

# **Code of Conduct**

Emperor Range Group Limited **(Company)**

Release 1

Approved by the Board: 26 Nov 2013

## 1. Overview

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- 1.1. The purpose of this code of conduct (**Code**) is to:
  - 1.1.1. outline our philosophy and corporate values.
  - 1.1.2. provide examples of how to deal in conflict of interest situations to protect and promote the interests of the shareholders and the Company.
- 1.2. The Code is a framework for conducting business and is applicable to all employees in our Company and its Chinese subsidiary.

## 2. Essential Ethical Foundations

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- 2.1. As employees owe duties to the shareholders and Company, to their co-workers, and to many other parties, conflicts between these duties can arise. By upholding the following attributes, conflict between duties is avoided and compliance with all other conduct requirements are met:
  - 2.1.1. **honesty** and **trust** are the most essential foundations to ethical business. This will affect every part of daily business.
  - 2.1.2. **professionalism** and **respect** must be demonstrated in all aspects of conduct. Professionalism deals with time management and meeting deadlines. It also assumes a non-confrontational and respectful manner is showed to all people.
  - 2.1.3. our staff must have a **dedication to the policies and procedures** for the Code to be effective. One way that this can be demonstrated is encouragement between employees to uphold the values of the Company.
  - 2.1.4. employees of the Company **must not use Company property for personal use**. Not only does this reduce shareholder value but does not meet the essential foundations of honesty and trust.
  - 2.1.5. within the course of business our staff may be exposed to **confidential or sensitive information** and **trade secrets**. In many cases it is illegal to disclose such information, but at all times disclosure of this information conflicts with the underpinning characteristic of trust. Any disclosure, including inadvertent disclosure should be discussed with management promptly. Potential conflicts of interest must also be addressed with management. Employees must not reveal or make use of any information they have come in contact with because of their employment.
  - 2.1.6. no employee or director may do anything that is likely to adversely affect the regulation or interests of the Company.
  - 2.1.7. every employee has the **duty to obey the laws** of countries in which the Company operates.

### **3. Diversity in Business**

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- 3.1. The Company's Board seeks to maintain an excellent corporate culture and has a strong commitment to all types of diversity in business. The Board will establish a Diversity Policy.
- 3.2. Cultural awareness must be practiced at all times. This is especially the case when dealing with other cultures.

### **4. Conflicts of interest**

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- 4.1. A conflict of interest generally arises when an individual's personal or commercial interests potentially, actually or are perceived to conflict with the interests of the Company or your duties and responsibilities to the Company.

*For instance, where an employee obtains a personal benefit from, for instance, a relationship with another person, business or organisation which may be detrimental to the business interests of the Company.*

- 4.2. In these situations the individual's ability to make impartial business decisions could be compromised or appear to be compromised.
- 4.3. Our Company's officers and employees are required to make every effort to avoid conflict of interest situations and avoid being placed in compromising situations. However, where a conflict of interest does occur, or may occur, the conflict should be disclosed immediately to a supervisor or an accountable body. The Company will then outline to the individual how the conflict of interests is to be dealt with, either through management or through ceasing the activity causing the conflict.

### **5. Accepting Gifts and Entertainment**

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- 5.1. In some cultures it may be customary to give and receive gifts. The Company considers that the giving and receiving of gifts is acceptable subject to reasonableness.
- 5.2. Something of excessive value or something that might give the impression of favouritism should be politely declined. Entertainment is required in the spirit of business, therefore business lunches and dinners are acceptable.
- 5.3. We may only accept and give token gifts and modest hospitality and professional courtesies. We must not accept a gift or courtesy that could either lead to, or be perceived as, a conflict of interest.
- 5.4. If you receive a gift, you must disclose the gift to the Human Resources Manager of the Company. The Human Resources Manager shall keep a record of any gifts that are not perishable and gifts of more than \$200 value whether in one instance or cumulatively over a period of one year.

### **6. Bribes**

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- 6.1. We do not offer or accept bribes

## 7. Issues in the Workplace

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- 7.1. The Company supports a **No Blame Culture**. Regardless of the issue, management must take a problem solving attitude when errors present themselves. Establishing and maintaining a no blame culture allows employees to discharge the duty of honesty more easily.
- 7.2. All employees must ensure that a **Bully-Free Environment** is upheld at all times. Staff must not engage in any vindictive or hurtful behaviour. This relates to the essential foundation of professionalism in the workplace.
- 7.3. Any conduct that an employee feels is inappropriate must be brought to the **attention of management** promptly. It is paramount in these situations that management uphold their duty to resolve the issue and act in a professional manner.
- 7.4. The Board has a **strong commitment to staff training** and will support programmes that the Company believes is beneficial to the development of employee's potential. As the Company has this obligation it needs to be mentioned that the process works both ways. Employees have the obligation to undertake relevant training and take a positive view on these tasks.

## 8. Media Policy

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- 8.1. The Company has given permission to select employees to make comments to the media on the Company's position. If you are not authorised to make statements on the Company's behalf you must politely **decline to make any representations**. This includes answering any question, or making any statement to the media or any other body, unless required by law.
- 8.2. The Company has adopted a **continuous disclosure policy** in line with requirements under the *Corporations Act 2001* (Cth) and the ASX Listing Rules. This means the market is fully informed on a timely basis on any issue relevant to the Company.

## 9. Social and Environment Awareness

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- 9.1. The Company is committed to conducting its operations in an **environmentally responsible manner**. When analysing the activities, or proposed activities, the Company must undertake an environmental assessment. Decision makers must search the market and always consider the most environmentally friendly alternative. Any information on how the Company can operate in a more environmentally effective manner should be raised with management.
- 9.2. The Company maintains social responsibility by ensuring **high quality products and services**. The principles of fair dealing, fair trading and good faith are fundamental considerations in the conduct of our business.

## 10. Other Issues

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- 10.1. The Company will monitor compliance with this Code. Any notification from internal and external sources of noncompliance will be investigated. This requires employees to report any behaviour that falls short of the standards identified in this Code to senior

management or to the Board. Any person reporting such incidents can remain anonymous and the matter will be dealt with confidentially.

- 10.2. This Code and all relevant policies will be made publicly accessible via the Company's website.

## **11. Review of Policy**

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- 11.1. The Company Board has approved this Code and will assess this document at regular intervals to make changes where required.