

CODE OF CONDUCT

The cover photos are of flowers in the Munmorah Power Station buffer zone. They were taken by Gordon Deans when he was Delta Electricity's Environment Manager. Main photo – Stiff Bottle Brush, *Callistemon rigidus*; top left – Slender Devils Twine, *Cassytha glabella*; middle left – Christmas Bells, *Blandfordia grandiflora*; bottom left – Purple Coral Pea or Happy Wanderer, *Hardenbergia violacea*.



QUERIES

If anyone has any queries regarding the application of this Code you should discuss the matter with your Manager/Team Leader or contact the Corporate Secretary on Deltaweb:

02 9285 2731 or at
Raymond.madden@de.com.au

All Delta Electricity Policies and Standards may be found on the Deltaweb.

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VISION

Generating performance through innovation

MISSION & VALUES

To generate electricity safely, reliably and competitively while respecting our workmates, our customers, our community and the environment.



OUR CODE OF CONDUCT



As employees of Delta Electricity we all have a responsibility of upholding the standards of respect and integrity, and adhering to our mission and values.

Our Code of Conduct provides the foundation on which these standards and values are built. This Code of Conduct is a very important part of our organisation and applies equally to all employees and the Board members of Delta Electricity.

As we operate in a competitive environment we will continue to be faced with situations where we need to make decisions as to the most right course of action. This Code cannot address every potential situation that

may arise, but it does provide you with guidelines and Delta Electricity's expectations of appropriate behaviour. Where you are unsure of the right decision, you should ask your Executive Manager.

Our Code has been reviewed as it is essential that it remains up-to-date and continues to assist us in making decisions that reflect the high standards expected by our stakeholders, our customers and suppliers, and ourselves. This review was undertaken in conjunction with Delta Electricity's auditors and, as a result, adjustments have been made to our Code to ensure that it remains practical and relevant.

Thank you for the way that you conduct our business on a day to day basis that reinforces Delta Electricity as an organisation with high standards that we can be proud of.

Greg Everett, April 2011

PURPOSE

The Code of Conduct is based on Delta Electricity's mission and values and is designed to help maintain a high standard of conduct and behaviour, as well as providing a means of dealing with ethical dilemmas you may encounter.

The Code is designed to ensure the highest level of confidence from employees, our customers and suppliers and to promote confidence with stakeholders, government and the community. It is designed to guide you on the standards of behaviour expected of employees of Delta Electricity and Board members.

Delta Electricity's mission and values provide guidance for all of us in decision making and behaviour whilst at work. We are committed to fostering a secure and open work environment in which we are all confident of seeking advice about any questions you may have.

If after reading the Code you are still unsure about any work related matter, you should seek help from your Manager/Team Leader or the Corporate Secretary.

OUR RESPONSIBILITIES

Accountability

You are responsible and accountable for the actions you take in the workplace on behalf of Delta Electricity. You must follow lawful and reasonable directions and comply with the law and Delta Electricity's standards, procedures and policies. All employees should exercise diligence, care and attention in performing duties for Delta Electricity and should provide clear, accurate, current and complete information to our clients and customers.

Health and Safety

Delta Electricity is responsible for providing a healthy and safe working environment by placing the health and safety of employees and visitors, first.

You are responsible for your own safety, the safety of people you work with, and the safety of visitors to Delta Electricity's workplace.



Respect and Integrity

Behaving with respect and integrity are important values that you should hold as an employee of Delta Electricity. We should all act with respect and integrity and treat people honestly, fairly and with courtesy when dealing with colleagues, customers and suppliers, members of the public and the community. We each have a responsibility to contribute to an ethical and equitable work environment.

Delta Electricity has an obligation to provide a workplace that is free from discrimination, harassment, bullying and any other inappropriate treatment. Managers and Team Leaders are accountable for preventing and addressing these issues in their workplace.

We also have legal obligations not to participate in or condone any conduct of this nature and participation by any level of employee in such conduct may result in disciplinary action.

If you suspect or become aware any such incidents, you should report this to your Manager/Team Leader.

Ethical Decision Making

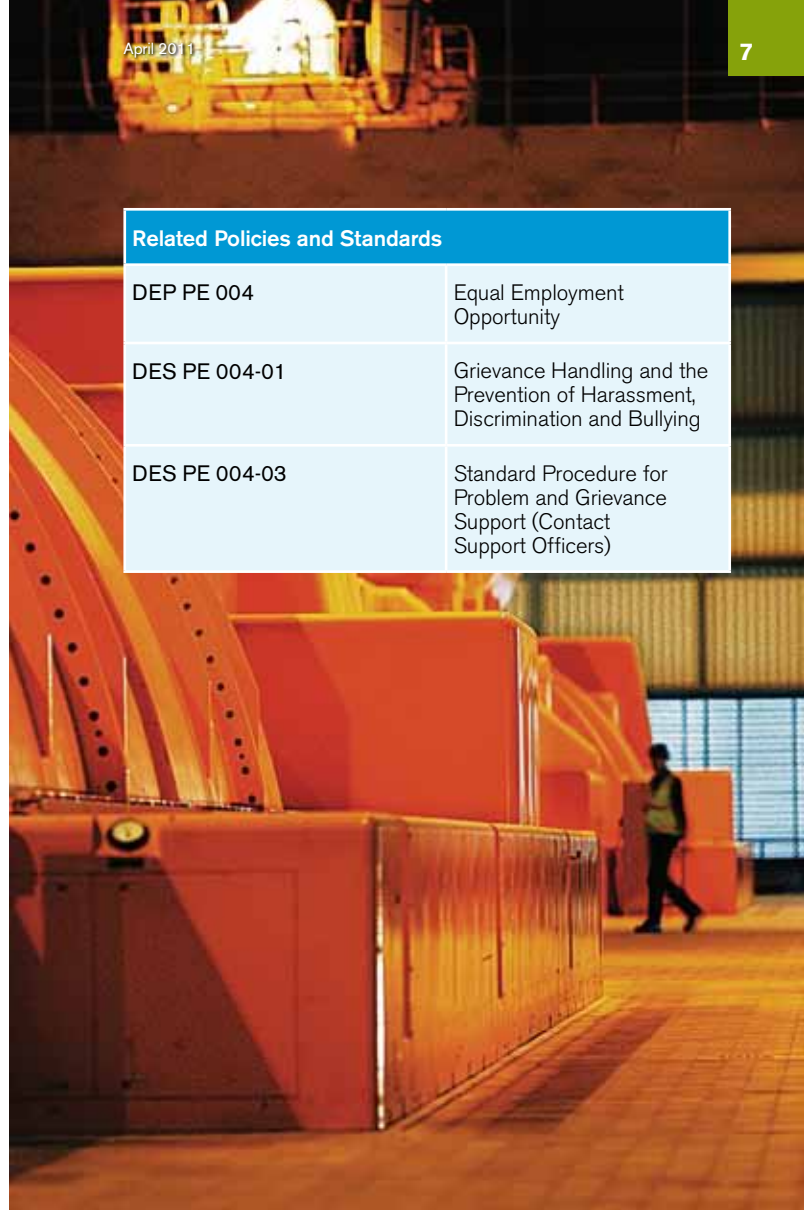
There may be a time when you are faced with a difficult situation or decision where you are unsure of the right course of action. When faced with such a dilemma, consider the following questions to help you in the decision making process:

- what feels right or wrong about the situation?
- is your planned action consistent with Delta Electricity policies and the Code?
- how would your action appear to or affect others?
- would another person's input be useful in making your decision?

Asking yourself these questions prior to making a decision can help you make the right choice. If you have any doubts, please seek advice from your Team Leader.

Related Policies and Standards

DEP PE 004	Equal Employment Opportunity
DES PE 004-01	Grievance Handling and the Prevention of Harassment, Discrimination and Bullying
DES PE 004-03	Standard Procedure for Problem and Grievance Support (Contact Support Officers)



Delegated Authority

When making decisions or taking actions under a delegated authority, we each have a duty to ensure:

- it is within your area of delegated authority;
- it complies with all decision-making processes and procedures required by the delegation;
- you act in accordance with any relevant laws; and
- the basis for the decision and the evidence are properly documented.

Environment and Community

As employees of Delta Electricity, we have community and environmental responsibilities. You should always act responsibly and be mindful of concerns with regard to use of transport, disposal of materials, waste, pollution and emissions. You should always be aware of your responsibilities in minimising, recycling and re-using waste materials.

You should implement government legislation, policies and decisions in an impartial and fair manner, regardless of whether you agree or disagree, and all reports and advice provided to decision-makers should be done so timely, completely and in an impartial manner.

Competition and Consumer Protection

You must avoid any actions that could be interpreted as unreasonable, unjust or unethical in your dealings with customers, other businesses and the community.

Supervision and Leadership

As employees of Delta Electricity, we are all responsible for ensuring our own behaviour is consistent with the values and expected

behaviours set forth in this Code. However, if you supervise employees, you have a further obligation to lead by example and show this to the community in the integrity and ethical nature of your work. As Managers/Team Leaders, we should ensure others are aware of the requirements of the Code of Conduct and what is expected of them.



Related Policies and Standards

DEP SA 001	Safety
DEP BM 020	Sustainability
DEP PE 004	Equal Employment Opportunity
DES PE 004-01	Grievance Handling and the Prevention of Harassment, Discrimination and Bullying
DES PE 004-03	Standard Procedure for Problem and Grievance Support (Contact Support Officers)
DEP BM 013	Trade Practices

CONFLICT OF INTEREST

Conflicts of interest arise when your personal or financial interests or activities conflict, or have the appearance of conflicting with the impartial performance of your public or professional duties. The perception of a conflict of interest can be as damaging to the reputation of Delta Electricity and the concerned party as a real conflict of interest and should be avoided.

It is important that colleagues, customers and suppliers are confident that all decisions made by Delta Electricity are fair and impartial and in the public interest. In order to achieve this, we must all take care that our actions do not conflict with the proper carrying out of our duties, which includes the interests of those people close to us, such as business partners, family members, friends and associates.

Some examples of situations that may give rise to a conflict of interest include:

- financial interests in a matter that Delta Electricity is dealing with;
- personal relationships with parties Delta Electricity is dealing with where you have the ability or perceived ability to influence an outcome;
- personal beliefs or attitudes that influence your impartiality in a given situation; and
- secondary employment that compromises your integrity or conflicts with your ability to perform work for Delta Electricity.

For instance, if an employee had shares in a family company that was a supplier to Delta Electricity and the employee was able to influence decision-making regarding the award of contracts to that company, this would represent a conflict of interest.

You should notify your Manager/Team Leader in writing of any real, perceived or potential conflicts of interest in order to determine the best course of action. All written notifications are to be placed on a Conflict of Interests Register held by Nominated Officers at each location.

The Regional Commercial Managers, Human Resources Manager Delta Maintenance and Corporate Secretary are also available to discuss possible conflicts that may occur.

Nominated Officers

Central Coast	Commercial Manager/ Central Coast
Western	Commercial Manager/ Western
Delta Maintenance	Human Resources Manager
Corporate Office	Corporate Secretary

Related Policies and Standards

DES BM 011-02	Conflicts of Interest
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HOSPITALITY, GIFTS AND BENEFITS

During the course of your work, gifts, hospitality or benefits in a variety of forms, may be offered to you by customers, contractors and other business associates. As an employee of Delta Electricity, you must exercise the utmost care with regards to the receiving of business related gifts to ensure these offers do not compromise, or give the impression of compromising your ethical standards, or your ability to make impartial and objective decisions.

Hospitality

On occasions you may be offered hospitality including lunch, dinners and attendance at sporting events. Acceptance of such offers should be approved by an Executive General Manager. Similarly, should you wish to offer hospitality then this should also be approved by an Executive General Manager.

Gifts or Benefits

Any gift or benefit accepted must be done so in accordance with Delta Electricity's Gifts and Benefits Policy and you should never seek out a gift or benefit.

In order to protect Delta Electricity and yourself, all offers of gifts and benefits, regardless of the amount and whether declined or accepted, are to be noted in the Gifts and Benefits Register, held by Nominated Officers at each site.

Token gifts and benefits are those items of less than a nominal value, such as trinkets, souvenirs, chocolates and promotional items (pens, notepads and stationery), gift vouchers of no more than \$75. Such items may be acceptable, are not offered on a regular basis and are done so in the ordinary course of business.

If there is an offer of a gift or benefit, you should immediately notify your Manager/Team Leader in order to determine a proper course of action.

Generally token gifts are acceptable. Acceptance of gifts other than token gifts requires the approval of an Executive General Manager.

You should never accept gifts of cash (any amount), and/or free travel and accommodation.

Further information to assist you in decision making can be found in Appendix 1

(Decision Making Guide) of the Corporate Gifts and Benefits Standard DES BM 018.

If a substantial gift or benefit is offered to you to influence the way you undertake your responsibilities or to influence a decision, you must immediately report this to your Nominated Officer to determine the proper course of action.

Nominated Officers

Central Coast	Commercial Manager/ Central Coast
Western	Commercial Manager/ Western
Delta Maintenance	Human Resources Manager
Corporate Office	Business Support Manager

Related Policies and Standards

DES BM 011-01	Protected Disclosures – Reporting Corruption, Maladministration and Serious and Substantial Wastage Gifts & Benefits
DES BM 018	Corporate Gifts and Benefits

TRAVEL AND ENTERTAINMENT

Employees should follow the travel guidelines and seek appropriate approval prior to making any travel arrangements, both domestic and international. If you have questions regarding what is appropriate travel and related expenses such as meals and sustenance, you should seek advice from your Manager/Team Leader.

On occasion, you may be required to entertain clients and business associates. Valid entertainment expenses include meals and tickets such as theatre and sporting events with a client or potential client where a business discussion takes place should be approved beforehand by an Executive General Manager.

CORPORATE INFORMATION

Information is an important asset to Delta Electricity. You should always take care when you create or maintain corporate information to uphold the integrity and security of that information.

Some examples of corporate information include:

- records and reports;
- customer and supplier information;
- patents, copyrights and proprietary designs;
- financial information.

Ensuring the safe custody, storage and proper preservation of Delta Electricity records that you have control of or access to is in accordance with Delta Electricity's Records Management Policies and Standards.



Confidentiality and Information Security

Some of the information that you may have access to is confidential and you must protect it. It is all of our responsibilities to help ensure that confidential information in any form cannot be accessed by unauthorised people. The following information should not be accessed unless it is required in the performance of your duties, nor should you release any confidential information obtained through your duties unless:

- you are required to do so by law;
- a confidentiality agreement exists and the parties to the agreement permit the release of the information;
- permission from your Manager/Team Leader has been given; and
- you are authorised to do so.

Confidential information includes site location information, information pertaining to Delta Electricity's Gentrader operations, trade

secrets, ideas, specifications, data, know how, concepts, reports, information of a commercially sensitive nature and other information that is not in the public domain.

You should not use confidential information to gain any direct or indirect benefit or advantage for yourself or another person. Any misuse of confidential information should immediately be reported to a Nominated Officer. Information provided to Delta Electricity under the Generation Trading Agreements is to be kept separate from, and not disclosed to, or accessed by, persons involved in Delta Electricity's Central Coast trading function. Suitable protocols exist to ensure that persons outside Delta Electricity Marketing who access Generation Trading Agreement information do so only to the extent necessary to perform their functions, and that the information is only used for the purpose for which it is given.

Personal Information

As employees of Delta Electricity, we must abide by the privacy legislation that controls the collection, holding, use, correction, disclosure or transfer of any personal information obtained through our job.

Health Information

Health information is particularly sensitive information and confidentiality must be maintained at all times. You must abide by the Health Privacy Information Policy that controls the collection, holding, use, correction, disclosure or transfer of any health information.

Ceasing Employment

After ceasing employment with Delta Electricity, use or disclosure of confidential information obtained during employment with Delta Electricity is strictly forbidden. While employed by Delta Electricity, you should not use your position to obtain opportunities for future employment.

Related Policies and Standards

DES CI 001-01	Records Management
DEP CI 001	Records Management
DEP IM 002	Information Management
DES PE 001-33	Health Privacy Information

USE OF DELTA ELECTRICITY'S RESOURCES

You are expected to be efficient and economical in your use and management of Delta Electricity's resources, including your own work time.

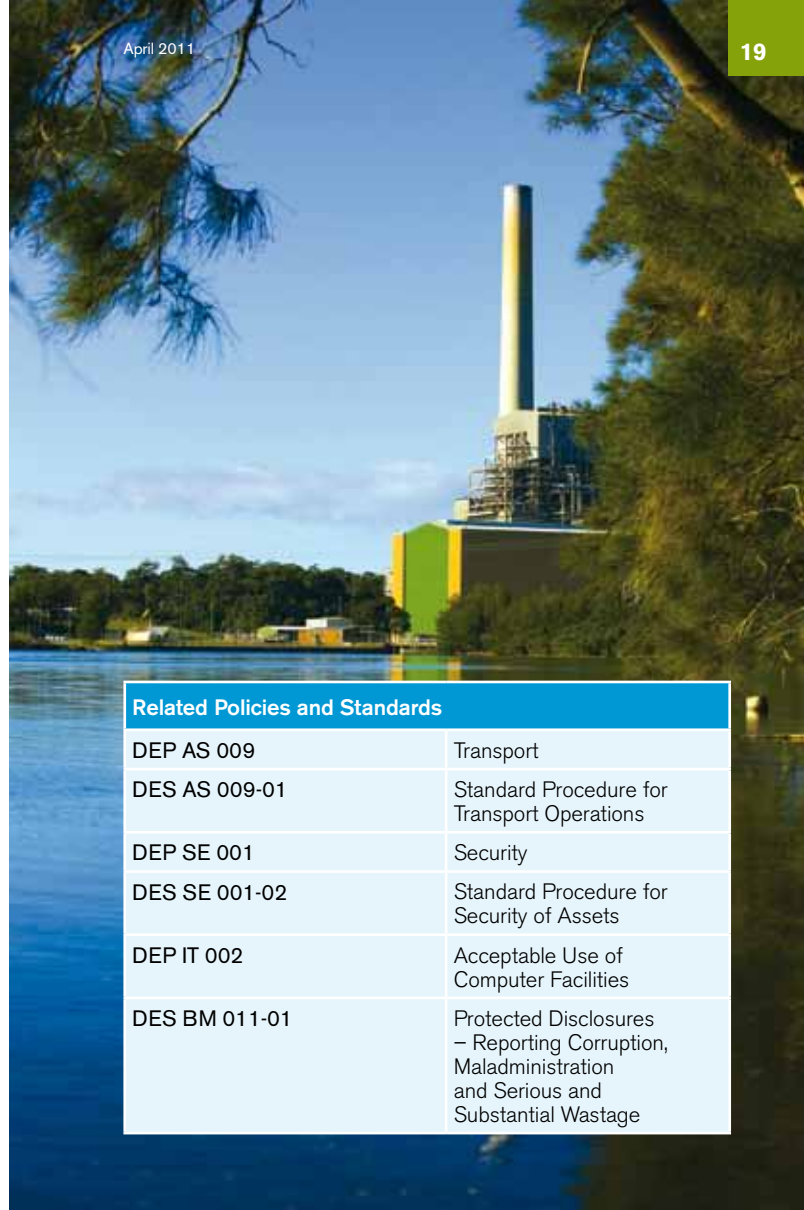
Delta Electricity *allows minimal* use of Delta Electricity resources such as telephones, mobile phones, faxes, photocopiers, and computers (e-mail and the internet) for private purposes during the day. However, such use should not interfere with your day to day responsibilities and must be in accordance with Delta Electricity's IT policy.

Small items of equipment and tools may be borrowed for private purposes in accordance with Delta Electricity's Standard and the use of motor vehicles must be in accordance with the Transport Policy.

You are entrusted with Delta Electricity's resources and you must take reasonable steps to protect these resources from loss, damage, misuse, waste or theft. All losses of Delta Electricity resources must be reported immediately to your Manager/Team Leader.

Should you become aware of excessive or inappropriate use of resources you should report the nature of the misuse to your Manager/Team Leader or Corporate Secretary. You may make this report under the Protected Disclosures Act should you have concerns about the consequences of this disclosure.

The use of Delta Electricity resources and equipment in relation to a second job or an independent business is prohibited.



Related Policies and Standards

DEP AS 009	Transport
DES AS 009-01	Standard Procedure for Transport Operations
DEP SE 001	Security
DES SE 001-02	Standard Procedure for Security of Assets
DEP IT 002	Acceptable Use of Computer Facilities
DES BM 011-01	Protected Disclosures – Reporting Corruption, Maladministration and Serious and Substantial Wastage

OTHER EMPLOYMENT OR BUSINESS

You may undertake other paid or honorary employment or business activities outside Delta Electricity providing they do not:

- conflict or interfere with your current duties or take place during your Delta Electricity working hours;
- conflict with or appear to conflict with your ability to make impartial decisions;
- adversely affect your work performance;

- involve information or resources that are obtained or available through your work with Delta Electricity; or
- discredit or disadvantage Delta Electricity.

If you believe any of the above applies or there may be a perception that there could be a conflict or perceived conflict, you must seek written approval from your Executive Manager prior to engaging in other employment or business.



ALCOHOL AND DRUGS

Delta Electricity promotes the principle of sobriety at work as part of our duty of care. You are responsible for ensuring that you do not, by the consumption of alcohol or use of drugs, endanger your own health and safety, or the health and safety of any other person in the work place.

During working hours, you must be fit and able to perform your duties and if not, you will be moved to a safe location, interviewed, assessed for fitness for duty and may be requested to leave Delta Electricity's premises.

You shall not possess or consume alcohol on Delta Electricity premises, without the approval of the Executive Manager in control of the premises and no alcohol may be consumed between your

daily starting and finishing time without the approval of your Executive General Manager.

You shall not store, possess, administer or consume illegal drugs on Delta Electricity premises or between your daily starting and finishing times.

If you are required to have legal drugs you must advise your Team Leader of any possible impact on your work performance. The nature of a prescribed drug need not be divulged to your Team Leader, but can be discussed confidentially with the Occupational Health Officer.

If you have questions regarding this, please review the related policies or contact your Manager/Team Leader.

Related Policies and Standards

DEP SA 006	Alcohol and Drugs
DES SA 001-16	Alcohol and Drugs in the Workplace

REPORTING CORRUPTION, MALADMINISTRATION AND WASTE

As employees of Delta Electricity, we all have a duty to report any inappropriate conduct, including fraud, corruption, maladministration and waste.

Examples of fraud and corruption may include:

- theft;
- bribery;
- misappropriation of assets;
- improper expense reimbursements; and
- manipulation or falsification of Delta Electricity documents, including financial information.

Further examples and definitions can be accessed in the related policies. Any known or perceived fraud, corruption, maladministration or serious and substantial waste of public resources should be reported to your Manager/Team Leader or the Corporate Secretary.

Alternatively, incidents of perceived corruption may be reported to the external organisations as outlined in the Protected Disclosures Policy.

Disclosures may be made through the Deloitte Whistle-blower hotline on 1800 173 918 or whistleblower@deloitte.com.au This reporting can be anonymous and is referred to the Convenor of Delta Electricity's Board Audit Committee and Finance Committee (a non-Executive Director of Delta Electricity).

PUBLIC COMMENT AND POLITICAL ACTIVITIES

As a member of the community you have a right to make public comments and enter into public debate in your private capacity. All employees should note that the right to make public comment does not override your duty to comply with any applicable duties of secrecy, confidentiality or privacy. Any commentary made by you as an employee of Delta Electricity is a personal opinion and does not represent the views of Delta Electricity.

Only the Chairman, Chief Executive, Corporate Secretary, Corporate Relations Manager or a nominated representative may make public comments or statements on corporate issues.

You should ensure that your participation in political activities, including contributions, does not conflict with or reasonably appear to conflict with your primary responsibilities as a Delta Electricity employee and that political contributions are never made with Delta Electricity funds.

Related Policies and Standards

DEP BM 012

Media

BREACHES OF THE CODE

Delta Electricity is committed to the Standards and Policies outlined in this Code.

Breaches of this Code of Conduct, including breaches of policies, standards and procedures, may result in disciplinary action.

If an employee is guilty of a breach of discipline, the formal disciplinary process allows for the imposition of a range of disciplinary measures which are influenced by the seriousness of the breach.

Under the terms of the Delta Electricity Employees Enterprise Agreement 2011, Delta Electricity is able to impose the following forms of disciplinary action:

- dismissal;
- suspension;
- reduction in rank, position or pay.

Related Policies and Standards

DES PE 001-13	Discipline
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Related Policies and Standards

Delta Electricity's Policies, Standards and Procedures with particular reference to:

DEP PE 004	Equal Employment Opportunity
DES PE 004-01	Grievance Handling and the Prevention of Harassment, Discrimination and Bullying
DES PE 004-03	Standard Procedure for Problem and Grievance Support (Contract Support Officers)
DES BM 011-02	Conflicts of Interest
DEP CI 001	Records Management
DEP IM 002	Information Management
DEP EN 001	Environment
DEP AS 009	Transport
DES AS 009-01	Standard Procedure for Security of Assets
DEP IT 002	Acceptable Use of Computer Facilities
DEP BM 013	Alcohol and Drugs in the Workplace
DEP BM 012	Media
DEP BM 011	Fraud Prevention
DES BM 011-01	Protected Disclosures – Reporting Corruption, Maladministration and Serious and Substantial Wastage
DES PE 001-13	Discipline
DES PE 001-33	Health Privacy Information
DES BM 018	Corporate Gifts & Benefits