



CEC GROUP LIMITED

ABN 84 010 025 831

Corporate code of conduct

Date: 28 November 2003

1 Introduction

This is the Corporate Code of Conduct (“Code”) for GEC Group Limited (“Company”) and is designed to maintain confidence in the integrity of the Company.

The Code sets out certain basic principles that directors, and employees (“officer”) should follow in all dealings related to the Company.

Officers should be loyal to the Company, should show the highest business integrity in their dealings with others, including preserving the confidentiality of other peoples’ information and should conduct the Company’s business in accordance with the law and principles of good business practice.

The Code reflects the Company’s recognition that the Company’s reputation is an essential element of the Company’s success. Each officer must act in a way that preserves and enhances the Company’s reputation.

Officers will often encounter issues requiring judgment based on the principles expressed in this Code. While it is impossible to discuss every conceivable situation that might arise, the Company believes that the examples contained in this Code illustrate rules that should usually be followed to ensure that the actions of officers are not and will not be challenged for being unethical. The material in this Code is meant to be illustrative only and is not intended to limit the principles themselves.

Although the Company expects all officers to be familiar with the principles stated in this Code, the Company does not expect each officer to be fully versed in the law affecting his or her responsibilities. Whenever questions of any nature whatsoever arise in relation to the Code, each officer should seek guidance from the Company Secretary who will in turn obtain advice on the interpretation of applicable laws and regulations from the Company’s solicitors.

The Code sets out the standards that the Company will adhere to whilst conducting its business and includes:

- the commitment to shareholders;
- compliance with relevant laws;
- environment protection;
- occupational health & safety;
- equal employment;

- confidentiality;
- conflicts of interest;
- general conduct;

All officers are responsible for the Company achieving the highest levels of business conduct. The Company's officers are accountable for acting in line with the policies and standards outlined in the Code.

2 Board

The Board and senior managers of the Company support, stand by and will adhere, at all times, to the Code. It is their view, that the Code will benefit the Company in all that it strives to achieve and will be the key to the success of the Company in the implementation of its strategies.

Proper business conduct is in the long-term interests of the Company because it creates loyalty and trust in employees, customers, the communities in which the Company operates, and other stakeholders.

3 Shareholders

The Company acknowledges and endorses the expectation that funds of shareholders will be used in a manner that results in the best possible return, consistent with the agreed risk profile which takes into account the appropriate level of risk after balancing returns with risk. In achieving this aim, officers will undertake their duties with honesty, integrity, care, skill and diligence.

The Company recognises that transparency in business conduct and open disclosure of the strategies of the Company play a key role in building shareholder value, loyalty and trust. The Company also recognises that in order to grow and achieve success, it must earn the trust of employees, customers, suppliers, communities and shareholders by being open and communicative.

The Company should aim to facilitate communication with shareholders through electronic communications and general meetings (including effective notices for general meetings as prescribed in the ASX recommendations).

4 Compliance with the law

4.1 Introduction

Officers must comply with the letter and the spirit of all laws and regulations. This includes:

- understanding the laws and regulations relevant to their work; and
- complying with those legal requirements.

Some laws affect the business conduct of everyone and include equal employment opportunity and occupational health and safety. Other laws focus primarily on particular roles in the Company such as the environment, trade practices and product liability.

It is crucial that all officers understand the laws that affect both their roles and their general business conduct. If an officer is unclear of the impact that the law may have on their role, they should seek advice from the Company Secretary.

4.2 Share Trading

The Company's share trading policy provides guidelines and prohibitions relating to the trading of the Company's securities. The key principles outlined in the share trading policy are:

- short term trading of the Company's securities is not permitted;
- trading in the Company's securities while in possession of price sensitive information is prohibited;
- trading in the Company's securities is permitted during the 4 week period commencing immediately after the announcement to the ASX of the half year and annual results and after the conclusion of the Company's annual general meeting providing that the person is not in possession of price sensitive information;
- trading outside the specified 4 week period is allowed in exceptional circumstances and subject to special processes; and
- trading in the Company's securities at any time by directors is not to occur without the knowledge of the chairman.

4.3 Privacy

The Company will only collect personal information from its employees ethically and lawfully. It also seeks to collect information in a fair manner, and in a way that is not unreasonably intrusive. If personal information is collected on behalf of the Company, the person whose information is collected must be informed of the purpose for which the information is collected and be made aware that, subject to some limitations, officers will be able to gain access to the information collected on request. Steps must be taken to ensure that data is appropriately accurate and current and that data is stored no longer than necessary.

Officers must ensure that the confidentiality of personal information contained in company records is strictly maintained.

Personal information relating to individuals should not be provided to other employees unless it is required to perform their jobs. Information relating to employment records, salaries, addresses etc. cannot be released to external organisations unless required by law or upon written consent from the relevant officer.

5 Environment

All Company's business activities will be carried out so as to protect the health and safety of officers, contractors, customers and the community while paying proper regard to the protection of the environment.

The Company will use its best endeavours to conduct its operations in a manner that is environmentally responsible.

The objectives of the Company in protecting the environment are to:

- meet or exceed all legal and regulatory requirements for environmental management and protection, and where these are lacking or insufficient to protect the environment, apply best practice standards which will ensure that the environment is protected;
- maintain an awareness within the Company of the responsibility of the Company and its officers or contractors to ensure protection of the environment;
- regularly review the Company's operations to identify and assess the environmental impact associated with those operations; and
- implement and maintain management systems, programs and procedures to ensure the environment is protected including the control of discharges and other waste emissions that may harm the environment.

6 Occupational health & safety policy

The Company is committed to the health and safety of all employees. The Company will work to eliminate hazardous practices and behaviour, which could cause accidents, injuries or illness to employees, contractors, visitors and the general public. The Company strives to have injury free workplaces.

The objectives of the Company in ensuring health and safety are to:

- comply with all relevant statutory obligations;
- provide adequate resources to establish and maintain safe systems of work;
- maintain health and safety competency and integrate health and safety requirements in all aspects of business;
- ensure all incidents are reported and thoroughly investigated with a view to preventing a similar incident occurring;
- continuously improve performance through innovative technology, education and good management practices;
- provide health and safety training for employees;
- employ only those contractors who aspire to the same health and safety standards as Company; and
- promote a positive health and safety culture that is based on the principle that all incidents can be prevented.

All employees are required to follow rules for safe and healthy operations, report hazards to their supervisors and report any injuries that they have incurred.

7 Equality in employment

The Company seeks to provide a work environment in which everyone is treated fairly and with respect. Merit is the primary basis for employment with the Company. All employees and applicants for employment should be treated and evaluated according to their job-related skills, qualifications, abilities, aptitudes and attitude only. Any decisions based on characteristics such as gender, age, race, religion, marital status, sexual preference, political belief may constitute discrimination and is not accepted by the Company.

Active discrimination and harassment in the workplace in any form is unacceptable. The Company regards any actions by an officer that constitute harassment or discrimination as serious misconduct.

8 Confidentiality

Confidentiality is a key characteristic of an efficient and successful business. Officers are required to protect proprietary, commercial and other information that is confidential to the Company. These obligations of confidentiality continue after an individual's employment has ceased with the Company.

Information that is not generally available concerning the activities, results, strategies or plans of the Company must be used for authorised purposes only. Confidential information should be handled and communicated with care, and must not be disclosed outside the Company without proper authority.

Any contracts that are entered into by the Company with customers, consultants and contractors should contain appropriate confidentiality clauses that ensure the protection of the Company's confidential information.

9 Conflicts of interest

Officers should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Company. Such circumstances could compromise or appear to compromise the officer's ability to make impartial business decisions.

If in any doubt about a conflict of interest, the matter should be disclosed to senior management to ensure it can be adequately considered.

10 General conduct

Officers must:

- Not make unauthorised gains or payments.

As a general rule, the Company's officers should not accept or offer to give gifts, services, discounts, gratuities or other gains from (or to) people who conduct business with the Company. Although small gifts or invitations to local social or sporting functions are generally acceptable.

- Not make unauthorised public statements. Great care must be taken in public speaking engagements, media releases and official appearances.
- Treat customers, consumers, the community and suppliers with respect, and honesty and strive to deliver superior performance in conducting their duties.
- Not make unauthorised political donations on behalf of the Company.
- Must help out fellow workers and work collaboratively and, within the bounds of commercial confidentiality.

11 Compliance

11.1 Responsibility for monitoring compliance

All officers of the Company are responsible for ensuring their individual compliance with the Code.

11.2 Reporting instances of non-compliance

All instances of non-compliance with the Code are to be reported to the Company Secretary.

Where appropriate, the Company should refer serious non-compliance to the Audit and Risk Management Committee.

Serious non-compliance of the Code includes any conduct or event involving impropriety which:

- constitutes fraud;
- may have a serious business impact on the Company; or
- may seriously compromise the reputation of the Company.

12 Review

The Company Secretary is to conduct an annual review of the Code to ensure that the Code continues to reflect the letter and spirit of all applicable laws and regulations and the Company's commitment to its staff and the community.

Officers of the Company are encouraged to report any difficulties or challenges encountered by them in complying with the Code (including any inconsistencies between the Code and the business initiatives of the Company) to the Company Secretary. This will assist in the evaluation of the effectiveness of the Code and will highlight any areas of the Code that may require amendment or additional guidance.

13

Establish written policies and procedures designed to ensure compliance with the ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.

Provide the information indicated in the Guide to Reporting on Principal 5. The following material should be included in the corporate governance section of the annual report:

- explanation of any departures from best practice recommendations 5.1 or 5.2.

The following material should be publicly available, ideally by posting it to the company's website in a clearly marked corporate governance section:

- a summary of the policies and procedures designed to guide compliance with listing rule disclosure requirements.

Approved by the CEC Group Limited board on 28 November 2003.