



Australian Agricultural Company Limited

ACN 010 892 270

RQ10.01 AACo code of Conduct

Version 3

AACo Code of Conduct

Policy Statement

In striving to achieve the goals set out in the AACo 'Our Company' vision statement and 'Quality Policy' AACo Employees will act with high standards of honesty, integrity, fairness and equity.

The Code of Conduct has been drawn up so that there can be no doubt about the standards of behaviour AACo expects of its people in performing their work. All of us in AACo, or working with AACo, are bound by it.

Introduction

The objective of the Code of Conduct ('Code') is to enhance AACo's reputation for fair and responsible dealing and to help to maintain high standards of corporate and individual behaviour throughout the Company. The AACo Code aims to protect the interests of Shareholders, customers, Employees and suppliers by providing a framework that promotes a culture of accountability and responsibility.

For the purpose of this document "Employees" includes AACo Directors and contractors.

Reputation of AACo

Employees shall not do anything that would be likely to have a negative impact on AACo's reputation.

Compliance with the Law and Company Policies

AACo and its Employees must comply fully with the content and spirit of the law and regulations that govern the operations of AACo.

Employees will not knowingly participate in any illegal or unethical activity and must abide with all Company policies.

AACo will endeavour to ensure that all Employees are treated fairly, equitably and honestly.

Integrity

AACo Employees must always:

- a) Act in the best interests of Shareholders as the owners of AACo;
- b) Respect customers and treat them courteously and consistently;
- c) Respect colleagues and treat them fairly, openly and honestly; and
- d) Select vendors/suppliers on quality, service and cost only.

Application

While the Code provides a number of specific examples and guides regarding ethical conduct and decision making, the following simple questions or steps will assist each of us in determining whether a decision or action creates an ethical dilemma or breaches the Code.

- a) Is the decision or conduct lawful?
- b) Is the decision or conduct within the meaning or spirit of our values, our Ethical Standards and the AACo Code of Conduct?
- c) Is the decision or conduct consistent with AACo's policies and procedures?
- d) Will the primary beneficiary of the decision or conduct be AACo?
- e) Is the decision or conduct transparent and able to withstand public scrutiny?

While the answer to all of these questions should be YES, there will be times where the answer may seem a bit 'grey' or you are still not comfortable with the decision or conduct. In these cases seek one or more of the following options:

- a) Clarify the matter with your Manager; or
 - b) Request instructions to be put in writing; or
 - c) Document all actions, directions and conversations on the issue; or
 - d) Seek advice from your Manager or the Company Secretary/General Counsel/General Counsel.
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Scope

AAco will at all times honour and respect the culture and laws of any country in which we do business.

Except in circumstances where to do so would cause cultural embarrassment or break the laws of the land, all AAco Employees and representatives should apply the requirements of this Code in their international dealings.

Care and Diligence

AAco and its Employees should exercise due care and diligence in the performance of their duties and responsibilities. This includes such activities as ensuring the accuracy of all decision-making information, attending to detail in all aspects of work performed and doing the utmost to comply with health and safety regulations and requirements.

The products and standard of service provided by AAco will be of high quality. AAco and its Employees will deliver these products in a timely and equitable manner and give customer satisfaction high priority. Where the quality of AAco's products is not satisfactory to its customers, AAco will take prompt action as per the RQ 60.01 Non-Conforming Product Procedure.

Conflicts of Interest

Conflicts of interest can arise if an employee has a personal interest in a business decision involving AAco. Employees should seek to avoid situations in which personal interests could conflict with those of AAco. However, if a conflict of interest does arise, Employees must disclose this to his or her manager.

Directors of AAco or its subsidiaries will be guided by the Constitution of AAco, the AAco Board Charter and the provisions of the Corporations Act governing conflicts of interest. Where there is doubt the matter should be raised with AAco's Chairman.

Corporate Opportunities

Employees will not take advantage of property, information or position, or opportunities arising from these, for personal gain or to compete with AAco.

Confidentiality and Privacy

During the course of their work, Employees may learn confidential and/or other personal information about AAco, its customers, its suppliers and fellow Employees. This information must not be disclosed or discussed by Employees either while employed by or after leaving AAco.

Considerable care must be taken by all Employees to maintain the integrity and security of all AAco corporate information.

Safety and Security

AAco Employees must follow AAco safety and security procedures and policies and abide by WH & S guidelines that apply to their area of work as described in the AAco WHS Reference Manual.

Aggressive behaviour in any form is unacceptable and will be dealt with appropriately as described in the HR 35.06 Bullying Policy. Aggressive behaviour includes verbal abuse, physical violence of any description, misuse of equipment e.g. vehicles being driven too fast for prevailing conditions, etc.

Fraud, Corruption and Improper Conduct

Employees should not engage in unethical or improper conduct, wither to obtain business or for personal gain.

In particular they must not:

- a) Engage in commercial bribery;
 - b) Be party to bribing a public official;
 - c) Make any disbursement of Company funds or property without appropriate supporting documentation and authorisation;
 - d) Receive or make payments from AAco funds for personal expenses (unless these are approved and later reimbursed by you to the company); or
 - e) Take any action which involved illegal, unethical or otherwise improper payment of money or benefit.
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Employees will not be criticised for the loss of business resulting from not making or receiving a bribe or inducement to or from a third party.

Employees who become aware of any suspected fraud, corruption or improper conduct should report this to the Company Secretary/General Counsel, and be assured that the Company will protect them from retribution for coming forward.

Gifts

AAco employees must exercise caution regarding the giving or receiving of business related gifts. Gifts can include direct payments, payments in kind such as goods or services, travel and/or accommodation, entertainment meals, personal favours etc.

AAco recognises that in some countries the accepting or offering of gifts of moderate value is in accordance with local business practice (i.e. where it is customary to exchange gifts or gifts are appropriate for the occasion). However, AAco employees must not give or accept gifts of any kind or circumstances that could be considered as unduly influencing the party involved or creating any business obligations. If an AAco employee is uncertain of any situation, it should be referred to management for consideration.

When the Company is negotiating or considering contracts, AAco employees should exercise particular caution in relation to any offers of hospitality, entertainment or gifts. AAco employees that are in a position of direct or indirect influence on the outcome of a negotiation should ensure that there is no potential improper connection between any gift or hospitality and the business opportunity in question. Gifts of any significance should be discussed with Management to avoid any suggestion of a conflict of interest.

Local customs, monetary value of the gift, and legal requirements should be considered when establishing whether a gift should be retained by an AAco employee, handed to the Company or returned. If the decision is that the gift is handed to the Company, then the gift should be given to a nominated charity or made available to all AAco employees of the immediate working unit.

There are certain types of gifts that should never be accepted by an AAco employee regardless of their value. These are: money, drugs or other controlled substances, discounts for product or services that are not available to other AAco employees, personal use of accommodation or transportation, and payments or loans to be used to purchase personal property.

An AAco employee should never request a gift from a supplier, customer or other party with whom AAco conducts business, nor should he/she exchange gifts with representatives from competitors, as such actions may create a conflict of interest.

These procedures apply not only to AAco employees but also to immediate family and any agents or third parties who are employed by AAco.

This topic should be read in conjunction with RQ 10.04 Anti Fraud & Corruption Policy.

Financial Inducements

This topic should be read in conjunction with RQ 10.04 Anti Fraud & Corruption Policy.

AAco does not countenance the making of payments or payments in kind (gifts, favours, etc) to influence individuals to award business opportunities to AAco or to make a business decision in the Company's favour.

In international business, in particular AAco employees may sometimes come under pressure to make payments or payments in kind to induce others improperly to grant permits or services to which AAco would not generally be entitled.

Under no circumstances will AAco approve any irregular payments or payments in kind to win business or influence a business decision in AAco's favour. Bribes, 'kick-backs', secret commissions and similar payments are strictly prohibited. Moreover, they may expose AAco and relevant AAco employees to criminal prosecution and serious penalties under laws of other countries, as well as those of the country in question.

Bribery is unlawful in most countries. There are potential serious consequences, including imprisonment, in the case of payments to public officials or employees of state-owned business. Laws and agreements are in place as part of an international effort to eliminate corruption and bribery from international business and ensure that competition is fair and open. The Commonwealth Criminal Code in Australia and the Foreign Corrupt Practices Act in the United States prohibit offering anything of value to foreign officials for the purpose of improperly influencing a decision.

This legislation enables each country to prosecute its own citizens and corporation for bribery of public officials abroad. Similar legislation is being introduced by other countries as part of an OECD Anti-Corruption Convention. Failure to account properly for payments can also give rise to penalties.

This policy also applies to agents and third parties who are employed by AAco to represent their interests. Care should be exercised in engaging anyone to act in such capacity, and in monitoring their performance, to assess their reputation and suitability. In sensitive areas or circumstances AAco's policy and expectations should be clearly communicated to, and accepted by, the agent or third party.

Equal Employment Opportunities

AAco is committed to providing all Employees and potential Employees with fair access to employment-related opportunities as described in HR 35.02 Equal Employment Opportunity Policy. Decisions regarding recruitment, promotion, transfers and development are based on merit. All Employees will be treated appropriately according to their skills, qualifications, competencies and potential.

AAco will ensure that no person or group of people will be treated less favourably than another on grounds such as race, age, gender, sexual preference, marital status, religion, physical impairment or any other factor not relevant to the work position.

AAco also recognises the importance of valuing the many differences in background, cultures and demographic characteristics of Employees, including their family commitments. A work environment that is free from discrimination and harassment, and respects the diverse needs of its Employees, is conducive to employee development and positive workplace relations.

All Employees are encouraged to identify and help remove practices, attitudes and traditions that lead to discrimination or harassment in the workplace.

Alcohol, Drug and Tobacco Use

All Employees and contractors must report for work in a condition that does not endanger their own safety or the safety of any other person in the workplace. AAco maintains its right to refuse work to any Employee or contractor who, in the opinion of AAco Management, is in an unfit state to perform their work in a safe manner due to the influence of drugs or alcohol. Alcohol consumption on any AAco site is restricted as per the guidelines described in HR 35.04 Drugs Alcohol Fitness for Work Policy.

Smoke-Free Workplace

AAco is aware of studies that indicate that breathing in other people's tobacco smoke is harmful to health. In order to reduce the risk to all workers from the effects of passive smoking, AAco prohibits smoking in any indoor work area. See HR 35.05 Smoke Free Workplace Policy.

Internet and Email Use

Internet and email use must be in accordance with company's IT 10.06 Email Usage and IT 10.09 Internet Usage Policy.

Employees must not use the Internet to access sexually explicit material or use email to send sexually explicit, suggestive or other harassing material.

Obligation to Comply with the Code

Employees are expected to adhere to the Code in both letter and in spirit. Anyone who breaches the AAco Code may face disciplinary action. In cases where the breach involves serious misconduct, this may result in termination of employment.

If you suspect a violation of the Code, report the matter to an appropriate manager. No action will be taken against any employee who reports in good faith a suspected violation of this Code.

Associated Policies and Forms

RQ 60.01 Non-conforming Product / Recall Procedure.
RQ 10.04 Anti-fraud & Corruption Policy
HR 35.06 Bullying Policy
HR 35.02 Equal Employment Opportunity Policy
HR 35.04 Drugs Alcohol Fitness for Work Policy.
HR 35.05 Smoke Free Workplace Policy.
IT 10.06 Email Usage Policy
IT 10.09 Internet Usage Policy
