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By: TJB

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Code of Conduct for Directors and Senior Executives

Saunders International Limited
ABN 14 050 287 431

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(Company)

Code of conduct for directors and senior executives

Recommendations of ASX

Principle 3: Promote ethical and responsible decision-making

Principle 3 of the 2nd edition of the Corporate Governance Principles and Recommendations (**published by the ASX Corporate Governance Council**) recommends that companies establish a code of conduct and disclose the code or a summary of the code as to:

- (1) the practices necessary to maintain confidence in the company's integrity;
- (2) the practices necessary to take into account the company's legal obligations and the reasonable expectations of its stakeholders; and
- (3) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code may discuss how the company will approach trade practices, consumer protection, privacy, employment, occupational health and safety, superannuation and environmental issues.

The ASX Corporate Governance Council recommends that companies formulate policies on the appropriate behaviour of directors, senior executives and employees.

This code sets standards of ethical behaviour required of the directors and senior executives of the Company and articulates acceptable practices for the directors and senior executives to ensure that their duties and responsibilities to the Company are performed with the upmost integrity and with regard to the Company's responsibilities to its shareholders, employees, customers, suppliers, creditors, consumers and the broader community.

The conduct of the directors and senior executives of the Company (collectively **Senior Officers**) is governed by the following principles.

1. Integrity and professionalism

- 1.1 Senior Officers will act honestly and with integrity in all of their dealings for the Company.
- 1.2 Senior Officers will maintain the highest levels of professional conduct in their interactions with colleagues, business partners and in representing the Company in the community.
- 1.3 Senior Officers will not discriminate on the grounds of people's race, religion, gender, marital status or disability.
- 1.4 Senior Officers will be truthful, and not mislead or make any false statements, nor mislead by omission. Directors will not make promises or commitments that the Company does not intend, or would be unable, to honour.

2. Responsibilities to shareholders

- 2.1 The Company is committed to delivering shareholder value and meeting its corporate responsibilities to shareholders and the financial community generally.
- 2.2 The Company is committed to complying with the accounting policies and practices that are applicable in the Company's circumstances.
- 2.3 Senior Officers will take into account the Company's responsibilities to shareholders and the financial community generally and the delivery of shareholder value when making business decisions.
- 2.4 Senior Officers will comply with the Corporate Governance Policy on Continuous Disclosure.

3. Compliance with the law

- 3.1 The Company is committed to complying with all applicable legal requirements.
- 3.2 Senior Officers will abide by the law at all times.
- 3.3 Senior Officers will report and record any behaviour that involves a contravention of any applicable legal requirement or which is unethical. The Board will be made aware of any such behaviour and take any action that is considered appropriate in the circumstances.

4. Conflicts of interest

- 4.1 Senior Officers will fully disclose any business interest (public or private) and any other matters which may lead to potential or actual conflicts of interest, in accordance with such policies adopted by the Company from time to time.
- 4.2 Senior Officers owe their first duty to the Company. In circumstances where other roles (whether serving as directors or trustees of another organisation) potentially conflict with the Company's interests, the Senior Officer will advise and seek approval from the Managing Director in accordance with this Code.
- 4.3 Senior Officers will not use their role within the Company for political interests at any time, or for community interests unless authorised by the Company.

5. Confidential information

- 5.1 Senior Officers must ensure that confidential information relating to the Company, its customers, its operations, or any other commercially sensitive matter, are not given either inadvertently or deliberately to third parties without the consent of the Company. Other than in circumstances required by law, there is no reason for senior officers to reveal confidential information. Confidential information which is to be released to legitimately interested third parties shall only be made so available after appropriate authorisation procedures have been followed.
- 5.2 Senior Officers will maintain and observe their obligations of confidentiality and proper use of information even after leaving the Company's employment.

6. Inside information

- 6.1 Senior Officers must not use inside information for personal gain.
- 6.2 If a Senior Officer has inside information (being price sensitive information, information not in the public domain or information about any entity related to the Company or a strategic partner of the Company which has come to the knowledge of the Senior Officer through their employment by the Company), the Senior Officer must not deal in that entity's securities or pass that information on to another person or encourage another person to deal in that entity's securities (securities includes shares, units or any form of derivatives such as warrants or options).
- 6.3 The Directors and Senior Executives will comply with the Securities Trading Policy for Directors and Senior Executives.

7. Employment practices

- 7.1 The Company is committed to complying with all relevant occupational health and safety laws and standards.
- 7.2 Senior Officers must take into account occupational health and safety issues when making business decisions.

8. Benefits to Senior Officers

- 8.1 Senior Officers must not take advantage of their status as a director, senior executive or employee of the Company or take improper advantage of the property or information relating to the Company to seek personal gain from those doing business or seeking to do business with the Company.
- 8.2 Senior Officers must not offer or accept payments. Senior Officers must not offer or accept gifts or entertain beyond that which would be considered nominal value and normal business practice.

9. Responsibilities to broader community

- 9.1 The Company is committed to meeting its corporate responsibilities to shareholders, employees, customers, suppliers, creditors, consumers and the broader community.
- 9.2 The Company is committed to fair value, fair dealing, fair competition and fair trading in all markets in which it operates.
- 9.3 The Company is committed to ensuring that the standard of the products it delivers and the services it provides are of the standard required under its contracted obligations.
- 9.4 The Company is committed to supporting applicable environmental protection policies.
- 9.5 Senior Officers will take into account the impact of environmental, health and safety, employment and competition issues when making business decisions. The Senior Officers will ensure that these business decisions do not compromise the Company's commitment to avoiding injury to people, damage to the environment or the maintenance of competitive markets, and will ensure that the Company complies at all times with all relevant laws.

10. Observance of the Code of Conduct

- 10.1 Senior Officers will report and record any behaviour that involves non-compliance with this Code. The Chairperson will be made aware of any such acts or behaviour and take any action that is considered appropriate in the circumstances. Senior Officers will take care to ensure that the application of this Code is enacted in word and deed.
- 10.2 The Senior Officers will work collaboratively and will apply the principles of this Code to their duties and responsibilities on a daily basis.