

E. CORPORATE GOVERNANCE - SUPPLEMENTARY POLICIES

1. CODE OF CONDUCT

1.1 Background

Directors, management and staff are expected to perform their duties in a professional manner and act with the utmost integrity, objectivity and ethics 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 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 our customers' needs and treat our 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 our customers or our 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.

1.2.1 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.

1.2.2 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.

1.2.3 Absence from Duty

Employees unable to report to work for any reason, must advise their manager, giving the reason for the absence and its probable duration. If the anticipated length of the absence is not known immediately, (e.g. pending the advice of a doctor) employees should arrange for their manager to be kept informed of progress. The appropriate leave application must be completed immediately upon return to work.

1.2.4 Absence from the Workplace

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

1.2.5 Punctuality

Should an emergency prevent the employee from starting work on time, at either the beginning of work or after a break, the employee must contact either his/her manager as soon possible to explain the circumstances.

1.2.6 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 on 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 without authority. All Company property must be returned to the Company upon an employee ceasing employment with the Company.

1.2.7 Respect and care for the property of others

All employees shall have respect and consideration for the property and belongings of others (the Company's, a colleague'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 shall be subject to the Company's discipline process,

which may result in the employee's dismissal and/or criminal and civil action being taken against him/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, e.g. 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;
- business actions which have the potential to embarrass or harm an employee or the Company.

2. CONTINUING DISCLOSURE POLICY

2.1 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 our work, our employees or our customers except in accordance with this policy.

The ASX Listing Rules and the *Corporations Act 2001 (Cth)* require listed companies to immediately advise the ASX of any material information which is price sensitive (unless one of the exceptions apply) and information to correct or prevent a false market in the Company's securities.

2.2 Board Policy on Disclosure

- (a) 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.
- (b) 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.
- (c) 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 Chief Executive Officer, separately, then
 - the Chairman and a non-executive director, jointly, then
 - any 2 non-executive directors and the Chief Executive Officer, 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 the ASX, but must avoid commenting on other price sensitive matters.

- (d) 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.
- (e) The Company Secretary is responsible for:
- ensuring that the Chairman and the Chief Executive Officer are aware of all sensitive information that may be required by the ASX Listing Rules and the law to be publicly released through the ASX before disclosing it to any person, including analysts and others outside the Company;
 - ensuring that all information released through the ASX is promptly made available to its bankers and other parties to whom it has a similar reporting responsibility;
 - monitoring trading volumes and price fluctuations in the Company's securities;
 - the further dissemination of information, after it has been released through the ASX, to investors and other interested parties;
 - posting such information on the Company's website immediately after the 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 regarding the Company and its securities. If so, to immediately announce the information through the ASX or provide to the ASX reasons why the matter does not need to be disclosed.

- (f) The Board may, in appropriate circumstances, request a trading halt or voluntary suspension to manage disclosure issues. The Company Secretary and the Chairman have each been authorised by the Board to request a trading halt or voluntary suspension in appropriate circumstances.
- (g) 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.

3. COMMUNICATIONS POLICY

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

- 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 posted on its website;
- 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 the ASX;
- shareholder questions may be posed to the Company via email communication (please refer to the Company's website) or by written correspondence or telephone to the Company Secretary;
- shareholders may elect to receive correspondence from the Company electronically.

4. 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

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.

This process occurs at least once each calendar year and more frequently at the discretion of the Chairman.

5. DIVERSITY POLICY

5.1 Background

Under the ASX Corporate Governance Principles and Recommendations published on 27 March 2014 the Company is required to approve a Diversity Policy and to monitor and report on diversity at all levels including at Board level.

Diversity includes differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. It also encompasses differences in background, life experience, style, skills, formal training and education and functional expertise.

The Company recognises the importance of diversity at Board level and at Management level and within the Company as a whole in:

- driving business results;
- creating, implementing and refining business strategy; and

- attracting and protecting the Company's most important asset, it's people.

The Company is committed to attracting the finest talent in their field regardless of their differences and that new employees and the promotion of employees within the Company at all levels, is made on the basis of performance, ability and attitude.

5.2 Principles

Our diversity policy is based on the following core principles.

- a) Meritocracy - decisions about recruitment, development, promotion and remuneration are based on performance and capabilities.
- b) Diversity - a focused effort on promoting diversity is not inconsistent with a system based on meritocracy. Diversity, if implemented correctly stands to enhance performance and capabilities of the Company.
- c) Fairness - as a Company we do not tolerate unlawful discrimination, bullying or harassment.
- d) Business objectives - our commitment to diversity is an integral part of our ambitions for the Company and its commercial success.

5.3 Measurable Objectives

Each year the Board must establish measurable objectives for achieving diversity on the Board, within Management ranks and within the Company more generally.

5.4 Monitoring and Reporting

The Board has delegated to the Nomination and Remuneration Committee the responsibility for the implementation of this diversity policy in the context of the Board of Directors. As such, the Nomination and Remuneration Committee is (among other things) responsible for:

- formally assessing the appropriate mix of skill, experience, expertise and diversity required on and represented on the Board;
- considering, implementing and overseeing Board succession issues in that context; and
- making recommendations to the Board regarding this policy and strategies to address Board diversity.

The Nomination and Remuneration Committee will:

- report to the Board on initiatives undertaken by the Board in relation to Board diversity and to achieve the measurable objectives and progress in achieving the measurable objectives;
- make recommendations to the Board regarding the measurable objectives.

The Board must each year, assess the measurable objectives and progress in achieving those measurable objectives.

The Board will ensure that appropriate disclosure will be made in the Annual Report regarding Board diversity.

The Nomination and Remuneration Committee will conduct an annual review of this policy including its effectiveness, and will put forward any changes to this policy which are necessary or desirable, for consideration by the Board.