

## **Business Operating Policy Code of Business Conduct and Ethics**

The purpose of this Code of Business Conduct and Ethics ("the Code") is to describe standards of conduct and business ethics expected of the directors, managers and employees of the Company. The Board of directors of the Company ("the Board") believe that all directors, managers and employees of the Company must adhere strictly to the letter and spirit of this Code and of all laws, rules and regulations applicable to the conduct of the Company's business and must exercise high standards of integrity and sound ethical judgement. If a manager or employee violates any section of the Code, or knowingly permits an employee under his or her supervision to do so, such violation could result in stern disciplinary action including reprimand, loss or reduction of compensation, seniority or promotional opportunity, demotion, suspension or discharge.

### **Legal Compliance**

The Company shall comply with all governmental laws, rules and regulations in all of its operations. This means that directors, managers and employees are to avoid any activity which involves or could lead to the involvement of the Company, its assets or its directors, managers or employees in any unlawful practice.

### **Relationships with Governments**

Relationships with governments, government departments and regulatory authorities will be conducted in an open and compliant manner and will adhere strictly to the requirements of the relevant constitutional regulations and procedures in each country of operation.

### **Communications**

All Company communications, whether external or internal, shall be accurate and complete. All public communications shall be made only by persons authorised to speak on behalf of the Company.

### **Fair Dealing and Antitrust**

Company directors, managers and employees should endeavour to deal fairly with the Company's shareholders, customers, suppliers, competitors, employees and other third parties.

### **Insider Trading**

All Directors, managers and employees are prohibited from dealing in the Company's shares other than in accordance with Company rules on share dealing.

### **Confidential Information**

Directors, managers and employees shall protect the Company's confidential information as well as that of its shareholders, customers, suppliers, fellow employees and others who disclose information to the Company on a confidential basis. The Company's policy is that all information developed or shared as the result of business processes is proprietary to the Company and an important asset in the operation of the Company's business, and the unauthorised use or disclosure of this information is prohibited.

### **Disclosure of Confidential Information**

To protect confidential information, it is Company policy that:

1. Confidential information of the Company shall be disclosed within the Company only on a need-to-know basis.
2. Confidential information of the Company shall be disclosed outside the Company only when required by law or when necessary to further the Company's business interests and then only in accordance with the Company's disclosure guidelines.

### **Business Opportunities**

Directors, managers and employees are prohibited from:

1. Taking opportunities for themselves personally that are discovered through the use of the Company's property, information or position;
2. Using Company property, information, or position for personal gain; and
3. Competing with the Company.

### **Accounting Standards and Documentation**

AU accounting documentation must clearly identify the true nature of business transactions, assets and liabilities in conformity with generally accepted accounting principles. Records must not be false, distorted, incomplete or suppressed.

### **Conflicts of Interest**

Directors, managers and employees shall avoid any personal influences or relationships that would affect their ability to act in the best interests of the Company. The Company is resolutely opposed to any form of corruption or bribery.

### **Charitable Donations**

Hill & Smith may make donations for a charitable purpose, or the sponsorship of events where the proceeds are intended for charitable purposes. Donations should be made only to charitable organisations that are separate from the customer (i.e. the customer's charitable foundation).

### **Political Contributions**

The direct or indirect use by employees of any funds or other assets of the Company for political contributions in any form (whether in cash or other property, services or the use of facilities) is prohibited. No gifts of substantial value or lavish entertainment shall be offered or furnished to any governmental official or employee. Reasonable entertainment and courtesies may be extended to the extent that is customary and appropriate.

### **Protection and Proper Use of Company Property**

Company directors, managers and employees are charged with safeguarding the Company's assets and property and ensuring their efficient and proper use.

### **Employment Practices**

The Company is committed to maintaining a safe work place free from illegal discrimination, intimidation, harassment and retaliation.

### **Electronic Mail and Internet Use**

Company-provided electronic mail and internet access shall be for business purposes and used responsibly at all times.

### **Reporting of Illegal or Unethical Behaviour**

Employees are required to report suspected misconduct of any nature.

### **Whistleblowing Policy**

The Board encourage employees to raise concerns about misconduct and malpractice and have adopted the Group Whistleblowing Policy and Procedure to ensure that such concerns can be raised and reviewed fairly and properly.

### **Anti-Retaliation Policy**

It is against Company policy for any manager or employee to discriminate or take adverse action against another employee who provides information on a policy violation.

### **Adoption of Policy**

This Policy has been adopted by the Board of Hill & Smith Holdings PLC and is available on the Company's website [www.hsholdings.com](http://www.hsholdings.com).

**Approved by the Board of Directors of the Company on 1<sup>st</sup> February 2007**