractors and suppliers are encouraged to report any issues that they believe are 'Reportable Conduct' without fear of intimidation, disadvantage or reprisal. Target will support and protect individuals who report violations as detailed in this policy.

## Policy application

This policy applies to all Target team members, former team members, contractors, suppliers and their employees. 'Target team member' means all employees, managers, directors, agency staff and independent contractors, engaged on any basis including on a full-time, part-time, casual or temporary basis. Associates of Target and relatives of individuals who are eligible whistleblowers can also make a report under this policy.

## What is Reportable Conduct?

Reportable Conduct includes any conduct, whether actual or suspected, of a director, officer, employee, contractor or third party who has business dealings with Target, which the Whistleblower reasonably suspects:

- is dishonest, fraudulent or corrupt;
- is illegal, such as theft, drug sale or use, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law;
- is unethical or in breach of Target's policies, such as dishonestly altering company records or data, adopting questionable accounting practices or willfully breaching Target's Code of Conduct or other policies or procedures;
- involves bribery or corruption or otherwise breaches the Wesfarmers Anti-bribery Policy;
- is potentially damaging to Target, a Target team member or third party, such as unsafe work practices, environmental damage, health risks or substantial wasting of company resources;
- amounts to an abuse of authority;
- may cause financial loss to Target or damage its reputation or be otherwise detrimental to Target's interests;
- involves harassment, discrimination, victimisation or bullying, other than personal work-related grievances as defined in the *Corporations Act 2001 (Cth)* (Corporations Act); or
- involves any other kind of serious impropriety.

## What if I know something?

At Target, we rely on our team members to do the right thing. It's expected that a team member who has reasonable grounds to suspect Reportable Conduct will make a report. The conduct or action may have already taken place, may be occurring now, or may happen in the future. Failure by a team member to raise Reportable Conduct could result in disciplinary action against the team member.

## How to make a report

Team members and other eligible whistleblowers can make a report in the following ways:

- contact Target's Whistleblower Hotline
- make a report to a Target Protected Disclosure Officer
- raise the matter with a senior manager within Target

A senior manager includes a director, company secretary, or anyone in the company who makes, or participates in making decisions that affect the whole, or a substantial part, of the business of the company, or has the capacity to affect significantly the company's financial standing.

If a team member wishes to remain anonymous, they can make an anonymous report to the Target Whistleblower Hotline or send a written statement directly to one of the Target Protected Disclosure Officers.

### Target's Whistleblower Hotline

---

A report can be made to Target's Whistleblower Hotline:

Method	Contact detail	Available to
Phone	1800 201 206	Australia only
Email	<a href="mailto:Whistleblower.Target@city-holdings.com.au">Whistleblower.Target@city-holdings.com.au</a>	Australia and international

Target's Whistleblower Hotline is a confidential service provided by an external provider, City Holdings, who will forward the matter to Target's Protected Disclosure Officers. Emails to the Target Whistleblower Hotline can be in languages other than English.

### Protected Disclosure Officers

---

Name	Contact details
General Manager – Marketing & Trade Mark Verbrugge	Phone: 0428 198 640 Email: <a href="mailto:Mark.Verbrugge@target.com.au">Mark.Verbrugge@target.com.au</a>
Head of Employee Relations Claire Slattery	Phone: 03 5246 3034 Email: <a href="mailto:Claire.Slattery@target.com.au">Claire.Slattery@target.com.au</a>
Head of Organisational Capability Jane Colt	Phone: 0417 276 800 Email: <a href="mailto:Jane.Colt@target.com.au">Jane.Colt@target.com.au</a>

Reports may also be made by post to 2 Kendall Street, Williams Landing, VIC, 3027 (marked to the attention of one of the Protected Disclosure Officers referred to above).

## Investigation

Target will investigate all cases of Reportable Conduct as soon as possible after the matter has been reported and, if appropriate, provide feedback to the Whistleblower regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

Investigations will be conducted in a timely, thorough, confidential, objective and fair manner and as is reasonable and appropriate relating to the nature of the Reportable Conduct and all of the circumstances.

It will usually be appropriate for the Protected Disclosure Officer to refer the complaint to a person that has experience in the area of the alleged Reportable Conduct. The person investigating may need the assistance of experts or other professional advisers to conduct a preliminary investigation.

If there is a conflict of interest or where the Protected Disclosure Officer determines the matter should be investigated by an external third party, the investigation will be referred to:

- the Wesfarmers General Manager – Legal (Retail), or
- an objective subject matter expert, such as a law firm or professional services firm, for investigation

Target will give the Whistleblower an explanation if it deems an investigation is not required.

If the matter has already been investigated through an alternative grievance process and the complainant separately raises the matter as being a case of Reportable Conduct, consideration will be given as to whether the matter should be re-investigated or investigated by an external third party.

## Whistleblower protection

### No detrimental conduct

---

Target commits to confidentiality and fairness in all matters raised under this policy. Whistleblowers will not be personally disadvantaged in their employment with Target or suffer other detrimental treatment (for example, dismissal, disciplinary action, threats or other unfavourable treatment) as a result of making a report in accordance with this policy.

Target recognises that "whistleblowing" can be very stressful and difficult. Provided the Whistleblower has reasonable grounds to suspect Reportable Conduct and that they themselves have not engaged in serious misconduct or illegal conduct, the Whistleblower will not be subject to disciplinary action in relation to matters that they report.

If a Whistleblower is subjected to detrimental treatment, they should raise the matter with a senior supervisor or a Protected Disclosure Officer immediately. Any such retaliatory action will be treated as serious misconduct and will be dealt with under Target's disciplinary procedures.

### Protection of identity and confidentiality

---

Subject to law, managers receiving reports and Target will not disclose details that may identify the Whistleblower (for example, to senior management and directors, or external legal advisers for the purposes of investigation and advice) without obtaining the Whistleblower's prior consent. Any disclosure to which the Whistleblower consents will be strictly confidential.

If a Whistleblower reports matters which must be reported to the Australian Securities and Investments Commission (**ASIC**), the Australian Federal Police (**AFP**) or the Australian Prudential Regulation Authority (**APRA**) then Target is required by law to disclose the Whistleblower's identity to those bodies.

All files and records created from an investigation will be retained under strict security. The unauthorised release of information without the Whistleblower's consent, to any person not involved in the investigation (other than senior managers or directors who need to know to take appropriate action or for corporate governance purposes), is a breach of this policy. Such a release will be regarded as a serious misconduct and will be dealt with under Target's disciplinary procedures.

## False and vexatious reports

Target will not tolerate false or vexatious whistleblower reports. Any false whistleblower or vexatious reports will be treated as a serious disciplinary matter.

A false or vexatious whistleblower report could have significant effects on Target's reputation and the reputation of other team members and, could also cause considerable waste of time and resources.

A vexatious report is a groundless report made with the intent to cause distress, detriment or harassment to the subject of the report. A false report is when the reporter does not honestly have reasonable grounds to suspect Reportable Conduct may have already taken place, may be occurring now, or may happen in the future.

## Reporting procedures

A report will be provided annually to the Audit and Risk Committees of both Kmart Australia Group and Wesfarmers Limited to enable Wesfarmers to address issues at a divisional and/or Group level. These reports will be made on a 'no names' basis, maintaining the confidentiality of matters raised under this policy. Generally, these reports will:

- provide a summary of reportable conduct incident reports made that relate to Target on a 'no names' basis, their status and action being taken
- identify any patterns of conduct, for example: patterns within or across the division
- make recommendations, as appropriate, including in relation to allocation of resources or areas requiring further attention

The Wesfarmers Audit and Risk Committee will receive copies of all divisional Board Whistleblower reports, and Whistleblower reports from Protected Disclosure Officers (as appropriate). In addition, serious and/or material Reportable Conduct will be considered by the Protected Disclosure Officers for immediate referral to the Chair of the Audit and Risk Committee.

## Policy review and availability

This policy will be reviewed annually and will be published on the Target intranet (MyTarget) under Policies and Procedures > Company Policies.

## Document control

Version	Date	Approver	Update
1.0	15/04/2015	Graeme Jenkins, Finance Director	Initial version
2.0	17/07/2015	Graeme Jenkins, Finance Director	Expanded hotline service to include overseas access and language options
3.0	30/07/2019	Robert Ure, GM Finance	Updated to meet requirements and obligations set out in the <i>Treasury Laws Amendment (Enhancing Whistleblower Protections) Bill 2018 (Cth)</i> . Expansion of an eligible Whistleblower. Updated detail on how to make a report, inclusion of a false reporting section and, expanded information relating to special protections under the Corporations Act and Taxation Administration Act.
3.1	30/10/2019	Robert Ure, GM Finance	Updated Protected Disclosure Officer details
3.2	13/10/2020	Effie Assimakopoulos, Head of Risk & Compliance	Updated Protected Disclosure Officer title and reference content in Policy Annexures

## Annexure A – Special protections under the Corporations Act<sup>1</sup>

The Corporations Act gives special protection to disclosures about any misconduct or improper state of affairs relating to Target if the following conditions are satisfied:

1. the Whistleblower is or has been:
  - a. an officer or employee of Target;
  - b. an individual who supplies goods or services to Target or an employee of a person who supplies goods or services to Target;
  - c. an individual who is an associate of Target; or
  - d. a relative, dependent or dependent of the spouse of any individual referred to at (a) to (c) above;
2. the report is made to:
  - a. a Protected Disclosure Officer;
  - b. an officer or senior manager of Target
  - c. Target's external auditor (or a member of that audit team)<sup>2</sup>;
  - d. an actuary of Target<sup>3</sup>;
  - e. ASIC;
  - f. APRA; or
  - g. a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Corporations Act;
3. the Whistleblower has reasonable grounds to suspect that the information being disclosed concerns misconduct, or an improper state of affairs or circumstances in relation to Target. This may include a breach of legislation including the Corporations Act, an offence against the Commonwealth punishable by imprisonment for 12 months or more, or conduct that represents a danger to the public or financial system.

Examples of conduct which may amount to a breach of the Corporations Act include: insider trading, insolvent trading, breach of the continuous disclosure rules, failure to keep accurate financial records, falsification of accounts, failure of a director to give notice of any material personal interest in a matter relating to the affairs of the company.

The protections given by the Corporations Act when these conditions are met are:

1. the Whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
2. no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the Whistleblower for making the report;
3. in some circumstances, the reported information is not admissible against the Whistleblower in criminal proceedings or in proceedings for the imposition of a penalty<sup>4</sup>;

---

<sup>1</sup> See Part 9.4AAA of the *Corporations Act 2001* (Cth).

<sup>2</sup> Wesfarmers' external auditor can be found in its Annual Report and as at September 2020 was Ernst & Young, with Trevor Hammond as Lead Audit Partner.

<sup>3</sup> Wesfarmers' actuary as at September 2020 is Finity Consulting Pty Ltd.

<sup>4</sup> Such as where the disclosure has been made to ASIC or APRA, or where the disclosure qualifies as a public interest or emergency disclosure.

4. anyone who causes or threatens to cause detriment to a Whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages;
5. a Whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary; and
6. the person receiving the report commits an offence if they disclose the substance of the report or the Whistleblower's identity, without the Whistleblower's consent, to anyone except ASIC, APRA, the AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the report.

## **Confidentiality**

---

If a report is made, the identity of the discloser must be kept confidential unless one of the following exceptions applies:

- a. the discloser consents to the disclosure of their identity;
- b. disclosure of details that might reveal the discloser's identity is reasonably necessary for the effective investigation of the matter;
- c. the concern is reported to ASIC, APRA, or the AFP; or
- d. the concern is raised with a lawyer for the purpose of obtaining legal advice or representation.

## Annexure B – Special protections under the Taxation Administration Act

The Taxation Administration Act give special protection to disclosures about a breach of any Australian tax law by Target or misconduct in relation to Wesfarmers Group's tax affairs if the following conditions are satisfied:

1. the Whistleblower is or has been:
  - a. an officer or employee of Target;
  - b. an individual who supplies goods or services to Target or an employee of a person who supplies goods or services to Target;
  - c. an individual who is an associate of Target; or
  - d. a relative, dependent or dependent of the spouse of any individual referred to at (a) to (c) above;
2. the report is made to:
  - a. a Protected Disclosure Officer;
  - b. a director, secretary or senior manager of a Wesfarmers Group Company concerned;
  - c. any Wesfarmers Group Company external auditor (or a member of that audit team)<sup>5</sup>;
  - d. a registered tax agent or BAS agent who provides tax or BAS services to a Wesfarmers Group company<sup>6</sup>;
  - e. any other employee or officer of Wesfarmers who has functions or duties relating to tax affairs of the company (for example, an internal accountant) ("**Wesfarmers recipients**");
  - f. the Commissioner of Taxation; or
  - g. a lawyer for the purpose of obtaining legal advice or representation in relation to a report; and
3. if the report is made to a Wesfarmers recipient, the Whistleblower:
  - a. has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of a Wesfarmers Group Company or an associate of that company; and
  - b. considers that the information may assist the Wesfarmers recipient to perform functions or duties in relation to the tax affairs of a Wesfarmers Group Company or an associate of the company; and
4. if the report is made to the Commissioner of Taxation, the Whistleblower considers that the information may assist the Wesfarmers recipient to perform functions or duties in relation to the tax affairs of a Wesfarmers Group Company or an associate of the company.

The protections given by the Taxation Administration Act when these conditions are met are:

1. the Whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
2. no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the Whistleblower for making the report;
3. where the disclosure was made to the Commissioner of Taxation, the reported information is not admissible against the Whistleblower in criminal proceedings or in proceedings for the imposition of a penalty, except where the proceedings are concerned with whether the information is false;

---

<sup>5</sup> Wesfarmers' external auditor can be found in its Annual Report and as at September 2020 was Ernst & Young, with Trevor Hammond as Lead Audit Partner.

<sup>6</sup> Wesfarmers' tax agent as at September 2020 is Ernst & Young.



4. unless the Whistleblower has acted unreasonably, a whistleblower cannot be ordered to pay costs in any legal proceedings in relation to a report;
5. anyone who causes or threatens to cause detriment to a whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and liable to pay damages;
6. a whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary;
7. the person receiving the report commits an offence if they disclose the substance of the report or the Whistleblower's identity, without the Whistleblower's consent, to anyone except the Commissioner of Taxation, the AFP or a lawyer for the purpose of obtaining legal advice or representation in relation to the report.

## **Confidentiality**

---

If a report is made, the identity of the discloser will be kept confidential unless one of the following exceptions applies:

- a. the discloser consents to the disclosure of their identity;
- b. disclosure of details that might reveal their identity is reasonably necessary for the effective investigation of the allegations;
- c. the concern is reported to the Commissioner of Taxation or the AFP; or
- d. the concern is raised with a lawyer for the purpose of obtaining legal advice or representation.

# Guidelines for managing whistleblower reports under the whistleblower laws

The Target Whistleblower Policy sets out a summary of Target's commitment to the protection of whistleblowers. The policy applies to support and protect persons who become aware of actual or suspect, on reasonable grounds, potential cases of Reportable Conduct.

1. A director or senior manager who receives a whistleblower complaint should:
  - a. Provide the Whistleblower with a copy of the Acknowledgment and Consent to Disclosure for Investigation and Reporting Purposes ("**Consent**") (on page 10 of this policy).
  - b. If the Whistleblower signs the Consent, refer the matter to one of the Authorised Persons referred to in the Consent for the matter to be investigated.
  - c. If the Whistleblower is unwilling to sign the consent, you may disclose the substance of the complaint to an Authorised Person provided that **any identifying information** about the Whistleblower is **removed or redacted**, so that the complaint as referred to does not disclose the identity of the Whistleblower or information that is likely to lead to the identification of the Whistleblower (except where reasonably necessary for the purposes of investigating the matter).
2. Attached is a form of consent to enable complaints to be disclosed to an Authorised Person for proper investigation.
3. Whistleblower laws protect a whistleblowers' confidentiality and against detrimental conduct towards them for making a report. It is therefore critical that such reports are treated with the upmost confidentiality and addressed according to this guideline.
4. Severe penalties may apply where a whistleblower's identity is revealed in breach of whistleblower laws or they are subjected to detrimental conduct, including in relation to their employment, as a result of making a report under this Policy.

# Acknowledgment and Consent to Disclosure for Investigation and Reporting Purposes

1. I have made a disclosure of information to .....\*
2. I believe the information I have disclosed is true.
3. I have received a copy of the Target Whistleblower Policy. I understand that information about my complaint that is unlikely to reveal my identity can be disclosed to any other Target employee or consultant without my consent.
4. I understand that if my complaint is captured under whistleblower protections set out in whistleblower laws, my identity and information that is likely to reveal my identity cannot be disclosed to any other Target employee or consultant (except for legal advisers) without my consent, unless the disclosure:
  - a. is made to a legal practitioner for the purpose of obtaining advice or representation in relation to whistleblower laws; or
  - b. is reasonably necessary for the purposes of investigating the matter and reasonable steps are taken to reduce the risk that I will be identified.
5. I give my consent to the disclosure of my identity, under conditions of confidentiality and for the purpose of investigation and reporting, to the following people ("**Authorised Persons**");

**A Target Director\*\***

**Managing Director Target\*\***

**Chief Financial Officer\*\***

**General Manager Finance\*\***

**Head of Risk and Compliance\*\***

**General Manager Store Format & Simpler Stores\*\***

**Head of Employee Relations\*\***

**Head of People & Capability- Stores\*\***

**Any partner or employee of an external law firm appointed by any of the above\*\***

**Head of Organisational Capability**

**Head of Profit Protection\*\***

**Risk & Compliance Manager\*\***

**Head of People & Capability, KAS Group Asia\*\***

**Managing Director Kmart Australia Group\*\***

**General Manager People & Capability\*\***

**Wesfarmers General Manager – Legal (Retail)**

---

**Name of reporting person [print]**

---

**Signature of reporting person**

---

**Date**

*\*Insert name of person receiving report*

*\*\*Delete any that are not approved*