

SMS Management & Technology Code of Conduct Policy

Introduction This policy contains information about the Code of Conduct.

Purpose The purpose of this policy is to explain guidelines for expected behaviour including:

- Bribes, Pay-offs or Kick-backs
- Business Records
- Code of Conduct
- Conflict of Interest
- Corporate Assets
- Customer Service
- Dealing with Suppliers of Goods and Services
- Environment
- Fair Competition
- Gifts, Prizes, Hospitality including
 - General Principles
 - Giving and receiving token gifts and prizes
 - Giving gifts and prizes of more token value
 - Receiving gifts and prizes of more than token value
 - Provision and acceptance of hospitality
- Improper Influence
- Law
- Leaving the Company
- Non-discrimination
- Outside Employment and other activities
- Personal Conduct
- Political Associations
- Privacy of Communications
- Protection of Information
- Work Environment
- What is my responsibility if I see a breach of code?
- Commitment of Employees to our code of conduct?

Policy SMS is committed to being honest, behaving with integrity and giving superior service which it recognises it can only achieve through its people.

For SMS to do this, obligations and responsibilities must fall equally on the Company and every one of its employees.

Personal Responsibility: Managers

- As managers we will:
- Respect every employee's dignity, rights, freedoms and individual needs;
 - Provide a working environment that is safe, challenging and rewarding;
 - Recognise the work of each of our employees;
 - Reinforce the Company's commitment to the highest standards in business and professional ethics;
 - Uphold the principles of equal opportunity;
 - Obey the law

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**Personal
Responsibility:
Employees**

As employees, we will:

- Treat customers, the public and fellow employees with honesty, courtesy and respect;
- Respect and safeguard the property of customers, the Company and fellow workers;
- Maintain confidentiality of all customer, Company or other parties' information gained through our work;
- Perform our duties as best we can, taking into account our skills, experience, qualifications and position;
- Do our jobs in a safe, responsible and effective manner;
- Ensure our personal business and financial interests do not conflict with our duty to the Company;
- Work within the Company's policies and rules;
- Maintain a work environment free of discrimination;
- Obey the law.

**Guidelines for
Expected
Behaviour**

Our personal conduct should be consistent with this Code.

In particular, employees, should deal fairly and honestly with our customers, each other, business suppliers and competitors.

We always obey the law, both in Australia and as it applies to any offshore business.

The types of conduct set out on the following pages are examples which are not exhaustive but are intended to give guidance on expected standards of behaviour in a number of areas.

**Bribes, Pay-offs or
Kickbacks**

No bribes, pay-offs, kick-backs or other considerations will be paid or received directly or indirectly.

In addition, such payments to domestic or foreign government officials to influence a decision or to gain a benefit either directly or through a third party are prohibited.

We may conduct business in countries with many different laws, customs and business practices. However, we will not compromise the principles set out in this Code, and will abide by the laws of host countries as they may apply.

Business Records

Business records can only be destroyed with authorisation and in accordance with approved Company policies and rules.

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Code of Conduct This Code is about a common ethical sense. It is not a legal document. However, this Code sets the standard for our behaviour. We are all accountable for putting the spirit and letter of this Code into practice.

An essential element in ethical behaviour is a sense of personal responsibility. This Code, like any other, will only be successful if it is understood and followed.

In any case, it is important to remember that this is our Company Code and therefore it should be owned by each of us. Both individuals and companies are judged as much for their integrity as for their service quality.

Conflict of Interest A conflict of interest exists where loyalties are divided. It is expected we will guard against any possibility of conflict of interest in employment.

(See also: ‘Dealing with Suppliers of Goods and Services’, ‘Gifts, Prizes, Hospitality and ‘Outside Employment and Other Activities’)

Examples of situations where conflicts of interest have the potential to arise include:

- purchasing practices;
- engagement of consultants;
- outside employment; and
- giving and receiving gifts, prizes and hospitality.

If any employee thinks that there may be a possible conflict of interest in relation to the employee’s employment, it should be discussed with the employee’s Manager.

Corporate Assets Every employee who has control of Company funds and other assets is personally accountable for them. “Funds” can mean cash or valuables such as aeroplane tickets or Corporate Credit Cards.

(Funds, property, telecommunications services)

We all share the responsibility for looking after Company property, especially if it is under our control. Company property must not be removed without authorisation or used for personal benefit or any other improper purpose.

The Company recognises the increasing business demands and pressures placed upon employees and recognises that many employees have family and domestic responsibilities.

The Company understands that it may be necessary for an employee to make contact with family and/or make other necessary personal calls during the course of the working day. Similarly, it may be necessary to receive calls at work of a personal nature.

These demands are exacerbated for those employees whose work and travel commitments extend outside or normal business hours and take them away from their families and personal commitments.

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Customer Service

We must ensure that:

- we are always mindful of our three core of Maintain Unity, Enhance Reputation and Add Value;
- our customers can deal with us easily and efficiently;
- we deliver what we promise, when we promise it;
- our products and services suit customers’ needs and always work as they should;
- our products and services are easily understood by customers; and
- we use our knowledge and expertise to build our customers’ success.

Dealing with Suppliers of Goods and Services

Our Company buys many goods and services and awards it business strictly on the basis of quality, suitability and price.

(See also ‘Conflict of Interest’)

Each employee involved in buying goods and services on the Company’s behalf must avoid any relationship, financial or otherwise, with suppliers that could be seen as unfairly influencing judgement.

Environment

We are committed to sound and responsible environmental practices and to full compliance with all environmental laws and requirements. We rely on our employees to be responsible for maintaining and improving the environment.

Fair Competition

Fair competition means that we will:

- know about and follow the Company’s legal obligations to it competitors;
- compete on the basis of customer service rather than by obstructing competitive conduct; and
- only use our Company’s strength in legitimate ways.

As part of our commitment to fair trading we will not:

- unfairly discriminate between customers when supplying products or services;
- refuse to deal with, or discriminate against, a customer for any improper reasons; or
- intimidate or threaten another person or organisation.

We aim to conduct our business fairly, and to compete solely on the merits of our products and services. In all dealings with others, we will be courteous, well informed and truthful, and will be careful not to misrepresent the quality, features or availability of our products and services.

We should not be insulting about our competitors’ products or services.

Competitive information will be obtained only by ethical means – covert attempts to gain competitive information are not permitted.

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Gifts, Prizes, Hospitality

Giving and receiving of tokens of esteem as well as the provision and acceptance of hospitality are part of the normal business practice. However, there are times when this is not acceptable.

We need to have clear guidelines for giving and receiving gifts, prizes and hospitality so that there can be no suggestion that the gifts, prizes or hospitality constitute bribery or secret commissions or in any way compromise us or our business associates.

General Principles

We should not give or receive a gift, prize or hospitality that:

- could compromise our judgement;
- could appear to be a conflict of interest;
- could damage relationships with others; or
- could indicate any favouritism or prejudice in relation to any particular person or group of people.

It is important not to give any impression that there may be an improper connection between any gift, prize or hospitality and business opportunities.

It is prudent to regularly review the motivation for any gifts, prizes or hospitality.

If any doubt about gifts, prizes, hospitality (or even concessions offered, then ask your Manager or refer the matter to the Company Secretary

Giving and Receiving Token Gifts and Prizes (i.e Gifts and Prizes of Little or No Commercial Value)

Normally, gifts and prizes given to customers and business associates should be limited to official SMS promotional materials or SMS approved gifts and prizes.

Similarly, the receipt of gifts and prizes from business associates is acceptable where the gift or prize is unsolicited promotional material of little or nominal value such as pens, pencils, key rings, diaries, etc.

Giving Gifts and Prizes of More Than Token Value

Where the gift or prize is of more than token value, any one gift or prize to a customer or business associate should not exceed \$50 in value at any one time.

Gifts and prizes in aggregate to one person or one organisation should not exceed \$100 in value from any one individual over a period of one calendar year.

Under no circumstances should a gift or prize of money or a loan be provided.

Gifts or prizes which exceed \$50 in value must be notified to the employees Manager.

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Gifts, Prizes, Hospitality (Continued)

Receiving Gifts and Prizes of More Than Token Value

Where the gift or prize is of more than token value, any one gift or prize received from a customer or business associate should not exceed \$50 in value at any one time.

Gifts and prizes in aggregate from any one person or organisation should not exceed \$100 in value over a period of one calendar year.

Gifts or prizes which exceed \$50 in value must be notified to the employees Manager.

In the event that the business occasion gives rise to a gift or prize of more than \$50, the gift or prize must be notified to the employees Manager. However, a prize arising indirectly from a business relationship (e.g. a raffle at a function where representatives from various companies are present) need not be notified to the employees Manager.

Gifts or prizes of a significantly high value should be accepted on behalf of SMS if rejection of the gift or prize might be awkward or damage relationships. Such gifts and prizes should be notified to the Company Secretary and accepted on behalf of SMS. Where appropriate, the Company Secretary will make arrangements for the display of such corporate gifts and prizes within SMS.

It is recognised that some gifts and prizes received may be gifts of a personal rather than a corporate nature. If a gift or prize is of a personal rather than a corporate nature, written approval should be obtained by the employee seeking to retain the gift or prize as follows:

- by a General Manager, from the CEO;
- by any other employee, from the appropriate General Manager.

If approval is granted, the Company Secretary must be notified accordingly.

Provisions and Acceptance of Hospitality

Normally, the provision or acceptance of hospitality in the form of entertainment (such as an invitation to the opera or to a corporate box at a sporting function), a meal and/or a few drinks in the interest of normal business practice is acceptable.

Such hospitality, entertainment or other benefits should not be excessive but should be appropriate to the occasion. Sometimes such hospitality may warrant the attendance of the guest's partner.

Travel and accommodation benefits should not be provided or accepted without prior approval in writing as follows:

- by a direct report to the CEO, from the CEO;
- by any other employee, from his/her Manager.

Similarly, if entertainment is likely to be perceived as excessive in the circumstances, prior approval in writing ought to be obtained.

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Gifts, Prizes, Hospitality (Continued)

It is understood that on occasions:

- an employee may be caught unawares by the nature and extent of hospitality provided at a function to which the employee has been invited; and
- it is likely to be awkward or impolite to decline the hospitality of the host.

In these cases, the employee should be careful to avoid creating the impression of a conflict of interest by declining such unusually high or extravagant hospitality where offered on a repetitive basis.

Improper Influence

No pressure is to be put on employees to influence their personal preferences in private or political matters. Further, no approval or disapproval should be shown by anyone in a Company role, of an employee's private or political preferences or activities.

Law

Our Company is subject to local, State and Federal laws. In conducting business overseas, we will also be subject to the laws of the country in which we are operating.

We have a duty to comply with all of these laws. In interpreting the law, we will always endeavour to adopt a course which enhances our reputation for integrity.

No one can be directed to carry out an illegal act, and no one can justify an illegal act by claiming to be acting under the order of a Manager, or to be simply complying with a policy.

Leaving the Company (See also "Protection of Information")

On separating from the Company, each employee must hand over to his or her Manager or Supervisor any Company assets and items containing business information.

Even after leaving the Company, each of us has a continuing obligation to maintain the confidentiality of such information which includes intellectual property that may have been created whilst working with the Company.

Non-Discrimination

Management is committed to equal opportunity for all of its employees.

Employees must not discriminate against any person on the basis of race, colour, religion, gender, age, material status, sexual preference, disability or other factors.

Harassment of any person on any basis will not be tolerated. This requires avoidance of sexual advances or comments; sexual, racial or religious "jokes" or slurs; or any other conduct in the workplace that is intimidating or offensive.

Recruitment and promotion will be based on merit. Merit concerns the ability to perform the job. Conditions of employment and career development will be applied to all employees, in a non-discriminatory manner.

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Outside Employment and Other Activities

(See also “Conflict of Interest”)

We should keep outside activities separated from Company work.
We will ensure that outside activity does not involve use of our Company’s property, information, money, facilities, time or the services of fellow workers.

We should avoid outside activity likely to adversely affect either our work or someone else’s (for example, in terms of occupational health and safety), or which could discredit either ourselves or our Company, or which could conflict with the Company interests.

Our company does have a concern with the well-being of communities in which it is located. The quality of our work with the Company can be increased by the contribution that we might make as an individual. If it is practical, management will endorse and support part-time involvement by its staff in public or community service.

Personal Conduct

Our personal conduct should be consistent with the Code. Employees should deal fairly and honestly with our customers, each other, business suppliers and competitors. This means:

- handling all customer contacts with professionalism and courtesy; and
- reporting to work as scheduled, keeping absences to a minimum and, when an absence is necessary, promptly notifying the appropriate person of the reason.

Political Associations

Our Company must not be used to support a political party, a member of a party, or an independent politician, either in Australia or overseas.

When acting on the Company’s behalf, no action should be made which might be seen as assisting a political party, politician or political candidate. However, this does not include normal hospitality when conducting business.

In offshore countries, proposals for the giving of political support or a donation by a joint venture in which the Company participates should be submitted to the CEO.

Privacy of Communications

Our customers use our services expecting that their communications will be kept secure and confidential.

Unless specifically authorised to do so, we must not:

- disclose, use or record any messages;
- intercept, interfere with, or intrude on any transmission;
- listen to, or monitor, conversations or non-voice communications or divulge any details;
- permit any unauthorised person access to information concerning a communication transmitted over the network. This includes information about who was speaking what was spoken about, and the timing or length of the call; or
- allow the installation, connection or modification of telecommunications equipment which would enable a conversation to be listened to, recorded or monitored.

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Privacy of Communications (Continued)

Further:

- information from or about any communications passing over our network must not be used for personal benefit or by anyone else who is not a part to the communication;
- requests from police, government agencies or anyone outside our Company, for information about customers or employees, should be handled in consultation with an appropriate Manager; and
- the discovery of any unauthorised wiring or equipment attached to telephones or other installations which could be an illegal intercept should be reported immediately to the relevant Manager.

Protection of Information

All employees must maintain the privacy of business information and protect it from any disclosure.

Much of our information relates to customers who expect, on both legal and ethical grounds, that this information will be protected.

Work Environment

The Company is committed to provide its employees with a working environment which is healthy, safe and productive. Besides physical factors, our work environment should be challenging, stimulating and rewarding for us all.

For a productive and safe workplace, the following are not acceptable or permitted:

- smoking in SMS premises;
- using, possessing or trafficking illegal drugs. However, where prescription drugs are involved, we will ensure that safety is not affected and that any performance impact is properly managed;
- consuming alcohol that might affect anyone’s safety or performance (including our own), other staff, our work, public relations, or violate State drinking and driving laws; or
- using offensive language or unwarranted or violent physical behaviour.

What Is My Responsibility if I see a Breach of the Code?

We are all responsible for doing something about any illegal behaviour or behaviour outside the spirit of this Code of Conduct in our workplace.

Appropriate action may include:

- talking about it with any other employees involved, to fix the matter;
- discussing the matter with your Manager with the aim of resolving it;
- seeking advice or assistance via the Company Secretary; or
- reporting concerns about impropriety to the Company Secretary.

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**Commitment of
Employees to our
Code of Conduct**

The company expects employees to commit to Our Code of Conduct.

Questions

If you require assistance to interpret and apply the Code of Conduct, please raise the matter with your Manager.

If that is inappropriate or does not clarify the issue to your satisfaction, please raise the matter with the Company Secretary.