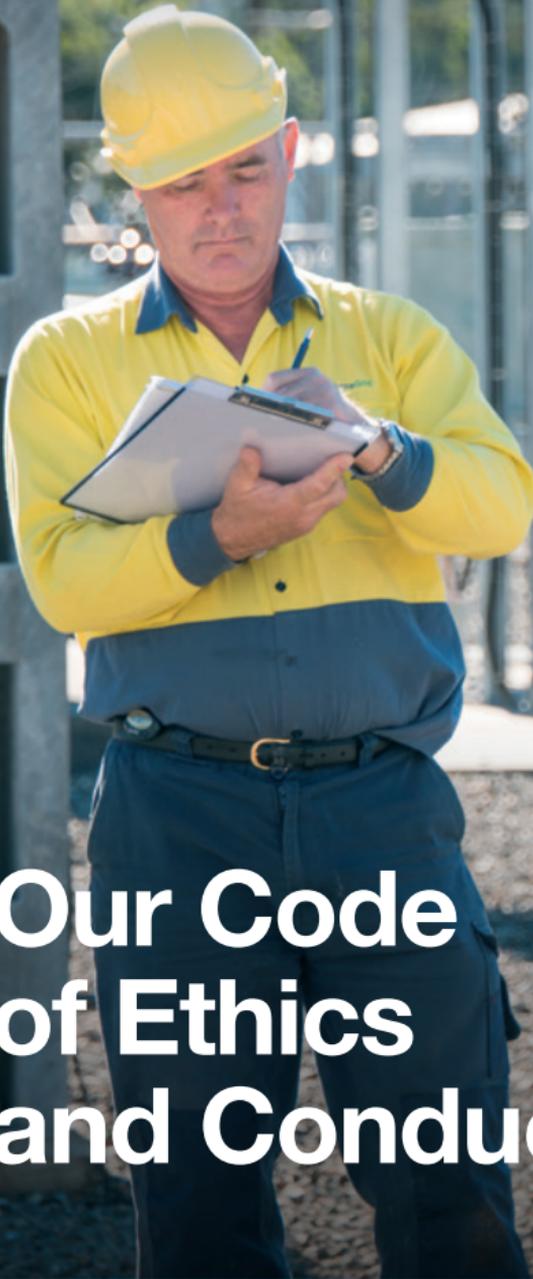




TransGrid



Our Code of Ethics and Conduct





Our Code of Ethics and Conduct

The ethical standards and principles outlined in Our Code of Ethics and Conduct are central to achieving our vision of *excellence in all we do*.

Each of us can contribute to maintaining these standards and principles by basing our decisions and actions on our values.

Our reputation is very important to TransGrid's success and upholding strong and high ethical values in all our transactions is central. Our contractors, customers and suppliers are also expected to adhere to these standards when carrying out work for and on behalf of TransGrid.

On behalf of the Board, I commend Our Code of Ethics and Conduct and endorse our values as the basis of our commitment to our community as we support each other in our business endeavours.

A handwritten signature in white ink, appearing to read 'P. McIntyre', written in a cursive style.

Peter McIntyre
Managing Director

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TransGrid is committed to maintaining a reputation for responsibility, honesty and fairness in its dealings with employees, customers, clients, suppliers, contractors and the community. To maintain these standards we should conduct ourselves in a professional manner that demonstrates the highest ethical standards.

The purpose of Our Code of Ethics and Conduct is to reinforce our commitment to high ethical standards. Our Code applies to all of us. This is a condition of employment and the foundation upon which we conduct our business and build our good reputation.

We will undertake business with companies with high standards of business conduct. Business partners and clients that knowingly seek to have TransGrid employees violate Our Code of Ethics and Conduct will be subject to appropriate sanctions. We must not use suppliers who disregard the law.

With the assistance of our employees, Our Code of Ethics and Conduct is reviewed and revised, to ensure that we individually and as an organisation maintain our standards with current world's best practice in ethical behaviour.



Our values

Our Code of Ethics and Conduct, together with our values, guides our decisions and actions, and how we conduct business.

We value being:

Committed

We deliver on our promises and are accountable for our actions.

Enterprising

We embrace new ideas and are not afraid to challenge the norm.

Collaborative

We work as one to achieve our vision.

Caring

We treat all people with respect and dignity.



Ethics check list

If anyone, after reading Our Code, is still unsure about any work-related ethical issue, they can firstly consider the questions presented in the following checklist; if still in doubt, employees and contractors should always seek help from their Team Leader/Manager or another senior leader in the organisation. TransGrid is committed to fostering a secure and open work environment in which all can be confident in seeking advice about any questions.

We should ask ourselves when making a decision:

- Is it an honest decision?
- Has the decision been made professionally?
- Fairly and compassionately?
- Who or what may be affected by this decision?
- Would I like to be treated in the same manner?
- Does this require for me to act in a way inconsistent with TransGrid's values?
- Could I justify the decision or action to others?
- Would I be comfortable reading about this in the newspaper?



Our responsibilities and accountability

Our personal and corporate reputations are dependent on the commitment by each and every one of us to uphold our Code of Ethics and Conduct. In the event of a conflict between any TransGrid policy or procedure and this Code, the Code will take precedence. Commitment to upholding our Code of Ethics and Conduct is a condition of employment with TransGrid.

It is essential that we report possible unethical behaviour, misconduct, fraud or corruption. The actions of one person could damage the reputation of work teams or TransGrid. Where a policy or procedure is inappropriate or not working we should bring it to the attention of our Team Leader/Manager or the process owner.

Accountability

We are personally accountable for our behaviour and should behave in a manner that does not offend our fellow workers, bring our organisation into disrepute, or cause TransGrid to break any law or contractual obligation. At no time should we act in a fraudulent, illegal or corrupt manner.

Team Leaders/Managers can be held accountable for what their staff do or fail to do, especially if the inappropriate conduct in question is serious, repeated or widespread.

Responsibility

We are expected to work to the best of our ability and obey reasonable and lawful instructions given to us by a responsible officer of TransGrid. We must cooperate with investigations being conducted in connection with the administration, management and operation of TransGrid.

We are responsible for our own conduct, and are expected to use our best endeavours to understand:

Responsibility cont'd

- what our job is;
- how our job is to be performed;
- the policies and procedures relevant to our duties; and
- the results we are to achieve.

Health and Safety

We are responsible for our own safety and the safety of the people we work with. In turn, TransGrid is responsible for providing a safe work environment and for ensuring the health, safety and welfare of its employees.

Reference: *TransGrid Procedure: Health and Safety Management System.*

Community

As we work within the community we should always act responsibly and be mindful of stakeholder and local concerns and consider their viewpoint when making decisions that may affect them.

Environment

We are responsible for protecting the environment in which we operate. TransGrid is committed to conducting its activities and services in a manner that minimises pollution and complies with relevant environmental legislation, industry standards and codes of practice. This environmental commitment is a responsibility shared by everyone and no one can assume it is someone else's job.

Reference: *TransGrid Procedures: Environmental Management System (EMS) Manual.*

Financial

In all financial matters we are to be diligent and mindful that we can account for matters within our delegated authority and area of influence.

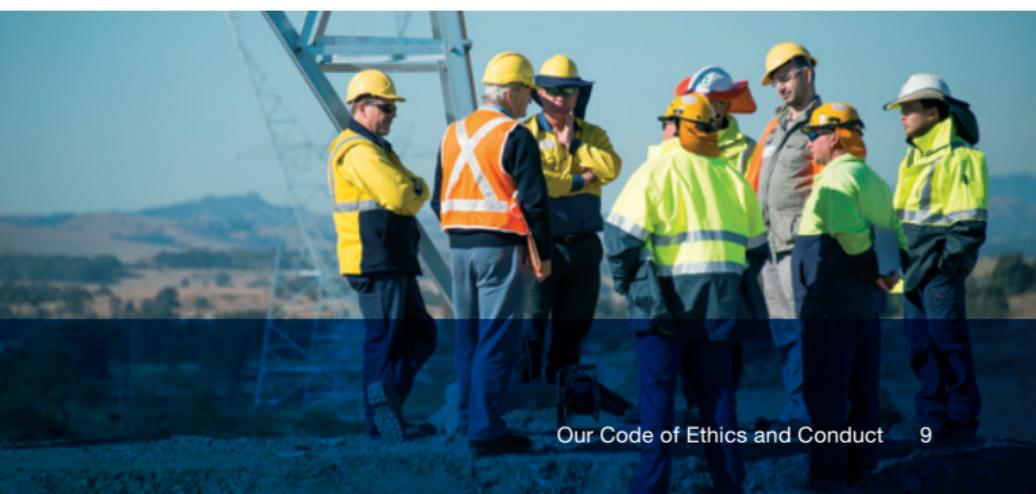
If anyone is unsure of what their responsibilities are, they should discuss them with their Team Leader/Manager or another senior leader in the organisation.

Ethical decision making and behaviour

Where decisions involve our own judgement we should make sure that the relevant facts are considered and the ramifications that the decision may have on others are also considered.

We are expected to be honest, fair, compassionate and non-discriminatory in our dealings with colleagues, customers, suppliers, contractors and the public, and to treat all people with courtesy and sensitivity. We should avoid causing distress or other forms of harm to colleagues, respect individual differences, co-operate with each other as members of a team, and share tasks fairly.

We should endeavour to understand other cultures and their function in human behaviour and society, recognising the strengths that exist in all cultures. We should not engage in discrimination based on race, sex, age, religion, national origin, sexual orientation, or disability.



Exercise of delegated authority

When making decisions or taking actions under a delegated authority:

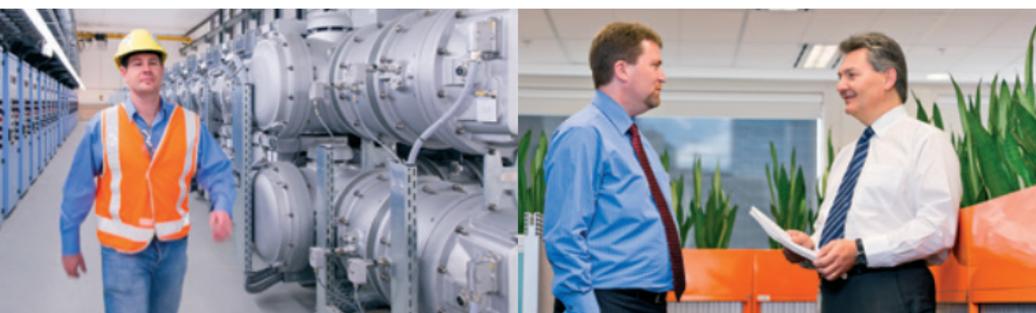
- we should ensure that the decision or action is timely;
- within our delegated authority;
- we comply with all decision-making requirements and procedures required by the delegation;
- we act according to relevant legislation;
- we base it on relevant facts and be able to justify it with evidence; and
- we properly document the decision or action and the reasons on which it is based.

Reference: *TransGrid Procedure: Sub-delegations of Authority.*

Business ethics – contractor, customers and suppliers

When dealing with business associates, they are to be made aware of TransGrid's Code of Ethics and Conduct and are expected to adhere to the same standard of behaviour when carrying out work for, or on behalf of TransGrid.

Reference: *TransGrid Business Ethics – A Guide to Contractors, Customers and Suppliers.*



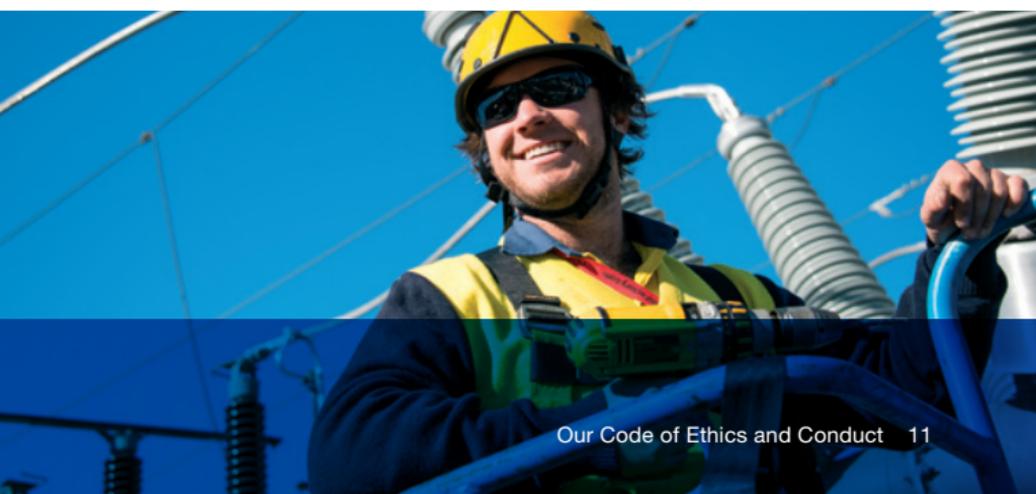
Reporting apparent unethical behaviour

We have a responsibility to report acts of dishonest or unethical behaviour as described in the following sections that may not only damage the reputation of TransGrid but also that of employees.

In the first instance, employees and contractors should consider the Ethics Checklist presented near the start of the Code and, if necessary, report a matter to their Team Leader/Manager. If it is considered that the matter has not been handled appropriately, employees and contractors should then report the matter to:

- an Executive General Manager;
- a Regional Manager;
- the Corporate Audit and Risk Manager; or
- the Ethics Helpline on 02 9284 3123 or 1800 261 993.

In line with TransGrid's values, it is important to emphasise that we will treat those who report issues – or those who are the subject of a report – with respect and dignity.



Reporting corruption, maladministration, wastage or government information contravention

We have a responsibility to report any instance of apparent corruption, maladministration, serious and substantial waste or contravening government information (such as destroying, concealing or altering records to prevent them being released).

Within TransGrid, we can report suspected instances to:

- the Managing Director;
- an Executive General Manager;
- a Regional Manager;
- the Corporate Audit and Risk Manager;
- the Corporate Solicitor; or
- the Ethics Helpline on 02 9284 3123 or 1800 261 993.

Alternatively we can also report externally and these details can be found in the TransGrid Procedure: Reporting of Corruption, Maladministration, Serious and Substantial Waste or Government Information Contravention.



Protecting those who voluntarily make a report

A person who makes a voluntary report in accordance with TransGrid's Internal Reporting Procedure will be protected under the Public Interest Disclosures (PID) Act 1994 and the matter reported will be handled confidentially where possible. This Act makes it a criminal offence for anyone to take detrimental action in reprisal against a person who makes a Public Interest disclosure.

Reference: *TransGrid Procedure: Reporting of Corruption, Maladministration, Serious and Substantial Waste or Government Information Contravention.*

Those who are the subject of a report

TransGrid is committed to ensuring that employees and contractors who are the subject of a report of wrongdoing are treated fairly and reasonably.

Breaches of the Code

Breaches of the Code may lead to disciplinary action (including dismissal) and/or the bringing of civil or criminal proceedings.



Ethics Helpline

Not all possible situations can be identified or addressed in this Code of Ethics and Conduct. If employees or contractors have any questions about Our Code, privacy information, or TransGrid policies or procedures, talk to a Team Leader/Manager or contact the Corporate Audit and Risk Manager or the Ethics Helpline on 02 9284 3123 or 1800 261 993 for confidential advice.

We can also call the St James Ethics Centre ethi-call, the good decision line, on 1800 672 303 to discuss any ethical situation faced. Ethical-call provides confidential advice.

TransGrid Ethics Helpline

Toll Free 1800 261 993
Phone 02 9284 3123
Web www.transgrid.com.au

Excellence in all we do: Employees and contractors

Anti-Discrimination, harassment and bullying

In line with TransGrid's values, the organisation aims to foster a culture of mutual respect and provide an environment where employees and others in the workplace are treated fairly and are free from unlawful discrimination, harassment, vilification and bullying.

Treat others with respect

Under no circumstances will TransGrid condone:

Discrimination Treating a person less favourably, either directly or indirectly, in their employment because of a ground of discrimination.

Grounds of discrimination by which TransGrid may be bound include but are not limited to: race (including colour, nationality, descent, ethnic, ethno-religious or national origin), sex, pregnancy (including potential pregnancy), carers' responsibilities, family responsibilities, carer or parental status, being childless, breastfeeding, industrial/trade union membership or non membership or activity, employer association membership or non membership or activity, transexuality, transgender and gender identity, HIV/AIDS, religious belief or activity, marital status, relationship status, homosexuality, sexuality, sexual preference, lawful sexual activity, disability including physical, mental and intellectual, age, political belief or activity,

Discrimination
cont'd

compulsory retirement, irrelevant criminal record, irrelevant medical record, and association (that is, association with a person who has one or more of the attributes for which discrimination is prohibited).

Harassment

Unwelcome behavior that a reasonable person would expect to offend, humiliate, threaten or intimidate another. Creating a hostile working environment for other employees and contractors can also be unlawful;

Vilification

Inciting hatred, severe contempt or severe ridicule of a person or group because they are or are thought to be of a particular race, sexual orientation, transgender or to have HIV/AIDS;

Sexual Harassment

Unwelcome conduct of a sexual nature, which makes a person feel offended, humiliated or intimidated. Behaviour which creates a hostile working environment for other employees and contractors can also be unlawful;



Bullying

Repeated, unreasonable behaviour directed towards an individual or group that creates a risk to health and safety;

Victimisation

Where a person is retaliated against or subjected to a detriment because they have lodged a complaint or they intended to lodge a complaint.

Employee responsibilities

- Aiding, abetting or encouraging others to engage in the above conduct, is also unlawful.
- Lodging vexatious or untrue claims may lead to disciplinary action.
- If employees or contractors are in doubt, they should discuss any issues with their Team Leader/ Manager, People and Culture Group or contact the Workplace Behaviour Hotline on 1800 252 855.

Reference: *TransGrid Policy: Anti-Discrimination, Harassment, Bullying and Equal Employment Opportunity.*



Drugs and alcohol

TransGrid has a duty of care under work health and safety legislation and is committed to providing a safe working environment for all our people, and has a responsibility in ensuring that safety in the workplace is not compromised due to the effects of drugs and alcohol.

The misuse or abuse of drugs and alcohol represents a significant problem to both employers and employees, in terms of productivity losses in the workplace due to incidents, absenteeism, lateness and disputes as well as the human and health costs to individuals and their families.

TransGrid promotes an alcohol free workplace in an environment which prohibits illegal drug use whilst at TransGrid workplaces. Workers must not whilst at TransGrid workplaces:

- Be under the influence of alcohol or be under the influence of illegal drugs;
- Consume alcohol or consume or be in possession of illegal drugs;
- Distribute illegal drugs;
- Sell alcohol or illegal drugs; or
- Perform any work without informing their Team Leader if the worker is taking prescribed drugs, or non prescribed drugs, that may adversely affect their performance or conduct.



The only exception to the items listed above is in relation to authorised functions. Consumption of alcohol may be permitted at special functions, such as formal recognition dinners and regular workplace social activities with prior approval.

Reference: TransGrid Procedure: Drugs and Alcohol
TransGrid Procedure: Employee Assistance



Excellence in all we do: Using our resources

We are expected to be efficient and economical in our use and management of TransGrid's property, services and resources, including our own work time.

“TransGrid's resources” include:

- material, equipment and vehicles;
- money (including cash, cheques, credit cards, accounts and securities); and
- documents, records, data and information, time and employees.

Protecting and using resources

We are each entrusted with TransGrid resources and honouring that trust is a basic responsibility. We must protect these resources from loss, damage, misuse or theft. All actual and suspected losses must be reported in writing.

Reference: *TransGrid Procedure: Asset Recording and Control Procedures.*

Use of tools and equipment

Limited use of issued tools for private purposes is acceptable. Certain tools and minor items of equipment may be borrowed, with permission from the relevant Team Leader/Manager responsible for the resources, provided that the loan is appropriately recorded.

Reference: *TransGrid Procedure: Loan and/or Allocation of TransGrid Assets to Employees.*

Use of motor vehicles

Motor vehicles are to be used in accordance with the relevant procedure.

Reference: *TransGrid Procedure: Conditions of Use for TransGrid Vehicles.*

Electronic data and equipment

Appropriate and limited use of TransGrid's resources such as telephones, mobile phones, digital cameras, faxes, photocopiers, desktop and portable computers and tablets for personal purposes is acceptable. Unauthorised interstate and international calls should not be made.

Personal use of resources

Appropriate and limited personal use of e-mail and the internet is acceptable. However, all use needs to comply with corporate guidelines on security and inappropriate use.

We must not use the internet or email to view and/or send any offensive, defamatory, confidential material or material which would harm TransGrid or bring it into disrepute. Furthermore information on the appropriate use of social media is provided below.

TransGrid's resources and equipment must not be used for another business or second job without permission of the Managing Director.

Reference: *TransGrid Procedure: Email and Internet Systems Management.*

Corporate information and intellectual property

Corporate information is an important asset for our organisation. We must take care when we create or maintain reports, records and communications that we maintain the integrity and security of that corporate information. We should take care to ensure that we do not knowingly allow ourselves to be part of a chain of incorrect information.

We must seek and gain approval from the owner before use of any copyright work or intellectual property to ensure that we do not infringe copyright. Any published work must acknowledge other people's contributions to the work, either as organisations or individuals, published work or personal communication.

Confidential information

Some of the information that we have access to will be confidential. This information, which is not in the public domain, must be protected, secured and not disclosed to unauthorised or third parties.

Examples of potentially confidential information that we may encounter at TransGrid include:

- Contracts and contract-related documentation (such as communication with a customer or tenderer);
- Information provided to us by our customers or potential customers;
- Information relating to our business strategies, practices or tactics; and
- Information about the physical location and security of our assets.

Confidential information *cont'd*

We must not access confidential information unless the information is required in the performance of our duties. We must not release any confidential information obtained through our job unless:

- we are required to do so by law; or
- we are authorised to do so.

Where employees are unsure whether information is confidential – and therefore available in the public domain – they should discuss the issue with their Team Leader/Manager.

Personal information

TransGrid is committed to adherence with the principles of sound privacy practice within the organisation to ensure management of personal information is consistent with legislative requirements.

Personal information can include information, or even an opinion, on someone that is documented in a database or a hard or soft copy file such as a performance review.

We must abide by privacy legislation governing the collection, holding, use, correction, disclosure or transfer of personal information obtained through our job and we should acquaint ourselves with and adhere to the privacy principles in privacy legislation.

Reference: *TransGrid Procedure: Privacy Procedure; Privacy Act 1988 (As Amended); NSW Privacy and Personal Information Protection Act 1998.*

Ceasing employment

If a person ceases employment or contract work with TransGrid, they must not use or take advantage of any confidential or personal information obtained in the course of their employment or contract with TransGrid. Before ceasing work they must return all TransGrid equipment, property and documentation provided as part of their work.

Reporting of misuse or security breaches

We have a responsibility to report any misuse of TransGrid's information, or any breach of security relating to TransGrid's information, to our Team Leader/ Manager or the Corporate Audit and Risk Manager.



Excellence in all we do: Suppliers and businesses

Gifts, benefits and hospitality

Occasionally, offers of gifts, benefits and hospitality in a variety of forms will come from customers, contractors and business associates. We should be guided by the following considerations:

- maintaining our ethical standard; and
- avoiding compromise or the perception of compromise.

Gifts, benefits and hospitality should never be solicited or requested for ourselves or anyone else. A gift, benefit or hospitality should not be accepted if we think, or a reasonable person could think, that we could be influenced in the way we do our job as a result of the gift, benefit or hospitality.

Token gifts, benefits or hospitality

Token gifts may be given or accepted if the gift is not likely to be seen as compromising. Token gifts do not have a significant monetary value, are inconsequential or trivial, and are not offered on a frequent basis. Token gifts may include chocolates, calendars, pens, cups or gifts up to an approximate value of \$50.00.

If anyone is uncertain whether a gift is token, they should discuss it with their Team Leader/Manager or another senior leader in the organisation.

Non-token gifts, benefits or hospitality

Generally non-token gifts, benefits and hospitality of any kind should not be accepted so as to avoid staff being placed in any position which may potentially be the subject of challenge.

Non-token gifts, benefits or hospitality cont'd

If a gift, benefit or hospitality is considered to be more than token and acceptable, permission **must** be sought from the relevant Team Leader/Manager. Non-token gifts may include hospitality such as free attendance at sporting events or an invitation to a meal at a restaurant, and gifts such as pens.

Staff involved in evaluating tenders, **must not** accept any form of gift, benefit or hospitality from tenderers or potential tenderers, during the tendering period.

Staff involved in contract administration, that is, day to day management of contracts / orders, certifying payments or approving expenditure **should not** accept any non-token gifts.

Recording of gifts, benefits or hospitality accepted

All non-token gifts, benefits or hospitality **must** be recorded in the TransGrid Gifts, Benefits and Hospitality register immediately following the gift, benefit or hospitality being received/offered, noting whether the item was accepted or not. The register must be authorised by the relevant Manager and provided to the Corporate Audit and Risk Manager in March and September each year.

Gifts of cash (in any amount) are never acceptable.

Use of gifts, benefits or hospitality to influence us

If a gift, benefit or hospitality is offered to influence the way we do our work, it should be reported immediately to your Manager or the Corporate Audit and Risk Manager. If money or gifts are offered in order to obtain a benefit or favour it is illegal. It is called bribery and is one form of corruption. Similarly, if a bribe is sought or accepted, it is corruption and must be reported.

Reference: *TransGrid Procedure: Reporting of Corruption, Maladministration or Serious and Substantial Wastage.*

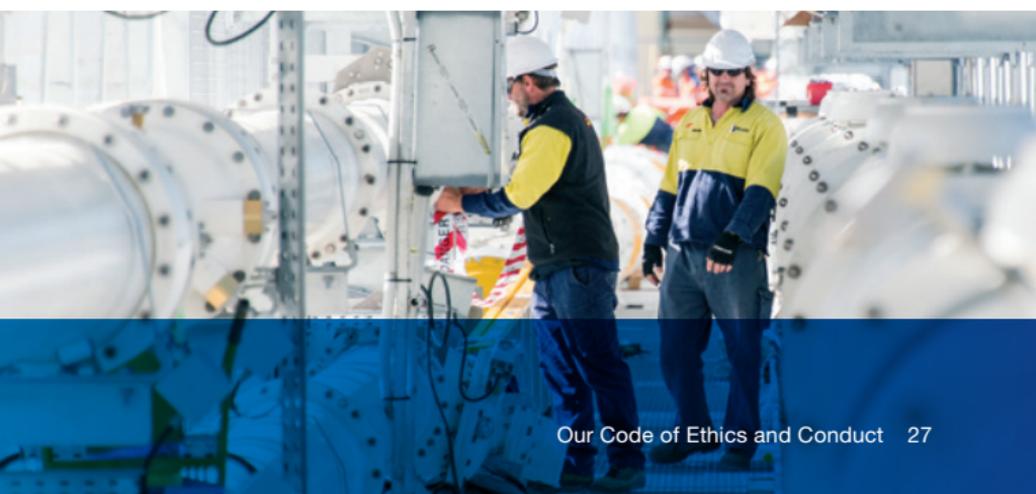
Private employment or business

We must ensure that any outside employment or business does not:

- conflict with our TransGrid duties;
- interfere with our TransGrid work;
- make use of personal or confidential information obtained through our work with TransGrid;
- make use of TransGrid resources including our own work time; or
- discredit or disadvantage TransGrid.

If any of the above situations exist or apply or there could be a conflict, or a perceived conflict of interest, we must seek written approval from our Manager before engaging in the outside employment or business.

TransGrid can require an employee to cease private employment or conducting a business if any of the above situations exist and cannot be resolved.



Conflicts of interest

A conflict of interest arises when our personal interests, or those of people close to us, conflict with the impartial performance of our public or occupational duties.

A conflict of interest would exist where we have a personal interest, or a family member, relative or anybody close to us has an interest that could lead us to be influenced in the way we carry out our duties. The perception of a conflict of interest could arise where circumstances exist which lead a reasonable person to think that we could be so influenced. An example may be where an employee's close relation has a family business that is awarded a TransGrid contract.

It is important that customers, suppliers, clients, contractors and colleagues can be confident that decisions made by TransGrid are fair and impartial. Therefore, if we believe that there could be a conflict of interest, or a perception that there is a conflict of interest, we must advise our Team Leader/Manager, as soon as we become aware of it. The Team Leader/Manager will appropriately record the decision or course of action.

The responsibility is on us to identify any real or perceived conflict of interest and disclose it. A conflict of interest that leads to a decision motivated by bias in any form may be corrupt conduct.



Excellence in all we do: The community and government

TransGrid places great value on engaging with the wider community. Yet, in seeking to engage, we must not only be open and honest with our stakeholders, but also be mindful of how our words or actions can impact upon TransGrid's reputation.

Public comment or statement

As members of the community we have a right to enter into public debate in our private capacity. However, we must take care not to give the impression that our comments are made on behalf of TransGrid.

Except as stated below public comments or statements can only be made on behalf of TransGrid if it is authorised by the Executive General Manager/People, Strategy and Corporate Services or the Managing Director. Public comments or statements made in relation to regulatory consultations can be made by the General Manager/Corporate and Regulatory Strategy.

Public comments or statements in relation to operational incidents or projects must be authorised by the relevant Executive General Manager.

“Public comments or statements” include comments or statements made:

- at public and community meetings, via the media; or
- when it is reasonably foreseeable that the comments or statements will become known to the public at large.

The use of social media

TransGrid embraces social media as an important tool for corporate and business engagement. Whilst, it is important to note that TransGrid's policy on social media platforms does not apply to employee's personal use – where TransGrid is not mentioned – the lines between public, business and professional can become easily blurred. Consequently, all employees should be acquainted with the summary provided below of TransGrid's expectations as well as the content provided in the sections titled "*Corporate Information and Intellectual Property*" and "*Public Comment or Statement*". Further details on the safe use of social media tools on the internet as well as the use of social media internally can be found in the reference provided below.

Be transparent

An employee should disclose their name and their association with TransGrid. A disclaimer should be used when referring to work done by TransGrid, commenting on a TransGrid issue or providing a link to a TransGrid website.

Be honest
Expertise

Only comment on topics within your own area of responsibility at TransGrid. For other matters, contact the relevant subject matter expert who has been accredited for social media engagement.

Use of other's material

Identify all copyrighted or borrowed material with citations and links. Ensure that any content published is factually accurate and compliant with TransGrid policies (e.g. on confidentiality, privacy, copyright).

**Be mindful
and respectful**

Employees should be mindful of the impact their contribution might make to people's perceptions of TransGrid, itself, or towards some or all of its employees.

*Sensitive
information*

Do not reveal confidential or commercially sensitive information about TransGrid (e.g. financial forecasts, future business performance).

Reference: *TransGrid Policy: Social Media.*

When in doubt, consult the Ethics Checklist; where still in doubt, discuss your issue with your Team Leader/ Manager or another senior leader in the organisation.





TransGrid Ethics

Toll Free 1800 261 993

Phone 02 9284 3123

Web www.transgrid.com.au