

DAVID JONES LIMITED ABN 75 000 074 573

# **CODE OF ETHICS AND CONDUCT**

ADOPTED BY THE BOARD IN 2004

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# CODE OF ETHICS AND CONDUCT

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## Reporting Violations of the Code of Ethics and Conduct

While most of us may take all due care and responsibility in our business dealings, unfortunately there may be instances where individuals or organisations compromise our Code of Ethics and Conduct.

If you see or hear of any activities or behaviour you believe are out of step with the way we do things at David Jones and our Code of Ethics and Conduct, you can call the **Ethics Hotline** on **1800 689 602**.

All reports are investigated promptly and confidentially, without recrimination against the person reporting an incident. If you prefer, your call can remain anonymous.

The policy underlying these procedures ensures that employees are not disadvantaged in any way for reporting violations of the Code of Ethics and Conduct or unethical conduct. In all cases, David Jones will endeavour to deal with the matter promptly and fairly.

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### **A message from the Chief Executive Officer on behalf of Management and the Board**

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Dear David Jones Team Member

David Jones is an iconic Australian brand with over 170 years of service heritage. Our vision is to offer the best branded department store shopping experience to everyone we serve, every time. Key to this, is ensuring that David Jones is the best place for our people to work.

In order to achieve our vision for the Company and our people, it is important that we continue our tradition of excellence through the honest, fair and transparent business practices that customers, shareholders, suppliers and the community have come to expect from us.

Each of us is a face of David Jones and has an important role to play in ensuring the reputation and integrity of David Jones is maintained and further improved. This means showing respect, consideration and courtesy towards other team members, customers, shareholders, suppliers and the community and conducting ourselves in an honest, fair and open manner.

This not only reflects your values as a person, it also demonstrates that you are professional, supportive of the brand and that you uphold the Company's Code of Ethics and Conduct.

The David Jones Code of Ethics and Conduct describes the values and behaviours we are committed to as a Company and expect of you.

At all times, when you are at work or representing David Jones outside of the workplace, the Code must be the primary reference guide for your conscience, your judgement, your decisions and your actions.

The standards that myself, the Board and Management Committee have set are high. I am personally committed, as are the Board and Management Committee to upholding the Company's Code of Ethics and Conduct.

To ensure the continued success of our Company, it is vital that we also have your commitment to the Code of Ethics and Conduct.

Sincerely



Paul Zahra  
Chief Executive Office  
David Jones Limited

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## CODE OF ETHICS AND CONDUCT

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### **Why do we need a Code of Ethics and Conduct?**

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A Code of Ethics and Conduct is an official document outlining the values upheld by an organisation. It is designed to guide the behaviour of all employees by explaining the principles that the organisation expects you to follow when you act on its behalf.

Specifically, the David Jones Code of Ethics and Conduct has been developed to ensure that we:

**Continue the tradition of excellence** by observing high standards of individual and Company behaviour in the context of our employment with David Jones.

**Understand our own responsibilities** as paid employees of David Jones, including the standards we are expected to uphold when we represent David Jones in our day-to-day work.

**Send a clear message about our values** to all persons dealing with David Jones – customers, employees, shareholders and suppliers.

*Employees are required to adhere to the Code of Ethics and Conduct both in form and in practice, as a term of employment with David Jones. Violation of the Code of Ethics and Conduct may lead to disciplinary action, including dismissal.*

*For the purpose of the Code of Ethics and Conduct, “employees” is inclusive of all David Jones staff, Executive Directors, Non-Executive Directors and persons engaged as contractors.*

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## Upholding the reputation of David Jones

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The David Jones brand is synonymous with quality and service. Maintaining the essence of our brand is integral to the success of the David Jones business.

We are all equally responsible for continuing the David Jones tradition of excellence and we will do so by:

- Identifying opportunities to set new standards in customer service
- Continuing to develop and expand our national and international brand collections
- Selling and promoting high quality products (compliant with all relevant legal requirements)
- Taking prompt remedial action in cases where the products and services provided by David Jones are not satisfactory to customers

## Compliance: your responsibilities

As employees of David Jones, we are required to comply with the laws, rules and regulations regarding the Company's reputation. This means:

- You will not do anything that could negatively affect David Jones reputation and brand
- You will not participate in any illegal or unethical activity
- You will adhere to the David Jones Legal Compliance Manual located in each store and in the Risk Management Bulletin Board on Lotus Noes

## Responsibility to the community

David Jones aims to be socially responsible in all its business activities in order to protect the health, wellbeing and lifestyle of the communities in which it operates.

The Company is committed to acting in ways which minimise adverse environmental impacts from the operation of the business. As employees of David Jones, we each have a role to play in this by ensuring our actions are consistent with the Company's commitment to the community.

David Jones has a charitable donations policy, established to give something back to the communities which have supported the David Jones business.

## Responsibility to shareholders

It is Management's task to achieve, and the Board's role to oversee, the delivery of shareholder wealth through the sustainable and efficient operation of the Company. The following structure has been put in place to assist David Jones in creating shareholder wealth:

- Clear guidelines for Management to efficiently operate the business
- Stringent risk management practices
- An internal and external audit capacity and an Audit Committee of the Board
- Active Board involvement in strategic decisions and the setting of business objectives

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### **Upholding the reputation of David Jones (cont'd)**

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#### **Responsibility to shareholders (cont'd)**

It is also the responsibility of David Jones to actively communicate with shareholders regarding the operation of the Company. David Jones will uphold this responsibility through:

- A sound financial reporting framework (in compliance with legal requirements)
- A Continuous Disclosure Policy [www.davidjones.com.au](http://www.davidjones.com.au) that meets ASX requirements
- A commitment to providing easy access to information for all market participants
- Adherence to the latest developments in accounting practice and policy

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## Conducting ourselves with care and diligence

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David Jones and its employees should exercise the utmost care and diligence in the performance of all duties and responsibilities. We can do this by:

- Ensuring accuracy in decision-making processes
- Giving attention to detail in all aspects of work
- Being mindful of the sensitivities of others
- Protecting confidentiality
- Being courteous, open and honest

## Confidentiality

It is important that we all understand and adhere to the confidentiality agreement set out by David Jones.

During your employment with David Jones you may obtain confidential information about operational or financial aspects of the business. This information is confidential and must be treated sensitively. As an employee of David Jones:

- You must acknowledge the need for confidentiality as part of your contract of employment (refer to letter of offer, signed upon commencement of employment)
- You must not breach David Jones confidentiality or make use of confidential information obtained from David Jones for personal gain or in a manner which would be detrimental to David Jones
- You must treat confidential information belonging to third parties (such as suppliers) with the same levels of respect and care that you treat information relating specifically to David Jones
- You must only use confidential information in ways which are authorised by David Jones

Similarly, David Jones will respect the confidentiality of personal information supplied to the Company by its employees.

## Privacy

David Jones is committed to safeguarding the privacy of its customers, employees and directors. The Company's Privacy Policy regulates the handling of any personal information that David Jones collects.

A copy of David Jones Privacy Policy can be found at [www.davidjones.com.au](http://www.davidjones.com.au). It contains detailed information about the Company's functions and activities, privacy issues and its privacy policy provisions.

## Equal opportunity

David Jones is dedicated to the principle of equal opportunity for all employees without regard to race, colour, religion, age, gender, disability, sexual preference or other matters unrelated to work performance.

We are vigorously committed to recruiting, training and promoting employees according to competence and capability.

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To help make the most of our careers at David Jones, it is important that we all have equal access to the benefits of employment, training and promotion within the Company. Therefore, all employees of David Jones, as well as adhering to the basic guidelines outlined above, should make every effort to ensure there is no possibility of the appearance of unfairness by avoiding:

- *Members of the same family working in a direct supervisory relationship*
  - the same family includes, but is not limited to, parents, siblings and spouses
- *Relationships that may be seen as inappropriate due to the supervisory role held by one of the individuals*
  - a relationship might be considered inappropriate if it is likely to encourage a supervisor to advantage one employee over another for reasons other than his/her ability

### **A safe and healthy workplace**

Over and above its legal obligations, David Jones is committed to providing a safe and healthy workplace for employees and a safe and healthy environment for customers.

As employees of David Jones, we are all required to comply with the Company's policies in relation to health, safety and Human Resources Policies. David Jones Occupational Health and Safety Policy and Human Resources Policies can be located on HR Express on Lotus Notes. It is your responsibility to access and read the policies.

### **Harassment, discrimination and bullying**

David Jones does not tolerate harassment, discrimination or bullying in the workplace. Differences between individuals are not only tolerated, but valued.

As an employee of David Jones, you can expect to be treated in a fair and professional manner. The following behaviours are unacceptable under the David Jones terms of employment:

- **Harassment**  
Harassment involves subjecting people to unwelcome or uninvited attention that intimidates, humiliates or offends them
- **Discrimination**  
Discrimination involves treating people differently due to race, colour, religion, age, gender, disability, sexual preference or any other perceived "difference"
- **Bullying**  
Bullying is any form of unwelcome or uninvited behaviour that intimidates, humiliates or offends an employee and generally takes the form of one or more of these overtly aggressive behaviours:
  - Abusive, insulting or offensive language
  - Criticism delivered by yelling and screaming
  - Inappropriate comments about a person's appearance, lifestyle or family
  - Teasing or regularly making someone the brunt of practical and verbal jokes
  - Interfering with personal effects and/or work equipment
  - Overloading a person with work and setting unreasonable or difficult time lines

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Harassment, discrimination and bullying should be reported to Management and dealt with according to the Harassment, Discrimination and Bullying Resolution procedure, located on HR Express on Lotus Notes. **If you are concerned about the actions of a co-worker, supervisor or manager you can also contact the Ethics Hotline for advice on 1800 689 602.**

**The consequence for employees, who harass fellow employees, customers or suppliers, whether physically or mentally, will be disciplinary action, which may include dismissal.**

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## The importance of ethical behaviour

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Ethics are guidelines or principles that help us make decisions when the correct action is unclear. Ethics go a step beyond the standards set by law, regulations and policies to include moral behaviour that protects our beliefs, our reputation and our sense of right and wrong.

In deciding whether a particular action is ethical, we need to ask ourselves the following questions:

- Is it consistent with my own standards of right and wrong?
- Is it consistent with the standards set by David Jones?
- What are the consequences for me and for David Jones?
- Am I happy to have my actions scrutinised or made public?
- Can I justify my behaviour if called upon to do so?

Ethical questions often demand sensitive and sometimes difficult judgements. It might be helpful to discuss the issue with a colleague to get a more objective view.

The ethical standards set out by David Jones ask that employees:

- Maintain fairness in dealings with all stakeholders
- Avoid conflicts of interest
- Do not accept gifts from third parties on behalf of David Jones
- Do not steal, or misuse, property belonging to David Jones
- Comply with the Company's guidelines outlined in the Share Trading Policy, published on [www.davidjones.com.au](http://www.davidjones.com.au)

## Fair dealing

In maintaining and enhancing the reputation of David Jones as a leading retailer, we have a responsibility to ensure that we conduct our business in ways that benefit our major stakeholders – shareholders, customers, employees, suppliers and the communities in which we operate.

Therefore, David Jones and its employees will, in all business dealings:

- Compete vigorously and equitably
- Treat all customers and suppliers honestly, fairly and objectively
- Avoid any practice which may be seen as deceptive or unfair
- Make clear to all suppliers and potential suppliers that we expect them to compete honestly and fairly
- Make clear to all suppliers and other relevant bodies that we do not expect, nor will we accept, gifts and other unauthorised benefits in exchange for David Jones custom – we select our suppliers strictly on merit

Any employee, supplier or other organisation failing to adhere to these principles should be reported to the Senior Manager at the location in question (for example the Store Manager or Group General Manager).

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### Conflicts of interest

David Jones employees are asked to avoid situations or transactions in which their own interests conflict, or might be seen to conflict, with the interests of David Jones.

Some level of personal gain that could potentially result from your actions and might affect your ability to make decisions in the interest of the Company usually identifies conflicts of interest.

The following situations are examples of conflicts of interest:

- Having a contract of employment with, or providing services to, another company which has business dealings or is in competition with David Jones
- Doing business with companies in which you, or members of your family, have significant interests

As employees of David Jones, we are encouraged to protect the interests of the Company and our own reputation against potential accusations of inappropriate behaviour by avoiding conflicts of interest altogether. The existence of, or potential for, a conflict of interest should be brought to the attention of your Line Manager.

Employees who are Directors of David Jones or its subsidiaries should:

- Abide by the provisions as set out in the Corporations Act governing conflicts of interest
- Raise the matter with the Chairman of David Jones or the Company's General Counsel if still in doubt

### Gifts and benefits

It is always wrong to ask for, or appear to expect, gifts or benefits from suppliers, colleagues, subordinates, customers or others with whom you may come into contact in the course of your work at David Jones.

A gift or benefit may create, or appear to create, a conflict of interest (see above). When gifts are offered, they should only be accepted if:

- They are provided as part of an approved incentive program
- They are of nominal value (e.g. under \$50) or have been approved by your Manager
- Public disclosure of the transaction would not embarrass David Jones
- They cannot be construed as an inducement to favour the giver in any way
- To do so is consistent with all aspects of the David Jones Code of Ethics and Conduct

In no circumstances are gifts of money to be accepted (except for gratuities / tips provided in our restaurants).

Although it's common practice to accept gifts of low monetary value – such as calendars, diaries, lunches and invitations to sporting events – all such offers of gifts and advantages should be brought to the attention of the Senior Manager at each place of work.

A record of such offers and invitations should be maintained at each place of work and will be reviewed by Management in accordance with Company policies and procedures.

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### Property and ownership

It is important to David Jones that all employees enjoy a safe, secure and positive working environment. Each employee has a role to play in this process by respecting property that belongs to others.

Unauthorised possession or use of property belonging to the Company, other employees, customers or suppliers will not be tolerated by David Jones. This includes, but is not limited to:

- Money
- Gift vouchers
- Stock
- Samples
- Computer equipment
- Stationery
- Uniforms

With regard to Company property, the following guidelines apply:

- Company property cannot be removed from the workplace without permission from the appropriate authority
- The equipment that David Jones provides to employees (such as computer, phone, fax) should only be used for legitimate business purposes
  - For example, offensive or obscene phone calls or emails and the down-loading of pornography from the Internet would be considered misuse of Company property

With regard to employee purchases, the following guidelines apply:

- Employee purchases will be inspected on exit of the store and each person must show their purchases and receipt/s
- Sales to employees must be processed through the register in the correct and accurate way and employees are not permitted to process their own sales
- If employees bring their own goods into store they will be subject to inspection – it is up to employees to have proof of ownership on hand if requested
- No price reduction (with the exception of standard point of sale discount and advertised markdowns) is available to any employee that is not generally available to all employees
- No product is available for sale to employees that is unavailable for sale to customers

With regard to merchandise, the following guidelines apply:

- All samples and testers provided by suppliers remain the property of David Jones and are only to be used for the promotion of products to customers. Employees may not remove samples or testers or take them for personal use
- Disposal of merchandise, including merchandise with a “nil” value must be in accordance with Company policies

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**The consequence of theft will be dismissal and any act of theft will require police involvement. Suspicious behaviour must be reported to your Line Manager, the Loss Prevention Department or the Ethics Hotline on 1800 689 602. All information will be treated as confidential and can be reported on an anonymous basis.**

### **Owning David Jones Shares**

From time to time, eligible employees can participate in Company-initiated schemes to own David Jones shares. Owning a share of the Company gives employees the opportunity to receive additional benefits as shareholders such as dividend payments.

Under the Corporations Act and our own governance guidelines, anyone considered to have “inside information” that could potentially affect David Jones share price must not use that information to deal in shares – either for personal gain or on behalf of others.

This legislation also applies to trading in non-David Jones shares where employees use information obtained from their association with David Jones for personal gain (for example, trading in the shares of a David Jones competitor or supplier based on “inside information”).

All employees must comply with the Company’s Share Trading Policy which is published on the David Jones website, [www.davidjones.com.au](http://www.davidjones.com.au) It is your own responsibility to be aware of the Share Trading Policy and the guidelines set out in this Code of Ethics and Conduct.

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## CODE OF ETHICS AND CONDUCT

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### **Reporting violations of the David Jones *Code of Ethics and Conduct***

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As a further reminder, while most of us may take all due care and responsibility in our business dealings, unfortunately there may be instances where individuals or organisations compromise our Code of Ethics and Conduct.

If you see or hear of any activities or behaviour you believe are out of step with the way we do things at David Jones and our Code of Ethics and Conduct, you can call the **Ethics Hotline** on **1800 689 602**.

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