



December 2019

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## 1. SCOPE

The Policy applies to current and former non-executive directors, employees, suppliers, contractors, employees of suppliers and contractors, associates, or current or former relatives or dependents (including spouses or former spouses) of the aforementioned of Sheffield Resources Limited and its subsidiary companies (**the Company or Sheffield**).

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## 2. PURPOSE

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

Sheffield encourages the reporting of any instance of suspected unethical, illegal, fraudulent or undesirable conduct involving Sheffield's business and provides protections and measures so that those persons who make a disclosure (**Disclosure**) may do so confidentially and without fear of intimidation, disadvantage or reprisal.

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## 3. WHAT IS REPORTABLE CONDUCT?

You (**Whistleblower**) may make a Disclosure under this Policy if you believe that Sheffield (including its subsidiaries), or a Sheffield director, officer, employee, contractor, supplier, tenderer or other person who has business dealings with the Company has engaged in conduct (**Reportable Conduct**) which:

- a) is dishonest, fraudulent or corrupt, including bribery or other activity in breach of the Bribery and Corruption provisions in the Sheffield Code of Conduct;
- b) is illegal activity (such as theft, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law);
- c) is unethical or in breach of Sheffield's policies (such as dishonestly altering company records or data, adopting questionable accounting practices or wilfully breaching Sheffield's Code of Conduct or other policies or procedures);
- d) is potentially damaging to Sheffield, a Sheffield employee or a third party, such as unsafe work practices, environmental damage, health risks or abuse of Sheffield property or resources;
- e) amounts to an abuse of authority;
- f) may cause financial loss to Sheffield or damage its reputation or be otherwise detrimental to Sheffield's interests;
- g) involves harassment, discrimination, victimisation or bullying, other than personal work-related grievances as defined in the *Corporations Act 2001* (Cth) (**Corporations Act**); or
- h) involves any other kind of serious impropriety.

**Annexure A** describes special protections for Whistleblowers who disclose information concerning misconduct or an improper state of affairs or circumstances in relation to Sheffield or a related body corporate under the Corporations Act.

**Annexure B** describes special protections for tax Whistleblowers.

This Policy is intended to reflect the protections and other whistleblower requirements in the Corporations Act and tax law that are further detailed in Annexures A and B.

It should be noted that personal work-related grievances that may affect you personally but do not have significant implications for the Company or do not relate to Reportable Conduct outlined above, are unlikely to qualify for Disclosure protection under the Corporations Act 2001. Examples of such grievances may include:

- a) an interpersonal conflict between the Whistleblower and another employee;
- b) a decision that does not involve a breach of workplace laws;
- c) a decision regarding the engagement, transfer or promotion of the Whistleblower;
- d) a decision regarding the terms and conditions of engagement of the Whistleblower; or

- e) a decision to suspend or terminate the engagement of the Whistleblower, or otherwise to discipline the Whistleblower.

Notwithstanding the above, a personal work-related grievance may still qualify for protection if:

- a) it includes information about misconduct, or information about misconduct includes or is accompanied by a personal work-related grievance;
- b) The Company, or an officer or employee of the Company, has breached employment or other laws punishable by imprisonment of greater than 12 months, engaged in conduct that represents a danger to the public, or the Disclosure relates to information that suggests misconduct beyond the Whistleblower's personal circumstances;
- c) The Whistleblower suffers for or is threatened for making a Disclosure; or
- d) The Whistleblower seeks legal advice or representation about the operation of the whistleblower protections under the Corporations Act.

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#### 4. WHO CAN I MAKE A DISCLOSURE TO?

Sheffield has several channels for making a Disclosure if you become aware of any issue or behaviours which you consider to be Reportable Conduct.

For the purposes of this Policy to ensure appropriate escalation and timely investigation, we request that Disclosures are made to our Report and Investigation Officer (**RIO**), listed below:

General Manager – People and Community  
Vanessa Hughes

Phone: 08 6555 8730  
Email: [vhughes@sheffieldresources.com.au](mailto:vhughes@sheffieldresources.com.au)

Disclosures may also be made by post to c/- Sheffield Resources Limited, PO Box 205, West Perth WA 6872 (marked to the attention of the RIO referred to above).

A Disclosure may be submitted anonymously if you do not wish to disclose your identity to the RIO.

A Disclosure may be made verbally, in writing or both.

Whilst it is Sheffield's preference that you make a Disclosure directly with the RIO, you may also raise the Disclosure with an "officer" or "senior manager" of the Company. This includes the Managing Director, Company Secretary, Chief Financial Officer, Chief Operating Officer, a General Manager, or a Non-Executive Director.

Alternatively, a Disclosure may be made to Sheffield's third-party legal advisers or nominated auditors should you prefer not to disclose the matter directly to the Company. Contact details for the Company's third-party legal advisers and auditors can be found in the corporate directory section of the Company's most recent Annual Report as disclosed to the ASX.

Please note third parties will provide the details of your Disclosure to the RIO. Disclosures may be made anonymously but if you provide your contact details to a third party, those contact details will only be provided to the RIO if you consent.

Disclosures may also be made to:

- a) the Australian Securities and Investments Commission (**ASIC**), the Australian Prudential Regulation Authority (**APRA**), the Tax Commissioner (**ATO**) in relation to tax matters, the Australian Federal Police (**AFP**) or another Commonwealth body (with such Disclosures afforded protection under the Corporations Act);
- b) your lawyer for the purpose of getting advice or legal representation about the whistleblower laws and qualify for protection; and
- c) a journalist or parliamentarian under certain emergency or public interest circumstances and qualify for protection.

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#### 5. SHEFFIELDS' INVESTIGATION OF REPORTABLE CONDUCT

The RIO will investigate all matters reported under this Policy as soon as possible after the matter has been reported.

If the first recipient internally of your Disclosure is not the RIO, that person will refer the Disclosure to the RIO for investigation. The first recipient is required to comply with the restrictions on disclosing your identity (or obtain your consent to disclose your name to the RIO).

The RIO may, appoint a person or persons (including external advisers and experts) to assist in the investigation of a Disclosure but your name will not be disclosed to such other persons. Where appropriate, Sheffield will provide feedback to you regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

The 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. This includes fair treatment for any Sheffield employees against whom allegations have been made. Such persons will, if appropriate and allowed by law, be given an opportunity to respond to any allegations before any findings are made or action is taken against them.

Where a Disclosure is submitted anonymously, the RIO will conduct the investigation and its enquiries based on the information provided to it.

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## 6. PROTECTION OF WHISTLEBLOWERS

Sheffield is committed to ensuring confidentiality in respect of all matters raised under this Policy, and those who make a Disclosure of Reportable Conduct acting on reasonable grounds are treated fairly and do not suffer any disadvantage.

### a) *Protection of your identity and confidentiality*

Subject to compliance with legal requirements, upon receiving a Disclosure or Reportable Conduct, the RIO will only share your identity as a Whistleblower or information likely to reveal your identity if:

- (i) you consent;
- (ii) the information is disclosed to **ASIC**, the **APRA**, the **ATO** (for tax matters) or the **AFP**; or
- (iii) the information is raised with a lawyer for the purpose of obtaining legal advice or representation.

If Sheffield needs to investigate a Disclosure, the investigators may disclose information, other than your name, that could lead to your identification, but will take reasonable steps to reduce this risk.

It is against the law to breach these restrictions.

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

### b) *Protection from detrimental acts or omissions*

Detrimental treatment includes dismissal, demotion, harassment, discrimination, disciplinary action, bias, threats or other unfavourable treatment connected with making, or considering making, a Disclosure of Reportable Conduct. Detrimental treatment is against the law. Any Sheffield officer or employee who engages in detrimental treatment may be subject to disciplinary action or dismissal.

If you are subjected to detrimental treatment because you made or were considering making a Disclosure of Reportable Conduct, you should:

- (i) inform the RIO, officer or senior manager; or
- (ii) raise it in accordance with clause 4 of this Policy.

Sheffield may take administrative or management action that is not considered detrimental treatment.

Examples of conduct not considered detrimental include:

- (i) administrative action that is reasonable for the purpose of protecting a Whistleblower from detriment (e.g. moving a Whistleblower who has made a Disclosure about their immediate work area to another area of the office to prevent them from detriment); and
- (ii) managing a Whistleblower's unsatisfactory work performance, if the action is in the line with the Company's performance management framework.

Sheffield will at all times ensure that the Whistleblower understands the reason for the Company's administrative or management action.

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 officers, senior managers or non-executive directors who need to know to take appropriate action, or for corporate governance purposes) without your consent as a Whistleblower will be a breach of this Policy and may be against the law.

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 in accordance with Sheffield's disciplinary procedures.

d) *Compensation and other remedies*

A Whistleblower can seek compensation and other remedies through the courts if you suffer loss, damage or injury because you made a Disclosure of Reportable Conduct, or were considering, or suspected of, making a Disclosure.

Compensation might be payable by a person engaging in detrimental treatment, or by Sheffield if it has failed to take reasonable precautions and exercise due diligence to prevent the detrimental conduct.

Sheffield encourages Whistleblowers to seek independent legal advice.

e) *Civil, criminal and administrative liability protection*

Whistleblowers are protected from the following in relation to making a Disclosure of Reportable Conduct:

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

The civil, criminal and administrative liability protections apply to the making of the Disclosure but do not grant immunity for any misconduct a Whistleblower has engaged in that is revealed in your Disclosure.

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## 7. DUTIES OF EMPLOYEES IN RELATION TO REPORTABLE CONDUCT

It is expected that employees of Sheffield who become aware of known, suspected, or potential cases of Reportable Conduct will make a Disclosure under this Policy or under other applicable policies.

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## 8. REPORTING DISCLOSURE

The RIO will report to the Company's Audit and Risk Committee on the number and type of whistleblower incident reports at least annually.

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

Serious and/or material Reportable Conduct will be considered by the RIO for immediate referral to the Audit and Risk Committee.

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## 9. AMENDMENT OF THIS POLICY

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

This Policy will be publicly available via the Company's website [www.sheffieldresources.com.au](http://www.sheffieldresources.com.au).

## Annexure A – Special Protections under the Corporations Act

The Corporations Act (Part 9.AAA) gives special protection to Disclosures about any misconduct or improper state of affairs relating to Sheffield Resources Limited if the following conditions are satisfied:

- a) the Whistleblower is or has been:
  - (i) an officer or employee of Sheffield;
  - (ii) an individual who supplies goods or services to Sheffield or an employee of a person who supplies goods or services to Sheffield;
  - (iii) an individual who is an associate of Sheffield;
  - (iv) a spouse, child, dependent or dependant of the spouse of any individual referred to at (i) to (iii) above;
  
- b) the Disclosure is made to:
  - (i) a RIO;
  - (ii) a director, officer or senior manager of Sheffield;
  - (iii) any Sheffield external or internal auditor (or a member of that audit team)<sup>1</sup>;
  - (iv) ASIC;
  - (v) APRA; or
  - (vi) 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;
  - (vii) a journalist or member of parliament, provided certain conditions are met including that the Whistleblower had made a Disclosure to a relevant Commonwealth regulator without action apparently having been taken for at least 90 days, and the Whistleblower giving that regulator prior notice of his or her intention to disclose to a journalist or parliamentarian.
  
- 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 Sheffield. 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:

- (i) insider trading;
  - (ii) insolvent trading;
  - (iii) breach of the continuous disclosure rules;
  - (iv) failure to keep accurate records;
  - (v) falsification of accounts;
  - (vi) failure of a director or other officer of Sheffield 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;
  - (vii) failure of a director to give notice of any material personal interest in a matter relating to the affairs of the Company.
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- 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 Disclosure;
    - (iii) 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>2</sup>
    - (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 Disclosure commits an offence if they disclose the Whistleblower's identity or information likely to reveal the identity of the Whistleblower, 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 Disclosure.

e) Confidentiality

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

- (i) the Whistleblower consents to the Disclosure of their identity;
- (ii) Disclosure of details that might reveal the Whistleblower's identity is reasonably necessary for the effective investigation of the matter but all reasonable steps are taken to reduce the risk of identification;
- (iii) the Reportable Conduct is Disclosure to ASIC, APRA, or the AFP; or
- (iv) the Reportable Conduct 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 gives special protection to Disclosures about a breach of Australian tax law by Sheffield or misconduct in relation to Sheffield tax affairs if the following conditions are satisfied:

- a) the Whistleblower is or has been:
  - (i) an officer or employee of Sheffield;
  - (ii) an individual who supplies goods or services to Sheffield or an employee of a person who supplies goods or services to Sheffield;
  - (iii) an individual who is an associate of Sheffield;
  - (iv) a spouse, child, dependant or dependant of the spouse of any individual referred to at (i) to (iii) above;
  
- b) the Disclosure is made to:
  - (i) a RIO;
  - (ii) a director, officer or senior manager of Sheffield;
  - (iii) any Sheffield external auditor (or a member of that audit team)<sup>4</sup>;
  - (iv) a registered tax agent or BAS agent who provides tax or BAS services to Sheffield<sup>5</sup>;
  - (v) any other employee or officer of Sheffield who has functions or duties relating to tax affairs of the company;
  - (vi) the Commissioner of Taxation (ATO); 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 Disclosure is made to a Sheffield 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 Sheffield or an associate of that company; and
  - (ii) considers that the information may assist the Sheffield recipient to perform functions or duties in relation to the tax affairs of Sheffield or an associate of the company; and
  
- d) if the Disclosure is made to the Commissioner of Taxation, the Whistleblower considers that the information may assist the Commissioner to perform functions or duties under a tax law in relation Sheffield or an associate of the company.
  
- e) The protections given by the Taxation Administration 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 Disclosure;
  - (iii) 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;
  - (iv) unless the Whistleblower has acted unreasonably, a Whistleblower cannot be ordered to pay costs in any proceedings in relation to a report;
  - (v) anyone who causes or threatens to cause detriment to a Whistleblower or another person in the belief or suspicion that a Disclosure 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;
  - (vi) a Whistleblower's identity cannot be disclosed to a Court or tribunal except where considered necessary; and
  - (vii) the person receiving the Disclosure commits an offence if they disclose the Whistleblower's identity or information likely to reveal the identity of the Whistleblower, 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 Disclosure.

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<sup>4</sup>Sheffield's external auditor can be found in its Annual Report and as at December 2019 was HLB Mann Judd.

<sup>5</sup>Sheffield's tax agent as at December 2019 is RSM Australia.

f) Confidentiality

If a Disclosure is made, the identity of the Whistleblower will be kept confidential unless one of the following exceptions applies;

- (i) the Whistleblower consents to the Disclosure of their identity;
- (ii) Disclosure of details that might reveal their identity is reasonably necessary for the effective investigation of the allegations but all reasonable steps are taken to reduce the risk of identification;
- (iii) the Reportable Conduct is reported to the Commissioner of Taxation or the AFP; or
- (iv) the Reportable Conducts is raised with a lawyer for the purpose of obtaining legal advice or representation.