

Code of Conduct and Ethics

Approved by: Board of Directors
Owner: Chief Executive Officer

Last Reviewed: 27/09/2016
Last Changed: 27/09/2016
Next Review: September 2018

Purpose

The Code of Conduct and Ethics ('Code') for Cavalier Corporation ('Cavalier' or 'the Company') sets out the standard of conduct expected of Cavalier's employees and Directors, and the Company's approach to stakeholders. This Code is not intended to provide an exhaustive list of acceptable and unacceptable behaviour, but is intended to describe behaviour that is consistent with Cavalier's:

- Values, behaviours and culture;
- Business goals and objectives;
- Legal obligations, self-imposed policies and best practice,

which together will maintain and enhance Cavalier's overall performance and reputation.

Application

The Code applies to all Directors, members of the Cavalier Leadership Team ('Leadership Team') and all employees, as well as any contractor, consultant, secondee or any other person who represents Cavalier or is engaged to carry out work on any Company or project site ('Cavalier people' or otherwise referred to as 'you' or collectively as 'employees').

Cavalier's Values

Cavalier is a behaviours based organisation, with key values supporting the way we do things at Cavalier and contributing to the success of the Company.

Cavalier's Commitment

The Board of Directors ('Board') has approved and adopted this Code for Cavalier, with the intention that the Board and Leadership Team will lead by example and reflect the behaviours described in this Code.

The Board and Leadership Team are committed to fostering the highest standards of ethical behaviour and good conduct and an awareness of the welfare of employees, while at all times acting in the best interests of Cavalier.

The Board views this Code as an integral part of Cavalier's culture, and employees at every level of the organisation must follow the essence and the spirit of the Code at all times.

Primary Responsibilities

Employees must carry out their duties in accordance with the standards of ethical and professional conduct set out in this Code, which includes following reasonable and lawful instructions from their managers. Failure to follow the Code may result in appropriate employee management practices being invoked, which could include disciplinary action.

Base line Responsibility

These are 'base line' responsibilities that are expected of all Cavalier people:

- **Honesty and Ethics** - Perform your duties ethically, honestly and diligently, and act in a way that is in the best interests of Cavalier and does not conflict with Cavalier's interests (see the Conflicts of Interest section for more information).
- **Respect for Work Colleagues** – Treat fellow employees with respect, courtesy and dignity, consistent with Cavalier's commitment to a diverse and inclusive work environment.
- **Respect for Others** – Ensure that you act with integrity and in the spirit of this Code, when interacting or engaging with customers and suppliers.
- **Use of Assets and Resources** – Take all prudent steps to protect Cavalier assets, equipment and resources that are within your control, and to minimise the possibility of theft. Ensure that Cavalier assets, equipment and resources are used only for the purpose of Cavalier's business and/or that use is permitted by the relevant authorisation.
- **Protect Confidential Information** – Do not disclose any confidential information about Cavalier to any third party unless permitted to do so due to your role or function within the business (see the Confidential Information and Privacy section for more information).
- **Public Statements and Representations** - Do not without authority, directly or indirectly make any public statement, or directly or indirectly imply that you are representing Cavalier or its position (unless permitted to do so, due to your role or function within the business).
- **Reputation and Brand** - Make every effort to protect the Cavalier brand and its reputation. Always act in a way that demonstrates that your honesty is beyond question and do not engage in any behaviour that has the potential to bring Cavalier's image or reputation into disrepute.
- **Compliance with the Law** – Carry out your day-to-day responsibilities within the parameters of the law, regulations and rules of New Zealand and as a listed entity, the NZX Listing Rules and the disclosure requirements of securities and other laws in New Zealand.
- **Training** – Undertake any training as required by your manager or by Cavalier, in particular, training to understand the Company's policies on health and safety, and compliance with legislation.
- **Records and Documentation** - Use all reasonable endeavours to ensure that Cavalier's records and documents, including financial documentation, are accurate and conform to Cavalier's accounting policies and practices, reporting standards, policies and internal controls.

Health and Safety

Everybody is responsible for work place health and safety under the Health and Safety at Work Act 2015 and specific obligations are required of all Cavalier people. Consistent with this legislation, you are expected to:

- Take reasonable care of your own health and safety;
- Take reasonable care that your actions or inactions do not adversely affect the health and safety of other people;
- Cooperate with any reasonable policy or procedure Cavalier has in place relating to health and safety in the workplace; and
- Comply with any reasonable instruction given by Cavalier relating to health and safety practices in the workplace.

The above obligations also extend to Cavalier people, when carrying out day-to-day functions at a site that is not controlled by Cavalier (for example, the workplace of a Cavalier customer or supplier).

The Health and Safety management system provides further guidance on health and safety practices at Cavalier.

Cavalier Policy

You must familiarise yourself with and comply with all Cavalier policies. Cavalier policies are available on the Cavalier intranet.

Cavalier will integrate Company policy, including this Code, into employee induction and training, and will monitor compliance with such policies.

Conflict of Interest

A conflict of interest occurs when an individual's interests interfere, or appear to interfere, with Cavalier's interests. At all times it is expected that you will act in the best interests of Cavalier and avoid a conflict of interest. In practice this means that you will not:

- Engage in any other business or commercial activity that would interfere with your ability to carry out your job and responsibilities;
- Be materially interested with another business in the same industry as Cavalier (i.e. a situation that puts you in competition with Cavalier, although this would not include holding shares as a private investor in a listed company);
- Be involved in an activity that is to the detriment of Cavalier.

Corporate Opportunity

You are expected to advance the legitimate interests of Cavalier and this means that you will not:

- Take any opportunity discovered through the use of Cavalier property, information or position for the benefit of yourself or persons associated with you;
- Use Cavalier property (including its name), information or position for personal gain;
- Trade in shares, or any kind of property, based on knowledge that comes from your role, if that information has not already been reported in the public domain (that means, insider trading is prohibited at all times).

See the Share Trading Policy for more information.

Delegated Authority

The Board delegates management of the day-to-day affairs of the Company to the Chief Executive and senior management.

Please familiarise yourself with the Delegation of Authority Policy as you must only act within the parameters of the Delegated Authority established by the Board and/or any specific authority delegated to you, by your manager. Please ask your manager if you are uncertain as to your delegated authority.

Compliance

Compliance refers to the methods taken by Cavalier to ensure that the business complies with the requirements of all relevant laws, regulations, the NZX listing rules, codes of practice, organisational policies and standards, contractual arrangements and other third party requirements.

Gifts

You must not:

- Accept gifts or personal benefits of any value from external parties, if it could be perceived that this could compromise or influence any decision made by Cavalier; and
- Under no circumstance accept cash gifts. Should a cash gift be offered to you or any employee, your manager must be advised immediately.

'Gifts' and 'personal benefits' can include (but is not limited to) accommodation, goods, services, discounts, special terms on loans etc.

Confidential Information and Privacy

Every day Cavalier's customers, suppliers and stakeholders trust us with confidential information and communication.

Confidential information means all information about Cavalier including its people and its operations that is not available to the public. Every day you are privy to confidential information in your role at Cavalier.

You are responsible for protecting all confidential and personal information entrusted to you, whether that information relates to the Board, work colleagues, customers, suppliers, stakeholders or any confidential information relating to Cavalier's business and financial affairs. You must not use this information for your own benefit or the benefit of others while you are employed or even after you leave Cavalier, as it is confidential and remains confidential. Should you inadvertently gain access to any such material, you should immediately seek guidance from your manager.

In a situation where confidential information is required to be disclosed by law, you should first contact your manager, who should in turn advise the Company Secretary for further guidance.

Approach to Stakeholders

Approach to Employees

Cavalier aims to be a good employer and its approach to its employees is based on the principles of:

- Treating people fairly and with respect;
- Providing clear expectations and rewards for performance;
- Sustaining an environment of inclusion, openness and diversity, with a belief in the benefits of a diverse workforce and a commitment to recognising and valuing the different skills, talents, experiences and perspectives of its employees;
- Pursuing zero harm for employees, places and communities.

Approach to Customers

Cavalier aims to provide consistently high levels of customer service, with a continued focus on excellence in customer engagement and customer solutions.

Approach to Suppliers

The Company has various policies and processes in place to manage procurement activity and embed a culture of fair, transparent and effective procurement, underpinned by key procurement principles.

Approach to Shareholders and the Financial Community

Cavalier is committed to delivering long term value to its shareholders and is mindful of the need to keep investors and the investment community informed through a timely, clear and balanced approach which communicates both positive and negative news.

The Company is committed to a high standard of communication with investors and other stakeholders and to providing all information reasonably required in order to make informed assessments of Cavalier's value and prospects. The Company is committed to providing full, fair and timely disclosure of information about the Company to shareholders, the investment community and other stakeholders.

The Company has processes and policies relating to the timely provision of information to its shareholders, stakeholders and the public, including posting information on its website. See the Investor Communication Policy and the Continuous Disclosure Policy for more information.

The Company has processes to ensure that the accounts and financial information it provides represent a true and fair view of the financial performance and position of the Company (see the Audit Committee Charter and the External Audit Independence Policy).

General

Reporting Concerns

As a general rule if you become aware of a breach of or departure from:

- The Code;
- Any legal obligation;
- Any other policy of Cavalier; or
- Any other unethical practices,

please immediately report this to your manager. If you do not feel comfortable going to your manager for whatever reason, you should report the breach to the Company Secretary or the Chairman of the Audit Committee.

Cavalier will support any person who reports any Code violation or legal or policy breach in good faith. Any employee who knowingly makes a false report in respect of a breach may be subject to disciplinary action.

Continuous Improvement

If you wish to make any comments, with a view to improving this Code, please contact the Company Secretary.