



Austal

Code of Conduct

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GRP-HR-MAN-001 – Code of Conduct

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1. Introduction

The success of Austal is dependent on the knowledge, experience, talent and conduct of its people.

It is vital that we act with integrity and professionalism at all times, and are guided by shared ethics, behaviours and standards in all of our interactions with others. We enhance and protect our reputation while delivering on strategic objectives in a manner that is consistent and sustainable by conducting ourselves in this manner.

Our Code of Conduct (Code) provides a guiding set of principles that support a culture of strong corporate governance, sound business practices and the highest ethical conduct. Our Code has been prepared for the guidance and benefit of all people employed or engaged by Austal.

The key principles underpinning our Code are as follows:

- Our actions must be governed by the highest standards of integrity and fairness;
- Our decisions must be made in accordance with the spirit and letter of the applicable law; and
- Our business must be conducted honestly and ethically, using our best skills and judgement, for the benefit of our people, clients, shareholders, stakeholders and Austal alike.

It is essential that all personnel, including contractors, read, understand and comply with our Code. Please ask your Manager or the Human Resource Manager if you are unsure about any aspect of the Code or need guidance on matters relating to business conduct.

1.1 Benefits of the Code

The Code creates an agreed standard of conduct across all Austal business interest and locations worldwide. It is designed to enhance client relationships, reinforce brand perception, and business reputation.

The Code is supported by the Austal Values and makes everyone involved in the business operations aware of the expected standards of conduct and the consequences if the Code is breached.

1.2 Purpose of the Code

Our Code of Conduct outlines how Austal expects its representatives to behave and conduct business in the workplace on a range of issues.

You are expected to act in a manner consistent with the key values underpinning the Code whenever representing Austal. Our business must be conducted honestly and ethically with our best skills and judgement, and for the benefit of our clients, personnel, shareholders, and stakeholders.

It includes legal compliance and guidelines on appropriate ethical and behavioural standards.

The purpose of the Code is to:

- Provide a benchmark for professional behaviour through the Austal Group;
- Support Austal's business reputation and standing within the community; and

- Make directors and personnel aware of the consequences if they breach the Code

Austal's policies, standards and codes are regularly monitored to ensure they remain relevant, effective and consistent with our stakeholders expectations.

While the Code is designed to ensure Austal delivers on its commitment to corporate responsibility and sustainable business practice, it does not create any rights in any employee, contractor, client, supplier, competitor, security holder or any other person or entity.

The Code of Conduct does not include every ethical issue that an employee may face nor every law and policy that applies to the Group.

You may ask for clarification or request that an exception be made if you believe that the application of the Code in a particular circumstance would be inappropriate or detrimental to Austal and its group of companies. Discuss the matter with the HR Manager who will then seek guidance from General Counsel if you believe that a waiver of the Code is warranted.

1.3 Who the Code applies to

All personnel must comply with the Code. A reference to 'personnel' or 'people' includes temporary employees, contractors, employees and Directors of the Austal Group of companies.

The Code applies to all business activities with all stakeholders, including suppliers, contractors, clients, shareholders, other personnel, government and the wider community in Australia and all of the overseas countries in which we operate and conduct business.

It is the responsibility of every person covered by the Code to conduct themselves in accordance with the Code. Some individuals may have additional responsibilities relating to the code (listed below).

Position	Responsibility
Employee/ Contractor	<p>It is the employee's/contractors responsibility to:</p> <ul style="list-style-type: none"> • Comply with the Code; • Act at all times in the best interest of Austal, with strict integrity and according to legal and approved Austal business practices; and • Raise any concerns or issues with their Manager
Manager	<p>It is a Manager's responsibility to:</p> <ul style="list-style-type: none"> • Communicate the Code to personnel • Take a leadership role in observing and promoting the behaviour and standards in the Code and related policies; and • Take immediate action where a potential breach of the Code is reported, or where the Manager observes a potential breach
Human Resources	<p>It is the responsibility of Human Resources to:</p> <ul style="list-style-type: none"> • Conduct regular training on the Code for all contractors and employees. • Conduct preliminary investigations in relation to potential breaches of the Code; • Review and recommend updates of the Code and related policies as required;

1.4 How the Code interacts with other group policies

The Code should be read in conjunction with all Group policies and standards including:

- Share Trading Policy
- Risk Management
- Anti-Corruption and Corruption Policy
- Audit & Risk Committee charter

2. Compliance with Laws and Regulations

You are encouraged to:

- Actively seek to understand the laws which affect or relate to Austal's operations and operating jurisdictions of the Austal Group of companies.
- Attend seminars presented by Austal or other external service providers to maintain your knowledge of the laws and regulations, as well as to increase your awareness of relevant legal and industry developments

Please contact Austal's Group Counsel if you have questions about the application of a particular law or how it should be interpreted.

3. Fair Trading and Dealing

Austal aims to maintain the highest standard of ethical behaviour in conducting business and to behave with integrity in all dealings with clients, shareholders, government, employees, suppliers and the community.

When dealing with others you must:

- Perform your duties in a professional manner
- Act with the utmost integrity and objectivity; and
- Strive at all times to enhance Austal's reputation and performance

Austal is committed to upholding fair and ethical securities trading practices complying with all laws and avoid any conflicts of interest

If you have a question or wish to report a breach of fair dealing requirements, please contact your HR Manager or Group Company Secretary.

4. Conflicts of Interest

You are responsible for notifying Austal of any conflicts of interest (actual or potential). You should disclose actual or potential conflicts of interest your Manager, HR Manager or General Counsel.

4.1 What is a conflict of interest?

A conflict of interest exists where competing professional or personal interests can compromise the fulfilment of duties in an impartial, professional and fair manner. A conflict exists even if no unethical or improper act results and can create an appearance of impropriety that can undermine confidence, credibility or reputation.

You may have a conflict of interest if, in the course of your employment or engagement with Austal:

- Any of your decisions lead to an improper gain or benefit to you or your associates; or
- Your personal interests, the interests of an associate, or relative, or obligation to some other person or entity, conflict with your obligation to the Austal Group of companies

Some common examples are detailed below as a guide to illustrate actual or apparent conflicts of interest that you must avoid.

4.2 Improper personal benefit

Conflicts of interest can arise when you or a member of your family receive improper personal benefit as a result of your position within the company. You and your relatives should not give unreasonable gifts, or receive unreasonable gifts from Austal's clients or suppliers or others with whom Austal interacts.

You are encouraged not to accept a gift (of any kind or value) in circumstances where your business judgement might appear to have been compromised or influenced by the gift, where you would subsequently feel obliged to provide business favour to the provider of the gift, or where you or Austal would be embarrassed if the gift was made public.

Please check with your HR Manager if you are in doubt about the appropriateness of a gift.

4.3 Financial interests in other businesses

You should avoid having a significant ownership interest or personal financial interest in any other enterprise if that interest compromises or appears to compromise your loyalty to Austal.

You must disclose all personal financial interests that you or members of your family have in organisations which have established, or are attempting to establish, a business relationship with Austal or which compete with Austal or its group of companies.

Personal financial interests include, among other things, interests resulting from the following relationships.

- Officer, director, employee, contractor or independent contractor; ownership of shares or other equity interest;
- Debtor or creditor (other than in respect of personal financing arrangements with a recognised financial institution, such as mortgages); or
- Lessee or lessor

Ownership of less than five percent of the common or ordinary shares in an entity is not normally considered a conflict. You should make any level of interest known to Austal's General Counsel.

4.4 Corporate opportunities

You must not take advantage of property, information, or other opportunities arising from your position in Austal.

For example, you should only participate or invest in a business opportunity that you learnt about through the use of corporate property or information or your position within the Group, with approval from the General Counsel. As a general principle, you should only participate in a joint venture, partnership or other business arrangement with an Austal group company with approval from General Counsel or CEO.

4.5 Conflict of interest arising from a personal relationship

Personnel who have the responsibility for or authority to affect the careers or employment of other people should perform their functions free from any conflict of interest arising from a personal relationship.

For examples, conflict of interest will arise from a personal relationship if you have a family, business or personal relationship (including a personal financial interest, sharing living quarters or close personal relationship) with any person within Austal and that relationship causes, or might reasonably be anticipated to cause, an inability on your part or their part to perform responsibilities objectively and impartially as far as the other party to the relationship is concerned.

You must disclose any conflict of interest arising from a personal relationship to your HR Manager. Such disclosures will be treated confidentially.

4.6 Outside memberships, directorships, employment and public office

Austal supports involvement of its people in community activities and professional organisations, however, outside employment or activity must not conflict with a person's ability to properly perform their work for Austal nor create a conflict (or the appearance of a conflict) of interest.

You must carefully evaluate whether a position could cause, or appear to cause, a conflict of interest before accepting outside employment or a position on the Board of Directors of another company or not-for-profit organisation.

You must obtain prior written consent from the CEO where the proposed employment or position relates to an outside organisation that has, or seeks to have, a business relationship with Austal or competes with services provided by Austal or its group of companies.

You may accept public office or serve on a public body in your individual private capacity, but not as a representative of Austal. You must comply with Austal's policies regarding leave of absence and absenteeism if such public office would require time away from work.

4.7 User of company name

It is Austal's policy to make available to all personnel any company discounts with suppliers or other businesses that may be passed on the Austal's people, however, you may not use Austal's name or purchasing power to obtain personal discounts or rebates unless the discounts or rebates are made available to all personnel.

4.8 Politics

You may voluntarily participate in a political process as an individual, however, your participation should not cause someone to believe that your actions reflect the view or position of Austal. It is against policy to use corporate funds for political reasons, however the policy does not prohibit:

- Payments of salaries and expenses of personnel whose duties may include communication with government officials.

5. Improper Use or Theft of Austal Property, Assets and Email

You are responsible for protecting any of Austal's property and assets that are under your control and you should safeguard them from loss, theft, damage and unauthorised use.

Austal's property and assets include cash, securities, business plans, third party information, intellectual property (including computer programs, software, designs, models and other items), confidential information, office equipment and supplies.

You must not:

- Use Austal assets for any unlawful purpose or unauthorised personal benefit;
- Remove Austal property and documents from official premises without a good and proper reason. Property and documents should be stored in a secure manner and covered by appropriate insurances if required to be removed; and
- Make improper disclosures, including inadvertent or careless disclosure, of competitive business strategies and plans, special methods of operation and other information that is of competitive value to Austal. Seek advice from General Counsel if you are unsure whether information is of a confidential nature.

You are encouraged to use common sense and observe standards of propriety regarding content and language when creating documents that may be retained by Austal or a third party. Austal's electronic communications systems should not be used to access or post material that violates Austal's policies or any laws or regulations.

6. Public Communications and Disclosures

You are responsible for the integrity of the information, reports and records under your control and you are expected to exercise the highest standard of care in preparing materials for public communications.

All documents and materials should comply with any applicable legal requirements, including fairly and accurately reflecting the transaction or occurrences to which they relate. Documents and materials must not contain any false or intentionally misleading information, nor intentionally misclassify information.

Media statements and official announcements, or any comment to a media representative may only be made by specifically authorised personnel outlined in the Communication Protocol (COR305). Refer a request to the appropriate person if you are not authorised to respond to the enquiry.

7. Employment Practices

Austal personnel must not act in any way that could cause harm to Austal's reputation or market position during or after their employment. Personnel have a duty to act in a manner that merits the continued trust and confidence of the public.

8. Occupational Health and Safety

Austal is committed to maintaining a healthy and safe working environment for its personnel. All personnel must fully comply with OHS laws and internal regulations, and have an obligation to the commitment of Austal providing a safe and wellbeing of their work colleagues. Misusing controlled substances or alcohol or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs on the job will not be tolerated.

You should familiarise yourself with Austal's Health, Safety, Environment and Quality (HSEQ) policies, standards and guidelines to ensure the workplace is safe and without risk to the health of yourself and others. You must follow any lawful and reasonable instructions consistent with policies, standards and procedures.

9. Equal Opportunity and Anti-discrimination

Austal is committed to managing and valuing diversity, and being compliant with Fair Work employment practices and anti-discrimination laws. A workplace free from any kind of discrimination, harassment or intimidation of personnel is the right of every employee at Austal. Austal will investigate all allegations of harassment, bullying, victimisation or discrimination and will take appropriate corrective action against bona fide allegations.

10. Community

Austal actively supports the communities in which we live and work and strives at all time to be a responsible corporate citizen. Each employee and contractor is expected to uphold the company's commitment to pursue good corporate citizenship while engaging in any corporate activity.

You must abide by all local laws and regulations, and are expected to respect and care for the environments in which Austal operates.

11. Breach of the Code

Austal recognises that breaches of the Code may occur from time to time. We expect that any breach will be inadvertent and without intent, however it should be clearly understood that penalties may be imposed ranging from counselling, disciplinary action, which may include dismissal or termination of employment for gross misconduct depending on the nature of the breach. Austal will act objectively and in accordance with its policies and procedures in place at the time, with any applicable provisions or requirements in an employment contract and in accordance with the relevant law.

Austal reserves the right to inform the appropriate authorities where it is considered that there has been criminal activity or an apparent breach of the law.

12. Reporting Channels

Personnel are encouraged to report any genuine behaviours or situation which they believe breaches or potentially breaches the Code, policies or law to their Manager.

Alternatively you can report unacceptable behaviour to your HR Manager or provide a confidential report to austal@stopline.com.au

The Manager to whom potential breaches are reported, should discuss the issue with Human Resources who will assess the appropriate action to be taken in response to the report.

Austal is committed to ensuring that you are not disadvantaged or discriminated against for reporting unacceptable behaviour in good faith.

Investigations of reported breaches will be administered according to the Whistle Blower Policy and Procedure. Personnel are expected to cooperate with the directions of the appointed investigator of any breach.

13. Related Documents

This procedure has been issued under, and is consistent with the following business management documents:

Description	Document Reference Number
Share Trading Policy	GRP_POL_004
Risk Management	GRP_POL_008
Anti-Bribery & Corruption Policy	GRP_POL_001
Audit and Risk Committee Charter	http://investor.austal.com/phoenix.zhtml?c=159601&p=irol-govhighlights
Health & Safety Policy	GRP_POL_012
Guidelines for Alcohol & Drugs Testing	SHE340
Communications Protocol	COR305
Personal Leave and Australian Workplaces Standard	HR555
Equity & Diversity Policy	GRP_POL_015