



Kmart Whistleblower Policy

November 2021

Purpose

Kmart is committed to the highest standards of conduct and ethical behavior in all of our business activities and to promoting and supporting a culture of honest and ethical behavior, corporate compliance and good corporate governance.

This Policy is intended to encourage the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving Kmart and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.

You may make a report under this Policy if you have reasonable grounds to suspect that a director, officer, manager, team member, contractor, supplier, tenderer or other person who has business dealings with Kmart has engaged in Reportable Conduct, as defined below.

This Policy is made available to team members on the Kmart websites (intranet and extranet), Kmart Group Speak Up website and such other places or ways as will ensure the policy is available to Kmart team members and other persons wishing to see it.

This Policy does not apply to customer complaints or concerns regarding product or service which should be referred to the relevant store in the first instance or can be made on-line at help centres of respective business division websites.

Policy application

This Policy applies to all team members and officers of **Kmart** and other eligible whistleblowers including contractors, suppliers and their employees and relatives.

This Policy also applies to additional persons who are eligible whistleblowers and have special protections under the **Corporations Act** and **Taxation Administration Act** as set out in **Appendix A** and **Appendix B** of this Policy.

This policy applies to all the countries where Kmart have offices or business dealings with the contractors, suppliers, or third-party service providers.

Policy

What is a reportable conduct?

You may make a report under this policy if you have reasonable grounds to suspect that a Kmart director, officer, employee, contractor, supplier, tenderer or other person who has business dealings with Kmart has engaged in conduct (**Reportable Conduct**) which:

- (a) is dishonest, fraudulent or corrupt, including bribery or other activity in breach of the Anti-bribery Policy or Gifts and Entertainment Policy of respective divisions;
- (b) is illegal activity (such as theft, violence, harassment or intimidation, criminal damage to property, breach of competition and consumer law, breach of privacy law or other breaches of state or federal law);
- (c) is unethical or in breach of Kmart's policies (such as dishonestly altering company records or data, adopting questionable accounting practices or wilfully breaching Kmart's Code of Conduct or other policies or procedures);
- (d) is potentially damaging to Kmart, a Kmart team member or a third party, such as unsafe work practices, environmental damage, health risks or abuse of Kmart's property or resources;
- (e) amounts to an abuse of authority or a conflict of interest;
- (f) may cause financial loss to Kmart or damage its reputation or be otherwise detrimental to Kmart's interests;
- (g) involves harassment, discrimination, victimisation or bullying, other than personal work-related grievances as defined in the Corporations Act; or
- (h) involves any other kind of misconduct or an improper state of affairs or circumstances
- (i) constitutes an offense against any law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more;
- (j) represents a danger to the public or the financial system; or
- (k) involves threats (expressly or impliedly) to cause a detriment or actually causes any detriment to another person, where such action is taken against that person because they have made or may make a disclosure that qualifies for protection under this Policy; detriment includes any victimisation, bullying, discrimination or harassment.

Reportable Conduct generally does 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 the Kmart. Examples include:

- a conflict between you and another employee;
- a decision relating to your promotion or transfer;
- a decision relating to the termination of your employment.

Such matters should be raised directly with your manager or through your Human Resources Grievance process.


In limited circumstances, a personal work-related grievance may amount to Reportable Conduct under this policy, such as where the grievance relates to conduct that has been taken against a person because they made a report under this policy.

Who can I make a report to?

Kmart has several channels for making a report if you become aware of any issue or behavior which you consider to be Reportable Conduct:

A. Report through Kmart Group Speak Up channel

For the purposes of this policy to ensure appropriate escalation and timely investigation, we request that reports are made on the below centralized whistleblowing channel in multiple ways:

Report Online	Kmart Group Speak Up
Report by Phone (toll free numbers)	Corporate Office and Stores Australia – 1800 518 230 New Zealand – 0800 753 231 Sourcing countries China – 400 120 3569 India – 000 800 919 1304 Hongkong – 800 931 606 Indonesia – 0800 1503240 Reporting by phone is not currently available for Bangladesh, Pakistan, Vietnam and Malaysia. Please use the online reporting option to submit your concern.
Report by Mobile (QR scan)	<p>Scan</p>  <p>Mobile access</p>

Speak Up is a confidential hotline and reporting service provided by an external provider, Navex Global, who will raise the matter with a Protected Disclosure Officer, in accordance with the protocols regarding confidentiality set out in this Policy.

The Speak Up operator will provide the details of your disclosure to a Protected Disclosure Officer. Reports may be made anonymously but if you disclose your contact details, those contact details will only be provided to the Protected Disclosure Officer, if you consent.

B. Report to Protected Disclosure Officers

Reports can also be made to protected disclosure officers listed below:

Corporate Office and Stores

Designation and Name	E-mail
Chief People and Capability Officer Tristram Gray	tristram.gray-speakup@kmart.com.au
Legal Counsel Cris D'Intini	cris.d'intini-speakup@kmart.com.au

Sourcing division of Kmart

Designation and Name	E-mail
Risk, Compliance and Audit Manager Amit Aman	amit.aman-speakup@kasasia.com

While it is Kmart's preference that you raise reports through Speak Up channel or with the Protected Disclosure Officers, it is important to note that under the Corporations Act, you may also raise the matter with an "officer" or "senior manager" of the company. These are defined in the Corporations Act as "a director, or a senior manager 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 who has the capacity to affect significantly the company's financial standing.

Investigation of whistleblower reports

Kmart will investigate matters reported under this policy as soon as practicable 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).

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 Reportable Conduct and 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.

While the particular investigation process and enquiries adopted will be determined by the nature and substance of the report, in general, as soon as practicable upon receipt of the report, if the report is not anonymous, a Protected Disclosure Officer or investigator will contact you to discuss the investigation process including who may be contacted and such other matters as are relevant to the investigation.

Where a report is submitted anonymously, Kmart will conduct the investigation based on the information provided to it.

Kmart 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.

Protection of whistleblowers

Kmart 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.

(a) Protection against detrimental conduct

Detrimental treatment includes dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats or other unfavourable treatment connected with making a report.

If you are subjected to detrimental treatment as a result of making a report under this policy, you should:

- (i) inform a protected disclosure officer, officer or senior manager within your division/business unit immediately; or
- (ii) raise it in accordance with paragraph 2 of this policy.

(b) Protection of your identity and confidentiality

Subject to compliance with legal requirements, upon receiving a report under this policy, Kmart will take reasonable steps to keep your identity confidential and reduce the risk of disclosure in the course of an investigation and will only share your identity as a whistleblower or information likely to reveal your identity if:

- (i) you consent;
- (ii) the concern 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 concern is raised with a lawyer for the purpose of obtaining legal advice or representation.

Any disclosures of your identity or information likely to reveal your identity will be made on a strictly confidential basis.

c) Protection of files and records

All files and records created from an investigation will be retained securely.

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 your consent as a whistleblower may be considered a breach of this policy.

Whistleblowers are assured that a release of information in breach of this policy will be regarded as a serious matter and will be dealt with under disciplinary procedures of respective business division.

False disclosures

Kmart will treat all Reportable Conduct seriously. However, Kmart will not tolerate false or vexatious whistleblower reports and appropriate disciplinary action will be taken against any team member who is found to have made a disclosure maliciously.

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.

The Group Compliance or Legal departments may issue a notice specifying documents that are not to be destroyed (such as documents required as evidence in litigation or a government inquiry or regulatory investigation). These documents must not be destroyed until a release notice is issued by Compliance or Legal.

Duties of Kmart in relation to reportable conduct

It is expected that team members of Kmart who become aware of actual Reportable Conduct, or suspect, on reasonable grounds, potential cases of Reportable Conduct, will make a report under this policy or under other applicable policies.

Reporting procedures

In addition to the existing compliance reporting programme obligations, respective divisions/business units and Protected Disclosure Officers (as appropriate) will report to the Kmart Group Audit, Risk & Compliance Committee (ARC) and Board on integrity concerns (whistleblower reports and all other allegations of serious misconducts) quarterly to enable Kmart Group to address any issues at a Divisional and/or Group level.

The report (Kmart Group Integrity Report) will be made on a 'no names' basis and will not include information that could lead to the identity of a whistleblower, maintaining the confidentiality of matters raised under this Policy. In general, this report will:

- provide a summary of reportable conduct incident reports made that relate to respective business division 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 copy of the Kmart Group Integrity Report. In addition, serious and/or material Reportable Conduct will be considered by the Protected Disclosure Officers for immediate referral to the Chair of the Kmart Group Audit and Risk Committee.

Guidelines for managing whistleblower reports under the whistleblower laws

This Whistleblower Policy sets out a summary of Kmart'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.

- a) A director or senior manager who receives a whistleblower complaint should:
 - (i) Provide the Whistleblower with a copy of the Acknowledgment and Consent to Disclosure for Investigation and Reporting Purposes ("**Consent**") (refer Appendix C)
 - (ii) 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.
- b) Attached is a form of consent to enable complaints to be disclosed to an Authorised Person for proper investigation.
- c) 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.
- d) 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.

Document control

Policy Amendment

This policy cannot be amended without approval of the Kmart Group Board. It will be reviewed from time to time to ensure that it remains effective and meets best practice standards and the needs of Kmart Group.

Security Classification

Policy Owner

Andrew Duane |
General Manager, Risk and Compliance | Kmart Group

Version

1.0

Implementation Date

November 2021

Proposed review date

December 2022

Appendix A – Special protections under the Corporations Act¹

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

- (a) the whistleblower is or has been:
 - (i) an officer or employee of Kmart;
 - (ii) an individual who supplies goods or services to Kmart or an employee of a person who supplies goods or services to Kmart;
 - (iii) an individual who is an associate of Kmart; or
 - (iv) a relative, dependent or dependent of the spouse of any individual referred to at (i) to (iii) above;

- (b) the report is made to:
 - (i) a Protected Disclosure Officer;
 - (ii) an officer or senior manager of Kmart;
 - (iii) external auditor of Kmart (or a member of that audit team)²;
 - (iv) an actuary of Kmart³;
 - (v) ASIC;
 - (vi) APRA; or
 - (vii) 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 even if the advice is to the effect that the disclosure does not relate to a disclosable matter;

- (c) 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 the Kmart. 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 or other officer of the Group to act with the care and diligence that a reasonable person would exercise, or to act in good faith in the best interests of the corporation or failure of a director to give notice of any material personal interest in a matter relating to the affairs of the company.

- (d) The protections given by the Corporations Act when these conditions are met are:
 - (i) the whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
 - (ii) no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the whistleblower for making the report;
 - (iii) in some circumstances, the reported information is not admissible against the whistleblower in criminal proceedings or in proceedings for the imposition of a penalty⁴;

¹ See Part 9.4AAA of the *Corporations Act 2001* (Cth)

² Wesfarmers' external auditor can be found in its Annual Report and as at August 2019 was Ernst & Young

³ Wesfarmers' actuary as at August 2019 is Finity Consulting Pty Ltd.

⁴ Such as where the disclosure has been made to ASIC or APRA, or where the disclosure qualifies as a public interest or emergency disclosure

- (iv) 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;
- (v) a whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary; and
- (vi) 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.

Disclosures may be made anonymously, and the discloser may choose to remain anonymous and remain protected under the Corporations Act.

A "public interest disclosure" or an "emergency disclosure" may be made to a journalist or a parliamentarian under certain circumstances and qualify for protection. The discloser should seek independent legal advice before making such a disclosure.

Annexure B – Special protections under the Taxation Administration Act

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

- (a) the whistleblower is or has been:
 - (i) an officer or employee of Kmart;
 - (ii) an individual who supplies goods or services to Kmart or an employee of a person who supplies goods or services to Kmart;
 - (iii) an individual who is an associate of Kmart;
 - (iv) a spouse, child, dependent or dependent of the spouse of any individual referred to at (i) to (iii) above;
- (b) the report is made to:
 - (i) a Protected Disclosure Officer;
 - (ii) a director, secretary or senior manager of Kmart;
 - (iii) Kmart external auditor (or a member of that audit team);
 - (iv) a registered tax agent or BAS agent who provides tax or BAS services to Kmart;
 - (v) any other employee or officer of Kmart who has functions or duties relating to tax affairs of the company (e.g. an internal accountant); **(Kmart recipients)**
 - (vi) the Commissioner of Taxation; or
 - (vii) a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of the whistleblower provisions in the Taxation Administration Act; and
- (c) if the report is made to Kmart recipient, the whistleblower:
 - (i) 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 Kmart or an associate of Kmart; and
 - (ii) considers that the information may assist the Kmart recipient to perform functions or duties in relation to the tax affairs of Kmart or an associate of Kmart; and
- (d) if the report is made to the Commissioner of Taxation, the whistleblower considers that the information may assist the Commissioner of Taxation, to perform functions or duties in relation to the tax affairs of Kmart or an associate of Kmart.

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

- (a) the whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure;
- (b) no contractual or other remedies may be enforced, and no contractual or other right may be exercised, against the whistleblower for making the report;
- (c) 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;
- (d) unless the whistleblower has acted unreasonably, a whistleblower cannot be ordered to pay costs in any legal proceedings in relation to a report;

- (e) 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;
- (f) a whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary; and
- (g) 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 obtaining legal advice or representation.

Annexure C – Acknowledgement and Consent to Disclosure for Investigation and Reporting Purposes

CONFIDENTIAL

1. I have made a disclosure of information to the following person:

.....
Name	Title

- 2. I have reasonable grounds to suspect that the information concerns Reportable Conduct.
- 3. I have received a copy of the Kmart Whistleblower Policy. I understand that information about my report that is unlikely to reveal my identity can be disclosed without my consent.
- 4. I understand that if my report is captured under whistleblower protections set out in whistleblower laws, my identity and information that is likely to lead to my identity cannot be disclosed unless authorized by law in the following circumstances:
 - (a) my consent has been given; or
 - (b) is disclosed to a legal practitioner for the purpose of obtaining advice and representation in relation to whistleblower laws; or
 - (c) is reasonably necessary for the purpose of investigation of the matter and all reasonable steps to reduce the risk that I will be identified have been taken; or
 - (d) is disclosed to Australian Securities Investment Commission (ASIC), the Australian Prudential Regulation Authority (APRA), the Tax Commissioner (if a tax matter) or the Australian Federal Police (AFP).

5. I hereby give my consent to the disclosure of this information, under conditions of confidentiality, and for the purpose of investigation and reporting as set out in this Policy to the following persons:

.....
Name	Title

.....
Name	Title

.....
Name of reporting person	Signature of reporting person

.....

Date