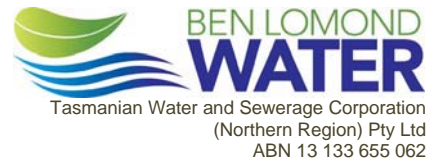


# DIRECTORS' CODE OF CONDUCT



## AIM

All directors are expected to comply with the Corporation's Constitution as well as all applicable laws and rules in connection with their position.

## LEGISLATION

*Corporations Act 2001 (Cth)*

*Water & Sewerage Corporations Act 2008 (Tas)*

## POLICY

In accordance with legal requirements and agreed ethical standards, directors, both collectively and individually will:

- discharge their duties honestly, in good faith and in the best interests of the Corporation or a Relevant Corporation (as defined under the Water and Sewerage Corporations Act) as a whole;
- use their powers as a director for proper purpose;
- demonstrate commercial reasonableness in decision making, taking competent and independent advice at the Corporation's expense where necessary;
- make reasonable enquiries to ensure that the Corporation is operating legally, effectively and efficiently and reliance on Corporation Officers is appropriate;
- act with the level of skill, care and diligence expected of a Director;
- act for the benefit of the Corporation;
- not make improper use of information or corporate opportunities for personal gain or to the detriment of the Corporation;
- not allow personal interest, or the interest of any person or entity associated with them, to conflict with the interests of the Corporation, and disclose these in writing to the Chairman as soon as apparent;
- not engage in conduct likely to bring discredit to the Corporation;
- maintain confidentiality of Corporation information acquired during their appointment and following termination of their appointment;
- allow sufficient time to devote to their Director's duties with the Corporation;
- assist the Corporation to meet its compliance obligations under the Corporations Act by advising the Corporate Secretary of changes to personal details within 7 days; and
- as an "employee" of the Corporation, abide by the principles of the Corporate Code of Conduct and all relevant Corporation policies.

## RESPONSIBILITIES

The Corporate Secretary is responsible for ensuring all Directors can access a copy of both the Directors' Code of Conduct & the Corporate Code of Conduct through the Board Portal. This Code will also be published on the Corporation's website.

All Directors are required to comply with the spirit and letter of this policy and its associated procedures and undertake any relevant training as required.

## BREACH OF DUTIES UNDER THIS CODE

The Chairman will investigate any reported or suspected breaches of this Code by any director. In any event, the Chairman will discuss the matter personally with the director concerned and ensure the director has the opportunity to respond to the claims.

Disciplinary actions available to the Chairman range from counselling the director, through to recommendation for termination under the terms of the Water and Sewerage Corporations Act and will be commensurate with the severity of any proven breach.

If the director's actions appear to breach a director's fiduciary or statutory duties, the Chairman will consult with the Board regarding the need to report the matter to ASIC, any other appropriate regulatory authority or police.

Any disciplinary action instigated for breaches of this Code will be advised to the Selection Panel or Owners Representative Group(s) as part of any performance report required if the director elects to be considered for reappointment at the end of the current term.

The Board has the right to consider similar disciplinary action against any other director or Corporation officer proved to be involved in either committing the breach or concealing it.

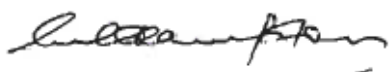
If the Chairman is the subject of the reported or suspected breach, the Chairman of the Audit and Risk Committee will investigate the claim and manage any required disciplinary action in conjunction with the Board.

If a Director is unsure of whether an action breaches this Code of Conduct, the matter should be raised with the Chairman or the Company Secretary.

## REFERENCES

- Corporate Code of Conduct

*Approved by the Board on 11 February 2011*



*Chairman*

As a Director of the Corporation, I acknowledge my obligations and duties under the Directors' Code of Conduct.

*Signed:* \_\_\_\_\_

*Date:* \_\_\_\_\_