

## **CODE OF CONDUCT**

### **1. PURPOSE**

This document sets out the Code of Conduct applying to the Officers and employees of Waterco Limited ACN 002 070 733 (“the Company”).

### **2. INTERPRETATION**

For the purposes of this document, “Officers” shall mean:

- 2.1 directors; and
- 2.2 senior executives.

### **3. GENERAL**

The Officers and employees must:

- 3.1 act in accordance with the letter and spirit of relevant legislation and Company policies (including the Company’s share trading policy and gifts policy);
- 3.2 use due care and diligence in fulfilling the functions of their office/employment and exercising the powers attached to that office/employment ethically and responsibly;
- 3.3 act with honesty, professionalism and objectivity so as to meet their responsibilities to shareholders and other stakeholders in the Company (such as employees, business partners, customers and the community as a whole);
- 3.4 ensure that business transactions are carried out solely in the best interests of the Company; and
- 3.5 only deal with business partners who demonstrate similar ethical and responsible business practices.

### **4. RESPONSIBILITIES TO SHAREHOLDERS AND THE ENVIRONMENT**

The Company recognizes that acting ethically and responsibly will enhance its brand and reputation and assist in building long-term value for its investors.

The Company has put in place systems and procedures to detect, to prevent and to address unethical conduct and practices through the risk management structures and internal audit function.

### **5. RESPONSIBILITIES TO EMPLOYEES**

Officers and employees will show consideration and regard for each other and make a positive contribution to the Company.

The Company will ensure equal employment opportunity and decisions on hiring, salary, benefits, advancement, termination or retirement will be based on the employee’s qualification, experience and performance. There will be no unfair or unlawful discrimination by race, gender and disability.

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Officers and employees all have the right to work in an environment free from harassing behaviour and it is the officers and employee's responsibility not to engage in harassing behaviour towards colleagues, contractors, employees or members of the community.

Officers (other than non-executive directors) and employees must have approval from the Board to take up a directorship with another company. To take part in an external activity, additional employment or any outside business activity that will involve a significant amount of an Officer's or employee's working time or which will impinge on an Officer's or employee's ability to perform his or her work for the Company, requires approval. Generally, unless there is a demonstrable benefit to the Company, either directly or indirectly, such extracurricular activities will not be approved.

### **6. BUSINESS COURTESIES**

A business courtesy is a gift (whether in money or in kind) provided to a business associate. In certain situations, the exchange of limited, non-cash business courtesies may be appropriate. The Company does not seek, however, to improperly influence the decisions of its customers or suppliers by offering business courtesies, just as the Company requires that the decisions of Officers and not be affected by having received a business courtesy.

### **7. CARE AND DILIGENCE**

The Officers and employees should exercise due care, skill and diligence in the performance of their duties and responsibilities. This should include such activities as ensuring the accuracy of all decision-making information, attending to detail in all aspects of work, being mindful of the sensitivities of others, protecting confidentiality and being courteous, open and honest.

The products and services provided by the Company will be of high quality. The Officers and employees will deliver these products and services to its customers in a timely and equitable manner, and give customer satisfaction high priority. Where the quality of products and services provided is not satisfactory to its customers, the Company will take prompt remedial action.

### **8. CONFLICTS OF INTEREST**

A conflict of interest is a circumstance where some or all of the interests of a private individual interfere or appear to interfere with the interests of the Company as a whole. The Officers and employees recognise their overriding responsibility to avoid or manage actual, apparent or potential conflicts of interest. Conflicts of interest must be reported based on the following reporting lines:

- 8.1 Officers must disclose conflicts to the Chairman for consideration. If the Chairman is conflicted, disclosure must be made to one of the Company Secretaries.
- 8.2 Employees must disclose conflicts to their supervising Manager, who will in turn report to one of the Company Secretaries for the attention of the Board.

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### **9. CORPORATE OPPORTUNITIES**

The Officers and employees must not:

- 9.1 take improper advantage of property, information or position, opportunities arising from these, for personal gain or to compete with the Company;
- 9.2 receive benefits (including gifts or entertainment) which could be seen as creating an obligation to someone other than the Company (except in accordance with the Company's gift policy); and
- 9.3 act in ways which may cause others to question their loyalty to the Company.

### **10. CONFIDENTIAL INFORMATION**

The Officers and employees must ensure that confidential information about the Company is not disclosed to third parties, except where such disclosure is authorised or legally mandated. This confidentiality obligation is usually formalised in each employee's employment agreement or letter of appointment.

### **11. CONFIDENTIAL COMMUNICATIONS FROM EMPLOYEES**

Employees may communicate to the chair of the audit committee, where they have concerns (on reasonable grounds) regarding potential fraud or misappropriation, weaknesses in internal controls, or the adequacy or accuracy of information being provided within the organisation to senior managers or the Board. Such communications (which shall be in writing) shall be treated as confidential. Employees should explain whether the matters have previously been discussed with an employee's manager, and if not, why the employee has chosen to report to the Audit Committee.

### **12. COMPLIANCE CULTURE**

The Officers and employees are committed to actively promoting a culture of compliance with laws, regulations and rules governing the business and operations of the Company and best ethical practices. The Company will take the following steps to address unlawful and unethical behaviour:

- 12.1 the reporting of internal unlawful or unethical behaviour, and the protection of those who report such violations in good faith;
- 12.2 the thorough investigation of all such reports and taking of any necessary action in response; and
- 12.3 monitoring and assessing compliance with Company policies and corporate governance standards on a regular basis, and where deficiencies are recognised, acting swiftly to correct such deficiencies before they adversely impact the performance of the Company.

### **13. WORKPLACE HEALTH AND SAFETY**

The Officers and employees are committed to ensuring:

- 13.1 a safe work place;
- 13.2 that proper workplace health and safety procedures are followed; and
- 13.3 that there is proper consideration and respect for environmental issues.

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### **14. PRIVACY**

The Company's Privacy Policy regulates the handling of any personal information that the Company collects. It contains detailed information on the Company's functions and activities, and privacy issues and its privacy policy provisions.

### **15. COMPLIANCE WITH LEGISLATION**

All Officers and employees are required to comply with the letter and spirit of all applicable laws and regulations in all jurisdictions in which the Company operates in performance of their duties and their dealings with fellow employees, customers, suppliers and all third parties with whom they have contact in the performance of their duties

### **16. ACKNOWLEDGMENT**

The Officers and employees acknowledge that:

- 16.1 strict compliance with this Code of Conduct is essential to maintain public confidence in the integrity of the Company; and
- 16.2 failure to comply with this Code of Conduct may be grounds for termination of their appointment.

### **17. REVIEW**

This Code of Conduct will be reviewed periodically as and when necessary to meet the operational requirements of the Company and changes in the law.