



**AUSTAL LIMITED
DIRECTORS CODE OF CONDUCT**

General Conduct

1. A director must act honestly, in good faith, in accordance with the Company's stated values and in the best interests of the company as a whole.
2. A director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. A director must use the powers of office for a proper purpose, in the best interests of the company as a whole.
4. A director must recognise that the primary responsibility is to the company's shareholders as a whole but should, where appropriate, have regard for the interest of all stakeholders of the company.
5. A director must not make improper use of information acquired as a director.
6. A director must not take improper advantage of the position of director.
7. A director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the company. Any potential or actual conflicts of interest must be disclosed by the director to enable implementation of appropriate measures to address the potential or actual conflict.
8. A director has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions.
9. Confidential information received by a director in the course of the exercise of director's duties remains the property of the company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that company, or the person from whom the information is provided, or is required by law.
10. A director should not engage in conduct likely to bring discredit upon the company.
11. A director has an obligation, at all times, to comply with the spirit as well as the letter of all laws and regulations that apply to the Company and its operations and with the principles of this Code.
12. A director must encourage the reporting and investigating of unlawful or unethical behaviour.
13. treat fellow staff members with respect and not engage in bullying, harassment or discrimination;
14. deal with customers and suppliers fairly and encourage management and other employees to do the same;

15. A director must not take advantage of the property or information of the Company or its customers for personal gain or to cause detriment to the Company or its customers.
16. A director must not take advantage of his/her position or the opportunities arising therefrom for personal gain.

Dealing in Securities of the Company

1. The company has issued a policy governing trading in its securities by Restricted Persons (including directors, executives & key management personnel) (**Share Trading Policy**). All Restricted Persons and others in possession of Inside Information are obligated to comply with the Share Trading Policy.
2. Any queries in relation to any aspect of the Share Trading Policy are to be directed to the company secretary in the first instance, and in the absence of the Company Secretary, to the Chairman.
3. Directors are obliged to report any dealings in the company's securities to the company secretary for notification to ASX within 1 working day of the transaction.

Outside Directorships

1. A director should continually evaluate the number of boards on which he/she serves to ensure that each can be given the time and attention to detail required to properly fulfil the director's duties and responsibilities.
2. A director shall notify the chairman in writing prior to accepting an invitation to become a director of any corporation (other than the company or any subsidiary or holding company of the company) and shall give due and proper regard to the views and wishes of the chairman relating to the director acting simultaneously as a director of the company and of any other corporation.
3. An executive director shall not accept appointment to the board of any corporation outside the Austal Limited group of companies without the prior approval of the Chairman.

Confidentiality

1. All directors acknowledge that all proceedings of the board and its committees are strictly confidential and that a director will be expected to resign from the board if he/she commits a breach of this confidentiality.