



**Billabong
International
Limited**

Whistleblower Policy

Billabong International Limited

Reviewed by the Board – 23 June 2017

Introduction

This policy aims to facilitate the disclosure of improper conduct and encourages professional, legal and ethical behaviour and business practices. It has been designed to protect individuals who, in good faith, report conduct which they reasonably believe to be corrupt, illegal or unethical on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment.

Scope of the Policy

The whistleblower policy applies to the global Billabong Group (Billabong) and any person internal or external to the Group who wishes to make a disclosure of improper conduct via this mechanism. The policy is intended to address serious matters, including:

- dishonest, fraudulent, corrupt or illegal conduct or practices;
- misleading or deceptive conduct, including but not limited to conduct or representations which amount to improper or misleading accounting or financial reporting practices;
- conduct which may cause financial loss to Billabong or damage its reputation or be otherwise detrimental to Billabongs' interests;
- coercion, harassment or discrimination by, or affecting, any member of the Company's employees;
- significant, continual or regular breaches of Billabong's policies or code of conduct;
- conduct within the Company's control which is a significant danger to the environment;
- conduct endangering health and safety; or
- conduct which involves any other kind of serious impropriety.

Complaints Procedure

For employees of Billabong, any concerns should initially be discussed with your direct supervisor. If this is not appropriate, you should speak to a more senior Manager or a Human Resource representative. For non-employees including contractors and consultants, you should discuss your concern with your usual contact within the Company.

Alternatively the Company has appointed a Whistleblower Protection and Investigation Committee comprising the CEO & Managing Director, Chief Human Resources Officer, International General Counsel & Company Secretary. Any one of these Committee members can be contacted with a complaint on +61 7 5589 9899 or +1 949 753 7222 or by confidential email on whistleblower@billabong.com.au. The Committee member contacted will be responsible for referring the matter to the appropriate members of the Committee. The Committee will oversee the investigation into the complaint and is responsible for appointing an Investigator. If the complaint involves an allegation against a member of the Whistleblower Protection and Investigation Committee, the Committee member will be excluded from the process. The Committee has the authority to obtain specialist, independent legal and financial advice for the purposes of any investigation. The Committee reports to the Board's Audit and Risk Committee.

Anonymous disclosures can be made. The Committee will treat all anonymous disclosures seriously however there are significant limits on their ability to investigate these disclosures.

Complaints concerning the Corporations Act

The *Corporations Act 2001* (**Corporations Act**) provides specific protections to some disclosures related to contravention or possible contravention of the Corporations Act.

Where a report, complaint or disclosure relates to or is suspected to relate to a possible contravention of the Corporations Act by the Company or a director, officer or employee of the Company, legal advice concerning the investigation process should be sought directly from

the International General Counsel to ensure compliance with the Corporations Act. Such advice must be sought prior to details of the report or the identity of the person making the report being disclosed to any person, including to the Whistleblower Protection and Investigation Committee or the International General Counsel.

When seeking the advice of the International General Counsel, the specific details of the report and the identity of the person making the report must not be disclosed to the International General Counsel, unless the person has expressly provided their consent.

Investigating Procedure

It is the role of the Investigator to assess the complaint and submit a report to the Committee on the outcome of their investigation including any recommended action. The Committee will consider the recommendations of the report and if appropriate, these will be implemented. The Investigator will be responsible for providing feedback to the whistleblower directly unless the whistleblower has remained anonymous. In situations where the whistleblower is not anonymous, contact will be made within a maximum of five business days of the complaint being made. Billabong will treat all disclosures made under this Policy in a confidential, sensitive and secure manner.

Protection of Whistleblower Identity

The Investigator is required to do everything reasonably possible to ensure that the identity of any person who has made disclosures to them is kept secret during the course of any investigation and until the outcome is made public. There are times when it may not be possible to protect their identity – in particular, where the investigation leads to charges being made in court, where the nature of the allegations is such that the identity of the person can be deduced from the information made available to the Investigator or where the person is given special treatment such as leave of absence. The Investigator will give the person as much warning as reasonably possible if it appears likely that the person's identity will become known.

Employment Protection

If an allegation is made in good faith, and the subsequent investigation confirms that there was no wrongdoing by the Company, the employee making the allegation will be protected from any form of victimisation or action by the Company.

If an employee who has made an allegation suffers less favourable treatment than any other employee because of the complaint, then the employee treating the discloser inappropriately may be subject to disciplinary action.

If an employee makes malicious, slanderous or vexatious allegations they may be subject to disciplinary action.

If the whistleblower is involved in the reported conduct they may be provided with some degree of immunity from disciplinary action if agreed by the Committee. The Committee however has no power to provide immunity from criminal prosecution.

Protections to Employees under the Corporations Act

In respect of reports related to a breach or suspected breach of the Corporations Act, the Corporations Act prohibits victimisation that causes or threatens to cause detriment against a person who has made a disclosure in certain circumstances.

It also provides a whistleblower with a right to seek reinstatement of employment and a right to compensation, and protects them from civil and criminal liability for making the disclosure.

A disclosure will qualify for protection where the whistleblower:

- makes the disclosure to ASIC or to the Company's auditor, director, company secretary, senior manager, or a member of the Whistleblower Protection and Investigation Committee;
- gives their name before making the disclosure;
- has reasonable grounds to suspect that the information disclosed indicates the Company or an officer or employee has, or may have, contravened the Corporations Act; and
- acts in good faith.

Employees Responsibilities

Billabong relies on its employees to maintain its reputation and it is expected that any employee who becomes aware of a serious matter will report it as soon as practicable. Failure to do so could result in disciplinary action being taken.

Reporting Non-Compliance Outside the Company

Employees are reminded of their duty to keep confidential company information secret. It is the Company's aim to ensure that employees do not feel the need to discuss Billabong's concerns outside the Company, unless required to by legislation.

Review of the Policy

The Whistleblower Policy will be reviewed at least every two (2) years by the Audit and Risk Committee. A report will be made to the Board of the outcome of each review and all recommended changes to the policy. This policy is to be made available on the Company's website and will be communicated to all new employees. A written copy can also be made available upon request.