

1. Supplementary policies (including Code of Conduct)

1.1 Code of Conduct

Directors, management and staff are expected to perform their duties in a professional manner and act with the utmost integrity, objectivity and in accordance with appropriate ethical standards in all dealings with each other, the Company, customers, suppliers and the community, striving at all times to enhance the reputation and performance of the Company. All directors and employees are required to abide by laws and regulations, to respect confidentiality and the proper handling of information.

The Company's Code of Conduct consists of the following principles:

- » The Company will conduct its business operations with full regard to and compliance with all legal obligations of the Company.
- » The Company's employees, contractors and agents:
 - will strive to the utmost of their abilities to deliver quality services to meet customers' needs and to treat customers with respect, courtesy and a caring attitude toward their business requirements;
 - will present themselves in a fit and tidy condition for work and be fully equipped to perform their work safely and competently;
 - will, when working for customers, adhere to all workplace and occupational health and safety requirements, work instructions and directives and will refrain from any irresponsible, negligent or unsafe actions or work;
 - are expected to work in a supportive and cooperative manner, and the Company will not condone any form of harassment of fellow workers. All cases of harassment will be promptly resolved through counselling and conciliation processes;
 - will not knowingly reveal confidential information, trade secrets or information concerning intellectual property or practices, which could be injurious to customers or the Company's own business interests.
- » The Company encourages the reporting of unlawful/unethical behaviour by its directors, employees, contractors and agents and will actively promote ethical behaviour and protection for those who report violations in good faith.
- » The Company encourages individuals to join appropriate organisations and associations that can effectively represent their work interests.
- » The Company will communicate the code of conduct to all its employees, contractors and agents.

1.2 Standards of Conduct

The Company has established the following Standards of Conduct within the principles of the Code of Conduct, with which it expects all employees to comply.

- (a) Private work

Employees may engage in work unrelated to the Company's activities in their own time. However, such work must not interfere with or affect the efficiency of the performance of the employee's normal Company duties.

Employees must not carry out any work or activity that draws upon the resources of the Company or that has any association with the Company for private profit or material gain. Employees may be dismissed for undertaking such action.

Acceptance of paid employment during periods of recreation, sick or long service leave is not permitted and employees may be dismissed for breach of this requirement.

(b) Defence reserves and civic duties

The Company recognises that employees with "defence reserve" status may be required to participate in exercises on an annual basis or to travel overseas to fulfil defence obligations. Paid or unpaid leave to attend to such commitments may be granted after considering each application, which shall be determined by the Chairman.

Paid or unpaid leave may be available for some recognised civic duties such as local government appointments, emergency services and similar volunteer work. Each case will be determined on its merits by the immediate/local manager.

(c) Use of the Company's motor vehicles

It may be necessary, as part of their job function, for employees to use a Company vehicle. Such vehicles can be used on work-related business and for limited private purposes, such as taking the employee's family shopping. The vehicle must be left locked and parked safely while not in use and kept in a clean and tidy state.

(d) Absence from duty

Employees unable to report to work for any reason must advise their supervisor before the shift starts or as early in the day/shift as possible, giving the reason for the absence and its probable duration. If the anticipated length of the absence is not known immediately, (eg. pending the advice of a doctor) employees should arrange for their supervisor to be kept informed of progress. The appropriate leave application must be completed immediately upon return to work.

(e) Absence from the workplace

When it is necessary for an employee to leave the workplace for any reason, the supervisor must be informed.

(f) Punctuality

If an emergency prevents the employee from starting work on time, at either the beginning of work or after a break, the employee must contact either his or her supervisor or the customer (as the case may be) or both as soon possible to explain the circumstances.

(g) Confidential work and Company property

Confidentiality must be strictly observed and confidential information must not be disclosed unless it is appropriate in the normal course of the employee's duties. Any unauthorised disclosure of confidential information will result in disciplinary action. Employees are prohibited from removing Company documents or information (in

whatever form) from Company premises or vehicles without authority. All Company property must be returned to the Company upon an employee ceasing employment with the Company.

(h) Respect and care for the property of others

All employees must demonstrate respect and consideration for the property and belongings of others (the Company's, a colleague's, the customer's or the general public's). Employees shall not damage, tamper with, remove or steal property or belongings which are not their own. Any employees proven to have done so will be subject to the Company's disciplinary process, which may result in the employee's dismissal and/or criminal and civil action being taken against him or her.

1.3 Conflict of interest

Employees must avoid any circumstances which may lead to a conflict of interest between their personal or their family's private interests or activities and the interests or activities of the Company.

Employees must declare any such circumstances so that either proper approval to continue those interests or activities can be given or the conflict may be avoided.

Such matters may include:

- » employees and/or their families benefiting from a business transaction that rightfully should be made available to the Company;
- » personal transactions, situations or involvement in which employees and/or their family's personal interests actually conflict or have the appearance of conflicting with those of the Company or its related parties (eg interests in companies in competition with the Company);
- » employees engaging in other employment or activity that prevents or restricts the employees from performing to their best ability;
- » Company information of a confidential nature being used or disclosed without proper authorisation; and
- » business actions which have the potential to embarrass or harm an employee or the Company.

1.4 Disclosures to the Investment Community

(a) Background

As part of our overall policy of open disclosure, the Company ensures that all material communications regarding its operations are made available to all interested stakeholders in a timely fashion. To ensure that information about or concerning the Company which is to be given to the news media is timely, accurate, consistent, appropriate and conforms with Company policy, no public statement may be made on any matter concerning the Company's work, employees or customers except in accordance with this policy.

The ASX Listing Rules and the Corporations Act require listed companies to immediately advise ASX of any material information which is price sensitive (unless one of the exceptions applies).

(b) Board policy on disclosure

The Board is aware of its continuous disclosure obligations in respect of material information, and embraces the principle of providing access to that information to the widest audience.

To ensure that these principles are appropriately actioned, the Board has nominated the Company Secretary as having responsibility for:

- ensuring that the Company complies with continuous disclosure requirements;
- overseeing and co-ordinating disclosure of information to ASX, analysts, brokers, shareholders, the media and the public;
- educating directors and staff on the Company's disclosure policies and procedures and raising awareness of the principles underlying continuous disclosure.

To safeguard against inadvertent disclosure of price sensitive information, the Board has agreed to keep to a minimum the number of directors and staff authorised to speak on the Company's behalf. In order of precedence, the following combinations of officers have authority to speak on behalf of the Company without the prior approval of the Board:

- the Chairman and/or the Managing Director, separately, then
- the Chairman and a non-executive director, jointly, then
- any 2 non-executive directors and the Managing Director, jointly (by majority), and then
- in extreme circumstances, any 2 directors, jointly.

These officers are also authorised to clarify information that the Company has released publicly through ASX, but must avoid commenting on other price sensitive matters.

The Company has determined that the Company Secretary must be made aware of any information disclosures in advance, including information to be presented at private briefings. This will minimise the risk of breaching the continuous disclosure requirements.

The Company Secretary is responsible for:

- ensuring that the Chairman and the Managing Director are aware of all sensitive information that may be required by the ASX Listing Rules and the law to be publicly released through ASX before disclosing it to any person, including analysts and others outside the Company;
- ensuring that all information released through ASX is promptly made available to its bankers and other parties to whom it has a similar reporting responsibility;
- the further dissemination of information, after it has been released through ASX, to investors and other interested parties;

- posting such information on the Company's website immediately after ASX confirms that it has received such announcements;
- reviewing all briefings and discussions with media representatives, analysts and major shareholders, to check whether any price sensitive information has been inadvertently disclosed. If so, to immediately announce the information through ASX.

Responses to enquiries from market analysts are to be confined to errors in factual information and underlying assumptions. Earnings expectations are to be managed by using the continuous disclosure regime and any change to expectations is to be made by ASX announcement before commenting to anyone outside the Company.

1.5 Shareholder communications strategy

The Board acknowledges the need for effective communications with shareholders and has adopted the following strategy:

- » shareholder meetings are structured to provide effective communication to shareholders and allow reasonable opportunity for informed shareholder participation;
- » the external auditor attends the annual general meeting (**AGM**) and is available to respond to shareholder questions;
- » the Company's annual report is available (at the shareholder's option);
- » in addition to the annual report, the Company issues a report with the release of the half-year and full-year financial results, which is sent to all shareholders;
- » the Company posts on its website all relevant announcements made to the market (including information used for analyst briefings and press releases) after they have been released to ASX;
- » where possible, the Company will post advance notification of significant group briefings (eg results announcements) through the Company's website; and
- » shareholder questions may be posed to the Company via email communication (please refer to the Company's website) or by written or telephone correspondence to the Company Secretary.

1.6 Directors and board performance evaluation

The Chairman of the Board has authority to develop key performance indicators for Board members to assess the performance of the Board as a whole, their own performance and the performance of each of their fellow directors. A sample of such issues is as follows:

- (a) Board - General
- Board agenda and papers
 - Conduct of meetings
 - Committee structure and performance
 - Effectiveness of Board working together

- Relationships with senior executives
 - Relationships with shareholders
 - Annual General Meeting
- (b) Board - Activities
- Quality of strategy and performance indicators
 - Adequacy of risk management practices
 - Corporate governance practices
 - Performance of Auditor
 - Quality of management presentations
 - Management disclosure of key information
- (c) Individual performance evaluations
- Contribution of individual directors
 - Performance of senior executives
 - Performance of Company Secretary
- (d) Looking forward
- Mix of skills – current and future requirements
 - Areas for improvement
- (e) Process

The Chairman will have individual meetings with each director and selected senior executives to assess their views on these issues and to identify any areas of concern or opportunity for improvement of performance of the Board and/or individual directors.

The Chairman will provide a summary of his or her findings to the Nomination and Remuneration Committee and to the full Board and is responsible for ensuring that agreed actions are implemented. It is recognised that some findings will be of a sensitive nature and will not be included in the Chairman's report but will be acted upon by the Chairman on a one to one basis.

This process occurs at least once each calendar year and more frequently at the discretion of the Chairman. It is anticipated that the Chairman will undertake this performance evaluation during August and September each year and will report his/her findings to the October Board meeting.