

Code of Conduct

Updated on 7 April 2010

The purpose of this Code of Conduct (Code) is to provide you with a set of standards required of us all at AVJennings. It supplies information to assist in the understanding of ethical and professional standards of behaviour that apply in all of our daily business activities.

We are committed to integrity and ethical actions in all our business dealings. This commitment extends to our relationships, both within AVJennings and to our clients, contractors and other parties with whom we deal.

As a Director, Officer or Employee, you are expected to behave with honesty and integrity. The Code encourages staff to exercise accountability throughout all aspects of our professional duties and exercise sound judgement in adopting the highest ethical principles.

The Code applies to everybody, appointed or otherwise, and regardless of position or role.

We will ensure that adequate internal systems for detection, preliminary investigation, reporting and prevention of improper conduct exist. In carrying out our responsibilities in this area, we have developed a Fraud Prevention Policy to assist staff and those associated with AVJennings to understand the nature of fraud and corruption and how to deal with it. It also details the responsibilities of individuals when faced with these situations.

The Code encourages vigilance to ensure that our behaviour and the behaviour of our colleagues are of the highest standard. Where we become aware of instances of suspected corrupt conduct, or possible unethical behaviour, we will disclose information about such matters to an appropriate person as detailed in the Fraud Prevention Policy.

Personal Conduct

Securing a Benefit

You must not solicit or accept any personal advantage from clients, suppliers or any person in connection with AVJennings business. This personal advantage could be in the form of money, gifts, benefits, travel, services or hospitality.

Gifts

You must not directly or indirectly accept personal gifts or benefits from any person or company in relation to your employment unless its acceptance is agreed by your Division Manager and the act of acceptance does not create a potential or perceived conflict of interest.

Minor unsolicited personal gifts or benefits, such as calendars or notepaper are excepted from this rule. (Gifts up to \$50- value as a general guide). See section "If in doubt".

Hospitality

You must exercise the utmost discretion in accepting hospitality from individuals or companies with which AVJennings has an actual or potential business relationship. Hospitality should not normally be accepted from a supplier, particularly during the contract negotiation period.

Hospitality may include attendance at sporting events, business seminars or theatre tickets.

Acceptance of Gifts or Hospitality

Any gift or hospitality (other than the minor exceptions noted above) must be recorded in a Gifts and Hospitality Register maintained by the head of the Division.

Bribery

Employees may not offer or accept bribes or similar considerations to, or from, any person or company for the purposes of influencing such persons or company in obtaining or retaining business for AVJennings.

Donations

The Election Funding and Disclosures Act (NSW) was amended in December 2009 to prohibit political donations by property developers. No donations should be made to any public official or political party. as they will cause the Company to breach the law. In the case of political donations, this includes the making of loans. Penalties include substantial fines. The prohibition extends to Directors and Officers of the Company, significant shareholders and soliciting another to donate.

Harassment and Bullying

Sexual or other forms of harassment, unwelcome personal attention or bullying behaviours must not occur. The Company's Equal Opportunity policy defines expectations.

Credit Cards

Credit cards, including petrol cards, cabcharges and taxi vouchers, entrusted to you must only be used for official business purchases. You must maintain strict care over the custody and use of the card.

Conflict of Interest

Conflict of Interest situations occur when the personal interests of an employee or a Director compete or conflict with the interests of the Company. Such situations at best, can lead to divided loyalty and, at worst, can result in corruption or other questionable practices.

Examples of the most common conflict of interest situations that Directors or employees may be involved in are:

- having undeclared financial interests in any supplier, contractor or parties that do business with AVJennings;
- offering assistance to AVJennings competitors through taking on part-time employment or "consultancy" services;
- engaging covertly in production of services or goods in competition with AVJennings;
- performing outside work on AVJennings premises and using AVJennings time and assets; and
- giving unduly favourable treatment to a particular supplier, contractor, customer, job applicant or subordinate for personal reasons.

It is your personal responsibility to avoid engaging in situations that may lead to or involve a conflict of interest. You should at all times ensure that your dealings with customers, suppliers, contractors and colleagues do not place you in a position of obligation that may lead to a conflict of interest.

In cases where you, or your immediate family, might have engaged or considered engaging in business, investments or activities that might have existing or potential conflict with AVJennings interests, it is your responsibility to make full disclosure to the Company Secretary.

Insider Trading

You are restricted from dealing in AVJennings securities when you are in possession of price sensitive information. Directors, Officers and Employees with access to confidential information of the Company and their associates are not to trade in the Company's shares from:

- 1 July to the close of business on the day on which the Company announces its annual result.
- 1 January to the close of business on the day on which the Company announces its half-year result.

Company Assets and Resources

AVJennings assets and resources can only be used for business purposes unless specifically approved by your line manager for other purposes. Any privileges associated with your employment must not be misused.

The Internet and communication via electronic mail, should be accessed in a responsible manner. Communication via electronic mail should follow similar principles with respect for the recipient and should not be harassing or offensive. You should not access Internet sites containing pornographic, discriminatory or offensive material.

Private use of the telephone, fax machine, computers and e-mail should be brief, infrequent and not interfere with our business.

Expenditure incurred on behalf of AVJennings should align with the relevant financial delegations and authorities.

Appropriation of AVJennings assets or resources by employees for personal use or resale, without appropriate authority, is a criminal offence and will be dealt with accordingly.

Criminal Behaviour

You should be aware that some actions might be classified as criminal and result in legal action against you. These include bribery, fraud, abuse of public office, extortion, threats, reprisals and other unlawful behaviour. Should you become aware of such behaviour in another employee, the matter must be reported immediately to a manager. Managers and Directors are required to ensure that all activities of a potentially criminal nature are reported to the Company Secretary.

Outside Employment

You should not take up concurrent employment, either regular or on a consulting basis, without the prior written approval from the Company Secretary. Applications for concurrent outside employment should be sent with a recommendation from your Division Manager, to the Company Secretary for consideration. A decision will be based on the individual merits of the respective application, having regard to the following criteria:

- The work is in no way related to the person's official knowledge or function.
- The work will be done in the person's own time.
- The work will not involve a conflict of interest with AVJennings duties.

- Directors must disclose to the Company Secretary new appointments or resignations from other Board's or companies.

Conduct toward Customers

Customers must be treated with courtesy and respect and provided with excellence in service. Customer service policies must be implemented impartially, promptly and competently.

Customers must not be provided with information that is deceptive or misleading.

Conduct towards Suppliers

Suppliers must be treated with professionalism, sensitivity and probity.

Procurement and Tendering Procedures

The hire of services or the purchase of goods should be based solely upon price, quality, timeliness of delivery, and need.

Procurement and tendering actions will be based on the following principles:

- Impartial selection of capable and responsible suppliers and contractors
- Maximum use of competition
- Selection of appropriate contract types according to needs
- Compliance with laws, relevant regulations and contractual obligations
- Adoption of an effective monitoring system and management controls to detect and prevent bribery, fraud or other malpractice in the processes of procurement and tendering

Collusive Behaviour

You will maintain your independence when dealing with contractors and suppliers. You will not engage in activities that could interfere, or appear to interfere with your ability to make free and independent decisions regarding purchase and procurement.

Employment Practices

The Company has a number of policies concerning employment practices. The policies and procedures relating to them are contained in policy manuals. Employees and Directors are advised of these policies and informed of any changes to them. These policies include:

Health & Safety

You have a legal responsibility to protect your own health and safety at work and to avoid adversely affecting the health and safety of any other person through any act or omission at work. You must also, in so far as is reasonable:

- Obey any reasonable instruction that your employer may give in relation to health and safety at work.

- Use the equipment provided for health and safety purposes as indicated in their operating procedures.
- Comply with any policy that applies at the workplace.
- Ensure that you are not, by the consumption of alcohol or a drug, in such a state as to endanger your own safety at work or the safety of any other person at work.

Equal Employment Opportunity

AVJennings is an equal opportunity employer and supports the principle of equal opportunity for all staff. All employees will be treated as individuals solely according to their abilities to meet job requirements.

Information

Proprietary Information

All information gained or received in the course of your employment or directorship, which is not freely published, must be treated in confidence both during and after your employment with AVJennings.

Proprietary information must not be disclosed to anybody outside AVJennings without official permission. Such information may relate to all aspects of our operations including investment strategies, sales and marketing plans, building plans, specifications and products, financial projections, purchasing proposals, client databases, copyrighted material etc.

It is the responsibility of each employee and director who has access to, or control of, any proprietary information to provide adequate safeguards to prevent its abuse or misuse.

Confidential Information

You are responsible for ensuring the safety of information relating to colleagues, clients and ourselves by securing both our workplace and client information.

Compliance

Violation of the Code of Conduct

We will not tolerate any illegal or unethical acts. Anyone violating the Code of Conduct will be disciplined. This may include termination of employment and a report to the appropriate authorities.

Fraud Prevention

Fraud is defined as 'an intentional act, which involves the use of deception to obtain an illegal advantage'. This may include actions which contravene the Code of Conduct. Please refer to the Fraud Prevention Policy for further information.

If in Doubt

It is common in matters relating to personal conduct that clarification is required on whether a particular action is, or is not, ethical. If you are unclear on the ethics of an action you are advised to seek the counsel of your Division Manager or the Company Secretary.

Protection for Employees

This Code requires that you report suspected unethical actions which you may observe or have reason to believe have occurred.

Should you report such actions in good faith, and believe that as a consequence you are treated unfavourably, you are asked to report this to the Company Secretary.

The matter will be treated confidentially and all efforts will be made to ensure that you suffer no victimisation as a result of your report.