



RUNGE LIMITED

ACN 010 672 321

Code of Conduct

Adopted by the Board on 11 April 2008



CODE OF CONDUCT

1. INTRODUCTION

Runge Limited (“**Runge**”) is committed to being a responsible corporate citizen.

This Code establishes ethical standards and a code of conduct for Runge’s directors, executives and employees (collectively referred to as “**Employees**” in this Code) to embrace and advocate. It is important that Employees refer it and raise any concerns or queries they have with their supervisor.

2. PURPOSE OF THE CODE

The objective of the Code is to ensure that:

- (a) high standards of corporate and individual behaviour are observed by all Employees in the context of their employment with Runge;
- (b) Employees are aware of their responsibilities to Runge under their contract of employment; and
- (c) all persons dealing with Runge, whether it be employees, shareholders, suppliers, customers or competitors, can be guided by the stated values and policies of Runge.

3. OBLIGATION TO COMPLY WITH CODE

Employees will adhere to the Code both in letter and in spirit. Adherence to the Code is a term of employment with Runge. Violation of the Code by any employee, or unethical behaviour which may affect the reputation of Runge, may be subject to disciplinary action including termination of employment.

4. PRIMARY OBLIGATIONS OF CODE

Runge and its Employees must:

- (a) act with high standards of honesty, integrity, fairness and equity in all aspects of their employment with Runge;
- (b) comply fully with the content and spirit of all laws and regulations which govern the operation of Runge, its business environment, and its employment practices;
- (c) not directly or indirectly offer, pay, solicit or accept bribes, secret commissions or other similar payments or benefits in the course of conducting our business;
- (d) not divulge any information about the Company without appropriate authorisation;
- (e) not participate in insider trading by using knowledge not available generally to the market to gain an unfair advantage in the buying or selling of securities;
- (f) not knowingly participate in any illegal or unethical activity;
- (g) not enter into any arrangement or participate in any activity that would conflict with the interests of Runge or prejudice the performance of professional duties.

Employees must actively promote compliance with laws, rules, regulations and this Code.



5. RUNGE'S RESPONSIBILITIES TO SHAREHOLDERS AND THE FINANCIAL COMMUNITY GENERALLY

Runge is committed to increasing shareholder value and aims to ensure its shareholders are fully informed as to the true financial position and performance of the Company through timely and accurate disclosure of information and risk management practices and exemplary compliance with the continuous disclosure regime.

The mechanisms to achieve this include the risk management structures, internal audit function, the Audit and Risk Committee, and the Board's oversight of strategic and business objectives.

6. RUNGE'S RESPONSIBILITIES TO EMPLOYEES

Employees will show consideration and regard for each other and make a positive contribution to Runge.

Runge will ensure equal employment opportunity and decisions on hiring, salary, benefits, advancement, termination or retirement will be based solely on the employee's ability to do the job. There will be no unfair or unlawful discrimination.

Employees all have the right to work in an environment free from harassing behaviour and it is the Employee's responsibility not to engage in harassing behaviour towards colleagues, contractors, employees or communities.

Employees must have approval from the Board of Directors to take up a directorship with another company. To take part in an external activity, additional employment or any outside business activity that will involve a significant amount of an Employee's working time or which will impinge on an Employee's ability to perform his or her work for the Company, requires approval. Generally, unless there is a demonstrable benefit to the Company, either directly or indirectly, such extra curricular activities will not be approved.

7. ENVIRONMENT SAFETY AND HEALTH

Runge is committed to maintaining a leadership role in protecting human health and the environment. Runge promotes and protects the health and safety of its employees, the environment and the communities in which it operates. Runge and its Employees will strictly adhere to all applicable laws and regulations relating to environmental protection and workplace health and safety.

8. BUSINESS COURTESIES

A business courtesy is a gift (whether in money or in kind) provided to a business associate. In certain situations, the exchange of limited, non-cash business courtesies may be appropriate. Runge does not seek, however, to improperly influence the decisions of its customers or suppliers by offering business courtesies, just as Runge requires that the decisions of employees at Runge not be affected by having received a business courtesy.

9. CARE AND DILIGENCE

Runge and its Employees should exercise due care and diligence in the performance of their duties and responsibilities. This should include such activities as ensuring the accuracy of all decision-making information, attending to detail in all aspects of work, being mindful of the sensitivities of others, protecting confidentiality and being courteous, open and honest.

The products and services provided by Runge will be of high quality. Runge and its employees will deliver these products and services to its customers in a timely and equitable manner, and give customer satisfaction high priority. Where the quality of products and services provided by Runge is not satisfactory to its customers, Runge will take prompt remedial action.

**10. CONFLICTS OF INTEREST**

A conflict of interest occurs when personal interests interfere with an Employee's ability to exercise his or her judgment objectively, or to do his or her job at Runge in a way that is certain to be in the best interests of Runge. Employees, consultants, agents and representatives must avoid actual or potential conflicts of interest. If an Employee considers under-taking any activity that may create a conflict of interest, the employee must seek approval of the activity in advance from his or her supervisor or from the Human Resources Department.

11. CORPORATE OPPORTUNITIES

Employees will not take advantage of property, information or position, or opportunities arising from these, for personal gain or to compete with Runge.

12. CONFIDENTIALITY

Confidential Runge information and trade secrets are important corporate assets that merit the same protection as Runge's physical assets. All Employees, agents, consultants and representatives must be careful not to disclose such information to unauthorised persons, either within or outside Runge, and must exercise care to protect the confidentiality of such information received from another party.

Confidential information refers to information that is not already in the public domain, that a company would normally expect to be non-public and that might affect the company's competitive position. It includes information sometimes referred to as trade secrets.

Runge will respect the confidentiality of its Employees.

13. FAIR DEALING

Runge is fully committed to compliance with the Trade Practices Act and where applicable, related laws of any other country

Runge and its Employees will comply with the content and spirit of all relevant laws and regulations concerning employment, such as anti-discrimination, equality of employment, health and safety. Runge will endeavour to ensure that all employees are treated fairly, equitably, and honestly.

14. USE OF COMPANY ASSETS

Runge assets must be acquired, maintained and used in an efficient manner and for legitimate business purposes.

15. PRIVACY

Runge's Privacy Policy regulates the handling of any personal information that Runge collects. It contains detailed information on Runge's functions and activities, and privacy issues and its privacy policy provisions. A copy of the policy is available on its website, www.runge.com.au.

16. MONITORING COMPLIANCE WITH THE CODE

It is the responsibility of each and every Employee to comply with this Code. It is the responsibility of the CEO to ensure that all Employees are made aware of all procedures and policies and take any necessary reporting steps.

Internal audits will be undertaken to ensure compliance.

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17. REPORTING VIOLATIONS OF THE CODE OR OTHER UNETHICAL CONDUCT

Runge is committed to ensuring that Employees may raise concerns regarding illegal conduct or unethical behaviour and will support Employees who report violations in good faith. The Company will thoroughly investigate all such reports and take any necessary action.

18. REVIEW

The Chairman is responsible for reviewing this Code from time to time. Changes will be made after consideration and approval by the Board of Directors.