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## **Code of Conduct**

Bapcor Limited ABN 80 153 199 912

Adopted by the Board on 31 March 2014

## Bapcor Limited Code of Conduct

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### 1 Introduction

- (a) This code of conduct, which has the full endorsement of the board of directors (**Board**) of Bapcor Limited (**Company**), sets out the way the Company and its subsidiaries (collectively, **Bapcor**) conducts business (**Code**). Bapcor will carry on business honestly and fairly, acting only in ways that reflect well on Bapcor in strict compliance with all laws and regulations.
  - (b) The purpose of this Code is to guide the behaviour of everyone in Bapcor (including all employees, managers and the Board) by clearly stating Bapcor's firm commitment to behaving honestly and fairly.
  - (c) All employees are required to understand and comply with their obligations under this Code.
  - (d) If employees are not sure that a proposed action is appropriate, they should ask their manager or their human resources department (**Human Resources**) for guidance before acting.
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### 2 Employee's responsibilities

- (a) Each Bapcor employee is responsible to comply with this Code both in detail and in spirit. Everyone must:
    - (i) act with integrity – being honest, ethical, fair and trustworthy in all business dealings and relationships;
    - (ii) avoid conflicts between Bapcor's interests and personal interests;
    - (iii) protect Bapcor's business assets;
    - (iv) respect and abide by Bapcor's obligations to fellow employees, shareholders, customers, suppliers, competitors and the communities in which Bapcor operates; and
    - (v) comply with the laws and regulations that apply to Bapcor and its operations.
  - (b) It is the responsibility of all of Bapcor's people, including managers and other leaders, to ensure ethical conduct is recognised and valued throughout Bapcor.
  - (c) A reference in this Code to employees includes temporary employees, contractors and directors of Bapcor.
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### 3 Responsibility and accountability of the Board and Managers

The Board is responsible for the contents of the Code and its periodic updating. The Chief Executive Officer and managers at all levels of Bapcor are responsible for ensuring that all employees understand and follow this Code.

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### 4 Consultants' responsibilities

Individuals or organisations consulting for, or representing Bapcor, or both, must comply with this Code in the same way as company employees. Bapcor employees who engage consultants should ensure that they are provided with a copy of relevant Bapcor policies, including this Code.

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## 5 Compliance with law

- (a) Bapcor will only conduct business by lawful and ethical means. Legal responsibilities change and employees at all levels must keep themselves informed and comply with all legal responsibilities.
- (b) In particular, depending on their individual responsibilities, employees must be familiar with corporate, competition and consumer, taxation, employment, work health and safety, equal opportunity and discrimination, privacy and environmental laws and regulations as well any of Bapcor's internal policies in relation to such matters.
- (c) All Bapcor employees have an obligation to understand and work within these requirements. If employees do not understand their responsibilities and Bapcor's obligations, they must seek guidance from their manager or Human Resources.

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## 6 Avoiding conflicts of interest

- (a) Employees must avoid any situations involving divided loyalty or a conflict between their personal interests and those of Bapcor. Employees faced with conflicting interests must report it to their manager or Human Resources.
- (b) In particular:
  - (i) employees and any organisation in which they or their family have a significant interest must not compete with, or have business dealings with Bapcor;
  - (ii) employees must not work or consult for, or have any other key role in, an outside business organisation which has dealings with Bapcor or is a competitor of Bapcor;
  - (iii) employees must not enter into any arrangement or participate in any activity that conflicts with Bapcor's best interests or is likely to negatively affect Bapcor's reputation;
  - (iv) employees must not use Bapcor's assets for any purpose other than for Bapcor's business purposes or interests;
  - (v) employees must not make improper use of their employment with Bapcor, their position or role in Bapcor, or information obtained because of their position, to gain an advantage for themselves or anyone else, to Bapcor's detriment; and
  - (vi) employees must not buy or sell shares in Bapcor or any other companies at any time when they are aware of price sensitive information about Bapcor, which has not been disclosed to the Australian Securities Exchange. All employees must read and follow the Bapcor Securities Trading Policy.

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## 7 Potential takeovers, acquisitions or other "change of control" transactions involving Bapcor

- (a) Employees must be particularly careful to avoid conflicts of interest and the improper disclosure of confidential information in the case of an approach by a third party ("potential bidder") in relation to the proposed acquisition of the shares in, or any of the businesses of, Bapcor. Such an approach might be made informally (for example by enquiry or overture) and/or through an intermediary or advisor to the potential bidder.
- (b) The Board must be informed of any approach (no matter what the form of the approach) and will establish protocols for Bapcor's response to the approach.

- (c) Any Bapcor employee who is approached (even informally) by or on behalf of a potential bidder must:
- (i) immediately notify his or her manager or Human Resources of the approach, including the details of any inducement or incentive offered to that employee or any other Bapcor person;
  - (ii) cease communications with the potential bidder until communication protocols are established and then only if so authorised under those protocols;
  - (iii) not provide any corporate information to anyone without the express approval of the Board or the Board's representative and then only on terms approved by the Board; and
  - (iv) ensure that the approach is not discussed with customers, suppliers or other employees unless specifically authorised by the Board and then only on terms approved by the Board (which must take into account Bapcor's continuous disclosure obligations, amongst other things).
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## **8 Outside memberships, directorships, employment and public office**

- (a) Bapcor supports involvement of its employees in community activities and professional organisations. However, outside employment or activity must not conflict with an employee's ability to properly perform their work for Bapcor, nor create a conflict (or the appearance of a conflict) of interest.
  - (b) Before accepting outside employment or a position on the board of directors of another company or non-profit organisation, you must carefully evaluate whether the position could cause, or appear to cause, a conflict of interest. If there is any question, consult your manager or Human Resources.
  - (c) You must obtain prior written consent from your manager or Human Resources where the proposed employment or position relates to an outside organisation that has or seeks to have a business relationship with a Bapcor company or competes with services provided by a Bapcor company.
  - (d) You may accept public office or serve on a public body in your individual private capacity, but not as a representative of Bapcor. If such public office would require time away from work, you must comply with Bapcor's policies regarding leave of absence and absenteeism.
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## **9 Protection and proper use of Bapcor's assets**

- (a) All Bapcor employees must use their best efforts to protect Bapcor's assets and other resources including plant, equipment, and other valuable property including confidential information and intellectual property such as trademarks, registered designs and copyrighted material, from loss, theft and unauthorised use.
- (b) The use of Bapcor time, materials, or facilities for purposes not directly related to company business, or the removal or borrowing of company property without permission is prohibited. Incidental personal use of such company resources as computers, phones, faxes, copiers and internet access is permitted in accordance with Bapcor's IT policies, but employees must ensure that Bapcor's interests are not harmed.

## 10 Protecting confidential information

- (a) Information that Bapcor considers private and that is not generally available outside Bapcor, which may include information of third parties to which Bapcor has access (**Confidential Information**) and information that Bapcor owns, develops, pays to have developed or to which it has an exclusive right (**Proprietary Information**) must be treated by Bapcor and all employees as follows:
- (i) Bapcor and all employees must ensure that they do not disclose any Confidential Information or Proprietary Information to any third party or other employee who does not have a valid business reason for receiving that information, unless:
    - (A) allowed or required under relevant laws or regulation; or
    - (B) agreed by the person or organisation whose information it is; and
  - (ii) if Confidential Information or Proprietary Information is required to be provided to third parties or other employees for valid business purposes, Bapcor and its employees must:
    - (A) take adequate precautions to seek to ensure that information is only used for those purposes for which it is provided and it is not misused or disseminated to Bapcor's detriment; and
    - (B) take steps to ensure that the information is returned or destroyed when the purpose is complete.
- (b) These obligations continue to apply to employees after their employment ceases.
- (c) If you are unsure whether information is of a confidential or proprietary nature, seek advice from your manager or Human Resources before disclosure.
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## 11 Control of information

- (a) Employees must:
- (i) return all Bapcor property including any documents or confidential information, on termination or on the request of Bapcor or its representative; and
  - (ii) if requested by Bapcor or its representative, destroy or delete any confidential information stored in electronic, magnetic or optical form so that it cannot be retrieved or reconstructed.
- (b) Employees must not make improper disclosure, including inadvertent or careless disclosure, of business strategies and plans, special methods of operation and other information that is of competitive value to Bapcor.
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## 12 Public communications and disclosures

- (a) Media statements, responses to questions from any journalist, investor, stockbroker or financial analyst and official announcements may only be made by persons authorised in accordance with the Bapcor Disclosure Policy. If you receive a request for information and you are not authorised to respond to the enquiry, refer the request to the appropriate person. Unless the Chief Executive Officer has given prior written consent, Bapcor employees and associated parties must not participate in public forum discussions (including internet-based forums) where the subject matter is related to Bapcor, its competitors or any industry in which Bapcor operates.
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- (b) Bapcor has adopted the Bapcor Disclosure Policy as a means of ensuring compliance with its disclosure and communication obligations under the *Corporations Act 2001 (Cth)* and the ASX Listing Rules. The aim of the Bapcor Disclosure Policy is to keep the market fully informed of information that may have a material effect on the price or value of Bapcor's securities, and to correct any material mistake or misinformation in the market.
  - (c) Ensure that you are aware of the requirements of the Bapcor Disclosure Policy and, if it applies to you, you must act in accordance with the policy.
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### **13 Gifts, gratuities and entertainment**

- (a) Bapcor does not tolerate giving or taking bribes, kickbacks or gratuities or any other payments for favourable treatment or as an inducement for doing business. However, Bapcor allows the acceptance of token gifts and entertainment provided they are appropriate to the intended business purpose and consistent with local business practice and laws.
  - (b) Employees should not seek to gain special advantage for Bapcor or themselves through the use of business gifts, favours or entertainment, if it could create even the appearance of impropriety. Business entertainment should be moderately scaled and clearly for business purposes. Gifts and entertainment should not be offered to a customer or supplier whose organisation does not allow this.
  - (c) Employees may accept or give gifts, favours, or entertainment only if permitted to do so by Bapcor's policies relating to gifts and the gift, favour or entertainment is disclosed in accordance with those policies (if required).
  - (d) If an employee has any doubts about whether a gift or benefit complies with this Code or Bapcor's policies, they should promptly discuss it with their manager or Human Resources.
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### **14 Integrity in financial reporting**

- (a) Bapcor is committed to providing accurate, timely and clearly understandable disclosures in reports on its results to shareholders, the Australian Securities Exchange, Australian Securities and Investments Commission and other regulators.
- (b) Each employee responsible for the preparation of such reports is responsible for the integrity of the information contained in, or which forms the basis, such reports and is expected to exercise the highest standard of care in preparing materials for public communications.

Those reports and communications should:

- (i) comply with any applicable legal requirements and accounting standards;
  - (ii) fairly and accurately reflect the transactions or occurrences to which they relate;
  - (iii) not contain any false or intentionally misleading information, nor intentionally misclassify information; and
  - (iv) be in reasonable detail and recorded in the proper account and in the proper accounting period.
- (c) All material financial information and disclosure must be accurately represented in Bapcor's accounts. No information may be concealed by employees from either Bapcor's internal or external auditors. No employee may take any action to influence, coerce, manipulate or mislead Bapcor's external auditors in order to produce misleading financial statements.
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## 15 Responsibility to individuals

- (a) Bapcor is committed to the fair and equal treatment of all its employees and abides by the employment laws of the countries in which it operates. Employees and candidates for employment shall be judged on the basis of their behaviour and qualifications to carry out their job without regard to race, gender, religion, sexual orientation, disability, age, marital status or political belief or any other aspect protected by law.
- (b) Bapcor does not tolerate discrimination, including sexual, physical or verbal harassment or other demeaning behaviour against any individual or group of people.
- (c) Bapcor does not tolerate bullying, violence or threats of violence.
- (d) Bapcor employees are required to adhere to any Bapcor policies relating to the treatment of others.

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## 16 Acting responsibly with customers, suppliers, competitors and others

- (a) Employees dealing with customers, suppliers, partners, competitors and other third parties must engage with such persons fairly, ethically, honestly and respectfully and in compliance with applicable laws and Bapcor policies. In particular:
  - (i) employees must be fair, honest and open in all business dealings;
  - (ii) employees must not misrepresent Bapcor products, services or prices and must not make false claims about those of our competitors;
  - (iii) purchasing decisions must be based on such commercially competitive factors as quality, price, reputation and reliability and a supplier's level of service; and
  - (iv) employees must respect confidential information that is obtained through the business relationships.
- (b) If another employee or outside party suggests acting in a manner contrary to the above, this must be immediately reported to your manager or Human Resources.

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## 17 Reporting non-compliance with this Code

- (a) Any employee who becomes aware of a possible breach of this Code should report the breach to their manager, Human Resources or a member of the Bapcor Disclosure Committee established under the Bapcor Disclosure Policy.
- (b) Such reports will be treated confidentially to the extent possible consistent with Bapcor's obligation to deal with the matter openly and according to applicable laws.
- (c) No employee will be subject to retaliation or disadvantage for reporting in good faith a possible violation of this Code.

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## 18 Consequences for non-compliance with this Code

Adherence to this Code and Bapcor's policies is a condition of employment at Bapcor. Breaches of the Code may be subject to disciplinary action including termination of employment, if appropriate.