



Code of Conduct

Employee & Contractor Information

The following document contains important information for all employees and contractors who work for International Timber Solutions (“ITS”, “The Company”) in relation to their responsibilities and obligations in relation to the ITS Code of Conduct (Code).

The Code sets out the Company’s intentions and expectations in relation to:

- How ITS conducts its business.
- How we behave as individuals in the workplace.

Please ensure you read this information carefully and also familiarise yourself with the current Code of Conduct document.

Copies of the Code will be available from:

- The ITS website
- The ITS intranet
- Your Supervisor/Manager

If you have any questions or concerns, please raise these with your Supervisor/Manager as soon as possible.

As an Employee or Contractor you have a responsibility to ensure that you:

- are aware of, and comply with, the requirements and principles of this Code;
- understand the specific policies, procedures and guidelines that relate to your work and work areas;
- seek guidance if you are unsure about the application of any aspect of the Code; and
- report any actual or suspected breaches of the Code to your immediate supervisor/manager.

The Company acknowledges that the Code cannot possibly cover every situation which may arise in the day-to-day operation of our business.

Therefore we are all expected to always exercise sound judgement and professional integrity in our activities to ensure compliance with the spirit and intention of this Code.

KEY ELEMENTS OF THIS CODE

Health & Safety

We are all required to:

- share the responsibility of ensuring the safe well-being of all persons in the workplace;
- conduct or work in a manner which promotes and sustains a safe and healthy workplace; and
- ensure that all of our activities comply with the appropriate legislation and standards.

Fitness for Work

We are all required to take personal responsibility for our individual fitness for work, and:

- must not be impaired by fatigue, drugs (illegal or legal), or alcohol; and also
- must be able to perform our work in a way that does not compromise or threaten the safety or health of ourselves or others.

Equal Employment Opportunity, Diversity, Harassment & Bullying

Our Equal Opportunity & Diversity Guidelines and Harassment & Bullying Guidelines provide the framework to ensure you are provided with a fair, equitable, flexible and safe workplace, which is free from unlawful discrimination, harassment and bullying.

The Company will not tolerate any form of unlawful discrimination, harassment or bullying in our workplaces.

Any allegations of harassment, bullying, victimisation, or discrimination will promptly and objectively investigated and appropriate corrective action will be taken.

Further, the Company will not tolerate any form of retaliation against individuals who raise allegations, or are involved in investigations related to allegations.

Anti-Bribery and Anti-Corruption

All Employees and Contractors are to comply with all laws, rules and regulations governing bribery and corruption in all the countries in which we operate.

The purpose of this code is to set out the values, principles and responsibilities ITS adheres to and expects from all our employees, partners, distributors, resellers, advisors, consultants, agents and other intermediaries representing us with regard to bribery and corruption.

All Directors, Employees and Contractors are required to comply with this code.

Compliance with this code is a mandatory requirement.

Bribery is the offering, promising, giving or accepting or soliciting of advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages to or by another person such as but not limited to:

- a public official, at national, local or international level;
- a political party, party official or candidate; and
- a director, officer, employee or agent of another organisation or an individual in order to obtain or retain a business or other advantage other than by legitimate and proper means.

Corruption is the abuse of entrusted power for private gain. It includes solicitation of a bribe, whether or not coupled with a threat if the demand is refused.

The Company will deal with any instance of suspected bribery or corruption seriously. Any actual instance will result in disciplinary action against those involved, up to and including termination of employment or contract, and reporting of those persons to relevant regulatory and criminal authorities. The Company will support those authorities in any prosecution brought against those persons. The Company operates a zero tolerance toward bribery and corruption.

Gifts & Hospitality

Employees and Contractors must not give or accept gifts or hospitality in circumstances that could reasonably be regarded as:

- a bribe, payoff or financial inducement;
- conflicting with the Company's commitment to fostering the highest levels of integrity and ethical standards;
- influencing the recipient or creating a real or perceived business obligation on the recipient's part.

"Gifts" include anything of value such as direct payment (i.e. money) and payments in kind (e.g. discounts, loans, favourable service terms, shares, securities, vouchers, gift certificates etc). "Hospitality" includes meals, travel and invitations to sporting or entertainment events etc.

As a general guide, gifts or hospitality with a value of less than \$250 would be considered as "reasonable".

Conflicts of Interest

A conflict of interest would occur if you have a direct or indirect financial or other interest which could compromise your ability to make impartial business decisions on behalf of the Company.

We all have an obligation under this Code to:

- avoid situations or activities which might place us in a position of conflict of interest with the Company; and
- fully disclose any situations which could give rise to a conflict of interest, or a potential conflict of interest.

Fraud

The Company will not tolerate fraudulent behaviour by any Employees or Contractors.

Fraudulent actions include but are not limited to:

- falsifying expenditure statements, reports or entries;
- distorting the true nature of a financial transaction; and
- lying with the intent of obtaining money or other benefits.

It is important for you to report any suspected fraudulent behaviour to your supervisor and/or manager.

Use of Company Assets

We are required to only use Company assets and property for legal and authorised purposes.

The assets and property of the Company includes but is not limited to:

- cash;
- intellectual property;
- office equipment and supplies;
- vehicles and tools;
- third party information; and
- IT systems and resources.

You must not use our IT resources and systems in any way which creates any impropriety or breach of this Code (such as using Company systems to access, view and/or distribute malicious racial, pornographic or other offensive material).

Sustainable Development

We are required to support the Company's ongoing commitment to integrate and balance social, environmental, health & safety and economic factors across our business activities.

This requires us all to maintain open and honest dialogue with our stakeholders to ensure that ITS is considered a preferred business partner.

Responsibilities to the Financial Community

ITS recognises the importance of building public confidence. The Company maintains effective business controls by:

- ensuring accurate and reliable financial reporting in accordance with the applicable accounting standards; and
- maintaining an effective system of risk management and internal controls to recognise and manage financial reporting risks.

Responsibilities to Customers & Suppliers

The Company is committed to fair and honest dealings with our customers, suppliers and other key stakeholders.

We are all therefore expected to conduct our business with these entities in a professional and objective manner to enhance the reputation of ITS and optimise business outcomes.

Privacy of Personal Information

The Company takes necessary measures in accordance with the National Privacy Principles to safeguard the privacy of any personal information it receives. This includes the collection, use, disclosure, and secure management of such personal information.

Confidentiality & Release of Information

The Company takes all necessary measures to safeguard confidential information and will disclose confidential information only when necessary and after appropriate approval to do so has been obtained.

You are required to maintain the confidentiality of information regarding the Company's business operations and/or plans which is not publicly available. Such confidential information must not be disclosed without the prior authority of the Managing Director.

If you are in the possession of, or responsible for, confidential or sensitive information in any form, you must ensure it is appropriately secured and protected from unauthorised access.

COMPLIANCE WITH THE CODE

Education & Awareness

The Company will provide appropriate education and awareness to ensure you understand your responsibilities and requirements under the Code.

You will be required to formally reaffirm your commitment to this Code on an annual basis.

Breaches of the Code

Breaches of the Code will be treated seriously and objectively investigated by the Company.

Outcomes of such investigations may include application of the Counselling & Discipline Guidelines and result in disciplinary action up to and including termination of employment (or termination of a contract in the case of a Contractor).

Reporting of Breaches

Should you become aware of a breach (or suspected breach) of this Code, you must report the matter immediately to your supervisor and/or manager.

No retaliatory action will be taken or permitted against any individual who reports a breach (or suspected breach) of the Code in good faith, (provided that person is not responsible for the breach).

Fair Treatment

If you believe you have been unfairly treated in relation to the Code, you should raise your concern with your supervisor and/or manager in the first instance, and if still unresolved, follow the steps of the Fair Treatment Guidelines.