



Application for Retail Authorisation Electricity

**Annexure D
Code of Conduct**

February 2018

Active Utilities Retail Pty Ltd



Annexure D

Internal Policy: Code of Conduct

1. Introduction

1.1 This code of conduct applies to:

- (a) the directors of Active Utilities Retail Pty Ltd ACN 606 139 931 (**Company**) including the Chief Executive Officer (**CEO**);
- (b) the Chief Financial Officer (**CFO**) of the Company;
- (c) any other employee or officer of the Company and its controlled entities (together, the **Group**); and
- (d) any contractor or consultant to the Group whose terms of engagement incorporate this code of conduct.

1.2 In this code of conduct, **Employees** includes the CEO, CFO and any person referred to paragraph 1.1(c).

2. Purpose

2.1 As well as assisting to discharge the legal and equitable duties owed by directors and Employees, the purpose of this code of conduct is to:

- (a) articulate the high standards of honesty, integrity and ethical, responsible and law-abiding behaviour expected of directors and Employees;
- (b) demonstrate the commitment of the Company and its directors and senior executives to, and to encourage the observance of, those standards, to protect and promote the interests, and take into account the reasonable expectations of, the Company's shareholders and other stakeholders (including Employees, customers, suppliers, creditors, consumers and the broader community);
- (c) guide directors and Employees as to the practices necessary to maintain confidence in the Group's integrity and comply with their legal obligations; and
- (d) set out the responsibility and accountability of directors and Employees to report and investigate any reported violations of this code or unethical or unlawful behaviour.

2.2 While this code of conduct is designed to ensure the Company delivers on its commitment to acting ethically and responsibly and to sustainable business practice, it does not create any rights in any Employee, client, customer, supplier, competitor, shareholder or any other person or entity.

3. Honesty and Integrity

3.1 The Company expects directors and Employees to:

- (a) observe the highest standards of honesty, integrity, fairness, ethical, responsible and law-abiding behaviour when:
 - (i) performing their duties; and
 - (ii) dealing with any officer, Employee, shareholder, customer, supplier, auditor, lawyer or other advisers of the Group; and
- (b) foster a culture of honesty, integrity, fairness and ethical, responsible and law-abiding behaviour among other officers and Employees.

3.2 Each director and Employee must immediately disclose to the Company Secretary or Chief Executive Officer all criminal convictions recorded against them and any criminal proceedings brought against them as soon as they become aware of such proceedings.

3.3 Where there is any doubt as to whether certain conduct would be consistent with this code of conduct, directors and Employees (as applicable) should consider the following non-exhaustive factors:

- (a) does the conduct feel like the right thing to do?
- (b) what conduct would a customer or shareholder of the Company expect or want to occur in this situation?
- (c) what would the reaction be if this was reported in the press?
- (d) would the conduct be considered to be appropriate by fellow directors/ Employees (as applicable)?
- (e) would the conduct impact on the Company's relationships with regulators or put at risk its licences?

4. Conflicts of interest or duty

4.1 Directors and Employees must be aware of potential conflicts between (directly or indirectly):

- (a) on the one hand:

- (i) the interests of the Group; or
 - (ii) their duties to the Group; and
 - (b) on the other hand:
 - (i) their personal or external business interests; or
 - (ii) their duties to any third party.
- 4.2 A conflict of interest exists where loyalties are divided. They may have a conflict of interest if, in the course of their employment or engagement with the Company:
- (a) any of their decisions lead to an improper gain or benefit to them or their associates; or
 - (b) their personal interests, the interests of an associate or relative, or obligation to some other person or entity, conflict with their obligations to the Company.
- 4.3 Directors and Employees must avoid placing themselves in a position, entering into any arrangement or participating in any activity that may lead to:
- (a) an actual or potential conflict of interest or duty;
 - (b) a reasonable perception of an actual or potential conflict of interest or duty; or
 - (c) a negative impact on the Group's reputation.
- 4.4 Directors and Employees must:
- (a) act in the best interests of the Company and the Group;
 - (b) fully and frankly inform the board of directors of the Company (**Board**) of any personal or external business interest that may lead to:
 - (i) an actual or potential conflict of interest or duty; or
 - (ii) a reasonable perception of an actual or a potential conflict of interest of duty; and
 - (c) obtain and follow independent legal advice to avoid or resolve any actual, potential or perceived conflict of interest or duty.
- 4.5 Each director must:
- (a) recuse himself or herself when the Board considers any matter in which the director has or may have a conflict of interest or duty; and
 - (b) comply with the Corporations Act 2001 (Cth) and the Company's constitution in relation to the disclosure of material personal interests and restrictions on voting by directors.
- 4.6 Each non-executive director must inform the chairperson of the Board of:

- (a) any existing directorship or other office held by the director in another entity outside the Group; and
- (b) any proposed appointment as a director or employee of another entity outside the Group before accepting the appointment.

5. Corporate opportunities

- 5.1 Directors and Employees must not improperly use their position, property or information acquired through their position for personal gain or the gain of an associate, or to compete with or harm the Group.
- 5.2 Directors and Employees must not accept bribes, inducements, commissions or misuse assets or resources of the Company or the Group.
- 5.3 Directors and Employees may not use the words 'Active Utilities' (or any combination of those words) or any other business name or trademark used by the Group for a personal or external business transaction.
- 5.4 Directors and Employees must keep their personal or external business dealings separate from the Group's business dealings.
- 5.5 Directors and Employees must only use goods, services, and facilities received from the Group in accordance with the terms on which they are given.
- 5.6 Directors and Employees must not accept any improper gift from the Group's existing or potential customers or suppliers.

6. Confidentiality

- 6.1 Any information acquired by directors or Employees while performing their duties is confidential information of the Group, its customers or suppliers and must be kept confidential. Directors must not disclose the information to a third party except where that disclosure is:
 - (a) authorised by the Board; or
 - (b) required by law or a regulatory body (including a relevant stock exchange).
- 6.2 The existence and details of any Board and Company management information, discussions, and decisions that are not publicly known and have not been approved by the Board for public release, are confidential information of the Group and subject to paragraph 6.1.
- 6.3 Directors' and Employees' obligations of confidentiality continue after they leave the Group.

7. Fair dealing

7.1 The Company expects directors and Employees to:

- (a) deal fairly with any officer, Employee, shareholder, customer, supplier, competitor, auditor, lawyer or other advisers of the Group; and
- (b) encourage other Employees and officers to do the same.

7.2 Directors and Employees must not take unfair advantage of any officer, Employee, customer, supplier, competitor, auditor, lawyer or other advisers of the Group through illegal conduct, manipulation, undue influence, concealment, abuse of confidential information, misrepresentation of material facts or any other unfair-dealing practice.

8. Protection and proper use of assets

8.1 The Company expects directors and Employees to use all reasonable endeavours to protect any Group asset and to ensure its efficient use.

8.2 Directors and Employees may only use a Group asset (for example, a product, vehicle, computer or money) for legitimate business purposes or other purposes approved by the Board.

8.3 Directors and Employees must immediately report any suspected fraud or theft of a Group asset for investigation.

9. Trading in securities

Directors and Employees must ensure that all trading in securities, including trading in securities of the Company, is in accordance with the Company's Securities Trading Policy. The purpose of the Company's Securities Trading Policy is to ensure compliance with all applicable laws and to minimise the scope for misunderstandings or suspicions regarding directors and Employees trading in securities while in possession of non-public price-sensitive information.

10. Privacy

10.1 The Company respects directors' and Employees' privacy and the privacy of others. Directors and Employees should familiarise themselves with, and comply with:

- (a) the privacy laws of Australia and, where applicable, the jurisdiction of where they carry out activities on behalf of the Company; and
- (b) the Company's privacy policies that detail the appropriate use of personal information.

10.2 If directors or Employees have any questions in relation to privacy, they should contact the CEO.

11. Community, environment, and politics

11.1 The Company is a responsible corporate citizen and actively supports the communities in which directors and Employees live and work. Directors and Employees are expected to uphold the Company's commitment to pursue good corporate citizenship while engaging in its corporate activity.

11.2 Directors and Employees must abide by all local laws and regulations, and are expected to respect and care for the environments in which the Company operates. The Company supports and encourages Directors and Employees to contribute actively to the needs of the community. If directors or Employees wish to make such a contribution (such as donations or sponsorship) on behalf of the Company, they should consult the CEO for approval.

11.3 The Company is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations. If directors or Employees are aware of or suspect, an action that is not environmentally responsible and/or in breach of the applicable laws and regulations, they should report the matter in accordance with this code of conduct.

11.4 Directors and Employees may voluntarily participate in the political process as individuals. However, they should not engage in actions that could cause someone to believe that their actions reflect the views or positions of the Company if that is not the case.

12. Compliance with laws, regulations, policies, and procedures

12.1 Each director and Employee must:

- (a) comply with the letter and spirit of any applicable law, rule or regulation;
- (b) comply with the protocols, policies, and procedures of the Group, including its code of conduct;
- (c) not knowingly participate in any illegal or unethical activity; and
- (d) encourage other officers and Employees to do the same.

13. Reporting of unlawful and unethical behaviour

13.1 The Company expects directors and Employees to:

- (a) report promptly and in good faith, any actual or suspected violation by an officer or Employee of the standards, requirements or expectations set out in this code of conduct; and
 - (b) encourage other officers or Employees to do the same.
- 13.2 Directors and Employees may use their own judgment in deciding to whom to report any violation or behaviour referred to in paragraph 13.1, however:
- (a) directors are encouraged to report to the chairperson of the Board or another director; and
 - (b) Employees are encouraged to report to their immediate supervisor, the CFO or the chairperson of the Board.
- 13.3 If directors or Employees report, in good faith, any violation or behaviour referred to in paragraph 13.2, each director and Employee must ensure that:
- (a) the reporting person's position is protected;
 - (b) the reporting person's identity is only disclosed with their consent, except where disclosure is required by law; and
 - (c) no disciplinary, discriminatory or other adverse action is taken or tolerated against the reporting person for reporting the violation.
- 13.4 The reporting person is not, however, protected from civil or criminal liability for any of his or her conduct that may be revealed by the report. However, if a reporting person reports such conduct and actively cooperates in an investigation in which he or she may be implicated, there may be some cases where the fact that he or she has made a report will be taken into account as a mitigating factor when determining actions that may be taken against him or her.
- 13.5 Directors or Employees who receive a report of any violation or behaviour referred to in paragraph 13.2 must ensure that:
- (a) the alleged violation or behaviour is thoroughly investigated;
 - (b) the rules of natural justice are observed in the investigation; and
 - (c) the appropriate disciplinary action is taken if the allegation is substantiated.

14. Approved and adopted

This code of conduct was approved and adopted by the Board in January 2017.