



Code of Practice



Table of Contents

Going about your business	4
The big picture.....	4
We're in this together.....	4
<i>Managers</i>	4
<i>Financial Officers</i>	4
<i>Other Employees</i>	4
This is important.....	4
You don't need to be a lawyer.....	5
Toll Disclosure Hotline.....	5
Where we stand on key business issues	6
Fair trading.....	6
Insider trading.....	7
Equal Opportunity.....	7
Health and Safety.....	7
The Environment.....	8
Pirated software.....	8
Gifts or favours.....	8
Conflicts of interest.....	9
Expenses and claims.....	10
Confidential company information.....	10
Public statements.....	10
Use of company property.....	11
Getting the Code on the road	11
Contact details.....	11

Dear Employee

At Toll we aim to maintain an environment and culture that is safe, honest, trustworthy, professional and customer focused.

As a public company, Toll is responsible to its many stakeholders, including shareholders, employees, customers, suppliers, government, media and the general public to maintain a certain standard and reputation.

To help us maintain our standard and reputation we have produced this booklet entitled 'Code of Practice' so every employee is aware of what is required of them.

As an employee of this company it is your responsibility to comply and ensure that fellow employees are not in breach of the Code.

Please familiarise yourself with the Code so that our standards and reputation are maintained.

Yours sincerely
TOLL HOLDINGS LIMITED



PAUL LITTLE
Managing Director
25 June 2008



Going about your business

Each and every employee of the Toll Group plays an important part in maintaining the standards and good reputation of this company.

So that you know what those standards are, we have put together a **Code of Practice**. It is a **guide to how we do business** and the rules we have made so everybody knows where they stand and what is expected of them.

THE BIG PICTURE

We believe in playing fair – in doing what we do in an honest and straightforward way. We're here for the long haul, so we would rather give up a short-term gain than compromise on our long-term reputation. We want the people we deal with to feel they can trust us and respect us.

WE'RE IN THIS TOGETHER

Managers – It is the job of executives, managers and supervisors to make sure all staff understand the Code of Practice and follow it in their everyday work.

Financial Officers – Financial Officers should make sure all financial dealings are fair and **above board**. Anything that goes against the Code should be reported to the Company Secretary.

Other Employees – If you know someone has broken the Code of Practice, it is your duty to tell your manager. They will look at the problem as soon as possible. If you are not happy with how your manager handles the situation, you can refer the matter to the Managing Director or Company Secretary, or contact the Toll Disclosure Hotline, details on page 5.

THIS IS IMPORTANT

Employees who are in the company's opinion in serious breach of the Code could be demoted, reprimanded or even terminated. **Not understanding what the Code is or what it means, is not considered a reasonable excuse for breaking it.**

YOU DON'T NEED TO BE A LAWYER

Toll is committed through its Board of Directors, employees and contractors, to ensure that throughout all its areas of operation, the Company and its representatives **behave in an appropriate, ethical and law abiding manner** at all times.

Toll expects and encourages everyone acting on its behalf to uphold and protect the **Company's good reputation** through appropriate conduct at all times.

Therefore, it is company policy to **obey the laws and regulations of every state, territory and country**, where we do business. However, laws can be complex and confusing to the average person.

If you have any trouble understanding what a law or regulation means, **get advice** from your manager or the legal department assisting your business. If you need to make a decision before you can get any advice, use your common sense. If **something doesn't feel right** or you have doubts about it, chances are **you should not do it**.

To ensure such high standards are maintained, it is important that any **behaviour which is at odds is reported** and addressed promptly.

TOLL DISCLOSURE HOTLINE

The **Toll Disclosure Hotline is an independent service** that provides a process for employees to **disclose concerns regarding incidents of fraud and improper conduct** within the workplace. Employees are encouraged to make such disclosures in good faith knowing that they have **the support of the Company** to protect them against victimisation, harassment, or discriminatory treatment.

All disclosures will be **investigated by the Company** to ensure appropriate action is taken where necessary. The implementation of the Toll Disclosure Hotline complements the Company's commitment to a strong culture of corporate compliance and ethical behaviour.

Toll has also implemented a **Disclosure Protection Policy** which is available to every employee. This policy is designed to complement the normal channels for reporting any workplace issues to an employee's immediate supervisor, business unit General Manager or HR Manager.



The Toll Disclosure Hotline is currently available across all states and territories of Australia. Please refer to the **Toll Intranet** for more information on how you may access the **Toll Disclosure Hotline** service and view a copy of the **Disclosure Protection Policy**.

Where we stand on key business issues

The company believes in treating all people we do business with, in a fair and equal way.

We believe in **following the law** at all times. We do not give or expect to receive special favours.

All employees should be **familiar with applicable laws**, especially those which deal with **fair trading under Trade Practices legislation** in various jurisdictions globally. To help with this, the company will issue where appropriate **guidelines to assist you**. If you have any concerns, ask your manager for assistance or contact the Company Secretary.

FAIR TRADING

It is company policy that no employee be involved in improper tendering or price fixing or controlling. There are **substantial penalties for breaching the Commonwealth Trade Practices Act and the Fair Trading Act in each state** of Australia and such penalties may also apply in other jurisdictions and countries.

If any employee is present when **improper tendering or pricing** is suggested, offered or planned, they should **refuse to be involved** on the spot, and then **report the matter** to the Managing Director or Company Secretary as soon as possible.

INSIDER TRADING

During your employment with the company, you may become aware of **information** that if it were publicly known may **affect the price** of the company's shares, or shares of another company. It is **company policy** that in such cases, employees are **not to buy or sell shares** in the company or the other company, **or disclose the 'insider' information** to any other person.

You should also be aware that **substantial penalties** may be imposed by law upon an employee, and potentially even the company if 'insider' information is acted upon or disclosed before it becomes public knowledge.

The ability of **company directors and executive officers** to deal in the company's shares is **restricted even further** by the company's Corporate Governance Guidelines and share trading.

EQUAL OPPORTUNITY

All employees and potential employees of the company will be **treated the same**, regardless of race, age, colour, religion, gender and mental or physical disability.

This also applies to all terms and conditions of employment, termination, transfer, compensation and training.

Any harassment based on race, age, colour, religion, gender or disability is **not acceptable**. Neither is any behaviour which hinders an employee's ability to carry out their duties.

HEALTH AND SAFETY

The company aims to **protect the health and safety of its employees, suppliers, customers and others** who may be affected by its activities.

This is a responsibility we all share – managers, supervisors, employees and subcontractors. You are urged **to act immediately** about any non-compliance **with safety** standards. As a minimum, please ensure you **raise** any **concerns** you may have with your manager, and safety committee representative.

THE ENVIRONMENT

We are an environmentally responsible company.

We **encourage** our employees to go beyond minimum legal standards, and do everything they can to protect the environment, such as **use recyclables** and **conserve energy** resources like electricity, fuel and gas.

At company warehouses, offices and yards, laws relating to the storage and transport of dangerous goods, runoff from workshop and washdown areas, and the safety of underground fuel storage tanks, are to be strictly followed.

We are aware of the effect heavy vehicles have on the **environment** and **support** the use of **Rail Linehaul** or **Coastal Shipping** services wherever practical and affordable.

To help **reduce vehicle pollution**, company vehicles will be kept within legislative limits through **regular maintenance**.

PIRATED SOFTWARE

It is a **criminal offence** to breach the ownership rights of any other person or company. No employee should therefore **use** software that they know is **unlicensed or pirated, or pirate software** themselves. Substantial penalties can be imposed upon both the company and you, if you breach somebody else's copyright.

GIFTS OR FAVOURS

No employee should give or accept gifts or favours from any firm or person with whom the company does business except in the following situations:

- **Business lunches or dinners** are fairly normal practice. Try to keep it inexpensive and return the favour if appropriate.
- You may give or receive **advertising novelties or Christmas gifts** if they have **little or no monetary value**.
- Sometimes **receiving gifts** or favours is part of **local custom**. Each manager needs to monitor that these courtesies are reasonable and acceptable.

- Company suppliers and customers may happen to be close personal friends of company employees. It is important that **any personal relationship does not compromise your working role**.
- Any employee offered an **expenses paid trip, for business or pleasure**, by a present or potential supplier, **should decline** the offer or refer to the Managing Director or Company Secretary for approval.

Be aware that **Government agencies** and departments have **strict guidelines** regarding their personnel receiving gifts, favours and entertainment. You should **avoid putting** any Government **personnel in a difficult or embarrassing position** by offering them gifts or favours outside the guidelines of their employer.

The underlying principle to be adopted is, do **not compromise either the company's or your own position** when considering the reasonableness of gifts or favours.

CONFLICTS OF INTEREST

When it comes to work, or work related matters, employees are expected to put the **company's interests first**. The following situations **should**, therefore, **be avoided**:

- Having a **material or controlling financial interest** in any competitor, customer or supplier with which the company does business.
- **Accepting any trip** (unless approved by the Toll Group Company Secretary), **cash, service or loan** (except financial institutions) from any vendor or supplier of services.
- **Acting as a director**, officer, employee or other for any **competitive company** (unless approved by the Board).
- **Competing with the company** in buying or selling any kind of service or diverting a business opportunity from the company for the employee's personal gain.
- **Using company funds, facilities, personnel or know-how** to benefit other personal or business interests.
- Being involved in **outside activities** which **affect your judgement** or loyalty or which may interfere with your ability to do your job.

EXPENSES AND CLAIMS

- If you are asked to represent the company at a trade or business gathering, you may be **reimbursed for your expenses** by the promoter, but you should not accept any fees for your attendance.
- Company expense accounts should be treated carefully. **Inappropriate** behaviour that generates a **personal gain is unacceptable**. Choosing travel and accommodation in order to maximise Frequent Flyer points is also unacceptable.

CONFIDENTIAL COMPANY INFORMATION

Confidential information is company property and should only be used if you are authorised to do so or if necessary to carry out your duties.

The company aims to keep confidential information to a minimum, but does have the right to **protect information** which might affect the company's existence, give competitors an advantage or harm employees or investors.

Every employee should protect any confidential information he or she has access to. Knowing or **having access** to such information **does not give you the right to disclose it**.

All employees are legally bound to ensure they **protect the company's interests** in and maintain the confidentiality of any information obtained whilst employed with the company.

Under no circumstances should any confidential information be used for personal gain or in fact for the gain of a competitor or any other party, **either during or after your employment with the company**.

PUBLIC STATEMENTS

The company is conscious of its position in the wider **community**. No **statements** are to be made **to** or through a **media or public outlet** without the prior **approval of the Toll Group Company Secretary**.

USE OF COMPANY PROPERTY

Employees should not unreasonably utilise company property, equipment, services or assets for **personal use** or gain. Inappropriate and unauthorised use is not acceptable and may be treated as theft.

Getting the Code on the Road

You are free to discuss any aspect of the company's Code of Practice with your supervisor or manager.

It is the **managers' responsibility to make sure employees comply with the Code**. Division managers and corporate staff should ensure that any employees who have contact with other firms, customers and suppliers are familiar with the Code.

If you think the Code may apply to a certain problem or situation, contact the Company Secretary, who is able to provide advice, interpretation and recommendations.

CONTACT DETAILS

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The Code of Practice helps us maintain our standards and reputation.

Please familiarise yourself with the Code.

