



CODE OF CONDUCT

Hills Limited

ABN 35 007 573 417

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| Policy Name | Code of Conduct |
| Policy Manager | Company Secretary |
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1 Introduction

1.1 Purpose and application of this code

This Code of Conduct has been adopted by the Board of Directors (“**Board**”) of Hills Limited (**Hills**). It applies to all directors, as well as all officers, employees, contractors, consultants and associates of Hills (**Hills Employees**).

This Code of Conduct sets out the core duties owed to Hills’ shareholders, customers, employees, suppliers and the broader community in respect of conduct in the workplace.

1.2 Guiding principles

Hills has adopted a number of guiding principles that are designed to assist Hills Employees in their decision-making and conduct. These principles are that:

- we respect and abide by the letter and spirit of the law at all times;
- we conduct ourselves with integrity, are fair, competitive and honest at all times;
- we use our assets responsibly for the optimum benefit of our shareholders;
- we treat all stakeholders equitably and with respect and dignity;
- we provide safe, challenging and rewarding places for our employees;
- we honour agreements made with others who work with us and act in good faith;
- we have proper concern for the environment and the wider community, acting accordingly;
- we are responsible and accountable for our actions and their consequences; and
- we will investigate complaints received from our stakeholders.

All of these principles apply – even if not specifically mentioned below.

2 How We Comply With Our Formal Obligations

Hills is committed to complying with the law whenever it does business.

Hills Employees are expected to:

- act in accordance with:
 - the letter and spirit of the law;
 - this code; and
 - all relevant policies and procedures
- participate in relevant compliance training programs offered by Hills; and
- contact their manager or the Company Secretary if they are uncertain about their compliance obligations.

3 How We Deal With our Stakeholders

Hills values honesty, integrity and equitable dealing.

Hills Employees are expected to:

- act always in good faith;
- treat each other and all suppliers, competitors, clients, customers and other stakeholders fairly and with respect;
- provide timely, balanced, accessible and understandable information of material significance to its shareholders, regulators, other key stakeholders and the investing community generally;
- avoid any practices that are, or could be judged to be misleading, deceptive or unfair; and
- not accept or offer gifts of a kind that a reasonable person might think likely to influence a business decision (please refer the Hills Anti-bribery and Corruption Policy)

4 How We Work Together

Hills is committed to ensuring a work environment that is safe and healthy for all and in which everyone is treated fairly and with respect:

- safety and health must never be compromised in order to meet commercial objectives;
- Hills employees are expected to be proactive in identifying and where appropriate preventing risks to health and safety;
- all accidents and incidents are to be reported in a timely and comprehensive manner; and
- physical or verbal harassment or abuse in the workplace is not tolerated by Hills.

5 How We Use Information

Hills Employees are expected to:

- treat all information acquired while they are with Hills as confidential, even after they leave Hills;
- take great care to ensure the integrity and security of all of Hills' confidential information which relates to the affairs of Hills and its employees, clients, customers, and suppliers;
- not access or request or make improper use of or transfer or disclose Hills' confidential information to anyone else (other than in the proper course of their duties) without written permission from Hills or as legally required;
- immediately return any confidential information which inadvertently comes into their possession; and
- respect the confidential information of another person or organisation and not disclose, use or access confidential information of another person, company, business or organisation unless disclosure is authorised by that other entity or

is legally required.

6 How We Deal With Conflicts of Interest

Hills is committed to managing, and where required, avoiding conflicts of interest.

Hills Employees are expected to:

- not allow personal interests to conflict with the interests of Hills;
- obtain written permission before accepting a position in any other company, business or organisation as a director, agent, employee or consultant, whether paid or unpaid, which may, or may be seen to give rise to a conflict of interest;
- anticipate a danger of misuse of confidential information belonging to Hills or of another person, company, business or organisation and disclose any perceived, potential or actual conflict of interest or duty to their manager or the Company Secretary as soon as they become aware of it;
- avoid participating in decisions and activities which may conflict with their duties and responsibilities to Hills; and
- not take part in any decision-making process of Hills relating to a conflict that they are involved in.

7 How We Use the Company's Assets

Hills Employees are expected to:

- ensure that Hills' assets and property are used only for legitimate business purposes;
- not use Hills' assets for personal purposes, except in accordance with Hills' policy or approved arrangement (limited use of Hills property such as computers and telephones is permitted for private and non-income producing purposes provided it is used in an efficient and prudent manner); and
- report any suspected or actual theft or fraud to their manager, the Company Secretary or any other person nominated by Hills.

8 How We Care for the Social and Natural

In the conduct of its business, Hills:

- cares for the environment and the cultural heritage of the communities in which we operate;
- provides advice to its customers on the responsible use of its products; and
- is committed to developing and applying standards that minimise any adverse environmental or social impacts resulting from its operations, products and services.

9 How We Respond to Breach of Code

This Code is designed to focus Hills Employees on particular issues identified by Hills as central to the Company's integrity. The Company's values and principles apply to all decisions made on behalf of Hills – even if the issue is not specifically mentioned here.

Hills Employees are expected to report to their manager:

- any suspected breach of this Code;
- any actual or suspected fraudulent or unethical behaviour; and
- any breaches of Hills policy.

In exceptional circumstances it may not be appropriate to report such matters to a manager. In these circumstances, the Hills Employee may report the breach using the process set out in the Hills Whistleblower Protection Policy.

Hills will take any breach of this Code seriously and all material breaches will be reported to the Board. Matters raised will be investigated and Hills will take appropriate action in respect of any breach of this Code. This may result in disciplinary action and, in some cases, termination of employment or legal action.

10 Further Information and Updates

10.1 Where can Hills Employees obtain further information?

The Company Secretary can provide further information or assistance regarding this Code if required.

10.2 Review and publication of this code

The Board will review this Code from time to time. This Code may only be amended by resolution of the Board.

11 Published

A copy of this Policy is available on the Hills Portal and Hills Corporate website at <http://corporate.hills.com.au/about-us/governance>.