

Code of Conduct

for Directors and Senior Executives

1. Introduction

- 1.1 This code of conduct applies to:
- (a) the directors of Webjet Limited (Company) including the chief executive officer;
 - (b) the chief financial officer of the Company; and
 - (c) any other employee or officer of the Company and its related bodies corporate (Group) who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of the Group.
- 1.2 In this code of conduct, Senior Executive includes any director, the chief executive officer and chief financial officer and any person referred to paragraph 1.1(c).
- 1.3 This code is in two parts. Part A covers general matters relevant to the code of all directors and Senior Executives. Part B relates specifically to fraud and corruption matters.

Part A - General

2. Purpose

- 2.1 As well as the legal and equitable duties owed by directors and Senior Executives, the purpose of this code of conduct is to:
- (a) articulate the high standards of honest integrity, ethical and law-abiding behaviour expected of directors and Senior Executives;
 - (b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors);
 - (c) guide directors and Senior Executives as to the practices thought necessary to maintain confidence in the Group's integrity; and
 - (d) set out the responsibility and accountability of directors and Senior Executives to report and investigate any reported violations of this code or unethical or unlawful behaviour.
- 2.2 This code of conduct is supported by the Group's other corporate governance charters and policies, including its diversity, market disclosure and share trading policies.
- 2.3 It is not the purpose of this code to create contractual rights or entitlements outside of an employee's contract of employment or for it to apply as terms of an employee's contract of employment.

3. Honesty and Integrity

The Company expects each director and Senior Executive to:

- (a) observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:
 - (i) performing their duties; and
 - (ii) dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other adviser of the Group; and
- (b) foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

4. Conflicts of interest or duty

- 4.1 Each director and Senior Executive must be aware of potential conflicts between (directly or indirectly):
- (a) on the one hand:
 - (i) the interests of the Group; or
 - (ii) their duties to the Group; and
 - (b) on the other hand:
 - (i) their personal or external business interests; or
 - (ii) their duties to any third party.
- 4.2 Each director and Senior Executive must avoid placing himself or herself in a position that may lead to:
- (a) an actual or a potential conflict of interest or duty; or
 - (b) a reasonable perception of an actual or potential conflict of interest or duty.
- 4.3 Each director and Senior Executive must:
- (a) fully and frankly inform the board of any personal or external business interest that may lead to:
 - (i) an actual or potential conflict of interest or duty; or
 - (ii) a reasonable perception of an actual or a potential conflict of interest of duty; and
 - (b) obtain and follow independent legal advice to avoid or resolve any actual, potential or perceived conflict of interest or duty.
- 4.4 Each director must:
- (a) leave the room when the board considers any matter in which the director has or may have a conflict of interest or duty; and
 - (b) comply with the Corporations Act 2001 (Cth) and the Company's constitution in relation to the disclosing material personal interests and restrictions on voting by directors.
- 4.5 Each non-executive director must inform the chairperson of the board of:
- (a) any existing directorship or other office held by the director in another entity outside the Group; and
 - (b) any proposed appointment as a director or Senior Executive of another entity outside the Group before accepting the appointment.

5. Corporate opportunities

- 5.1 A director or Senior Executive must not improperly use their position, property or information acquired through their position for personal gain or gain of an associate or to compete with or harm the Group.
- 5.2 A director or Senior Executive may not use the words 'Webjet', 'Zuji', 'Lots of Hotels' or 'Sun Hotels', (or any combination of those words), or any other business name or trademark used by the Group for a personal or external business transaction.
- 5.3 Each director and Senior Executive must keep their personal or external business dealings separate from the Group's business dealings.
- 5.4 A director or Senior Executive must only use goods, services and facilities received from the Group in accordance with the terms on which they are given.
- 5.5 A director or Senior Executive must not accept any improper gift from the Group's existing or potential customers or suppliers.

6. Confidentiality

- 6.1 Any information acquired by a director or Senior Executive while performing their duties is confidential information of the Group and must be kept confidential. A director must not disclose the information to a third party except where that disclosure is:
- (a) authorised by the board; or
 - (b) required by law or a regulatory body (including a relevant stock exchange).

- 6.2 The existence and details of any board and management information, discussions, and decisions that are not publicly known and have not been approved by the board for public release, are confidential information of the Group and subject to paragraph 6.1.
- 6.3 Each director's and Senior Executive's obligations of confidentiality continue after he or she leaves the Group.

7. Fair dealing

- 7.1 The Company expects each director and Senior Executive to:
- (a) deal fairly with any officer, employee, shareholder, customer, supplier, competitor, auditor, lawyer or other adviser of the Group; and
 - (b) encourage other employees and officers to do the same.
- 7.2 A director or Senior Executive must not take unfair advantage of any officer, employee, customer, supplier, competitor, auditor, lawyer or other adviser of the Group through illegal conduct, manipulation, undue influence, concealment, abuse of confidential information, misrepresentation of material facts, or any other unfair-dealing practice.

8. Protection and proper use of assets

- 8.1 The Company expects each director and Senior Executive to use all reasonable endeavours to protect any Group asset and to ensure its efficient use.
- 8.2 A director or Senior Executive may only use a Group asset (for example, a product, vehicle, computer or money) for legitimate business purposes or other purposes approved by the board.
- 8.3 Each director and Senior Executive must immediately report any suspected fraud or theft of a Group asset for investigation.

9. Compliance with laws, regulations, policies and procedures

Each director and Senior Executive must:

- (a) comply with the letter and spirit of any applicable law, rule or regulation;
- (b) comply with the protocols, policies and procedures of the Group; and
- (c) encourage other officers and employees to do the same.

10. Bullying and harassment

- 10.1 Bullying is persistent and repeated negative behaviour directed towards an officer, employee, contractor or other consultant or adviser of the Group that creates a risk to health and safety at work and/or in the course of employment. It may be direct or indirect, verbal or physical, or some form of negative interaction between one or more persons against another or others.
- 10.2 Reasonable management action (including, for example, performance management) does not constitute bullying and, in that context, the overriding intention of this policy is not to diminish supervisory or managerial prerogative to direct or control how work is done in the workplace other than to ensure, in so far as reasonably practicable, the health and safety of all employees.
- 10.3 Harassment is unwanted behaviour which may involve inappropriate actions, comments or physical contact that is objectionable or causes offence. Unlawful harassment may relate to any of the attributes protected in equal opportunity legislation.
- 10.4 It is the responsibility of all officers and employees of the Group to participate in the development, promotion and maintenance of a workplace that is free from all forms of bullying and harassment, including the misuse of social media. Substantiated claims may have serious consequences, including termination of employment.

- 10.5 Webjet Limited is committed to providing a workplace where:
- (a) each director and senior management treats all complaints seriously and sympathetically;
 - (b) no employee is penalised or disadvantaged as a result of raising a legitimate concern or complaint relating to bullying or harassment;
 - (c) an internal complaint resolution process exists in order to assist employees to raise issues of concern;
 - (d) directors and senior management provide support to employees while bullying and harassment issues are investigated;
 - (e) all allegations of bullying or harassment are viewed seriously and appropriate disciplinary action, which may include dismissal, is taken against any employee found to have breached this policy or lodged a complaint that is malicious, frivolous or vexatious.

11. Reporting of unlawful and unethical behaviour

- 11.1 The Company expects each director and Senior Executive to:
- (a) report promptly and in good faith any actual or suspected violation by an officer or employee of the standards, requirements or expectations set out in this code of conduct or the corporate code of conduct; and
 - (b) encourage other officers or employees to do the same.
- 11.2 A director or Senior Executive may use their own judgment in deciding to whom to report any violation or behaviour referred to in paragraph 11.1, however:
- (a) directors are encouraged to report to the chairperson of the board or another director; and
 - (b) Senior Executives are encouraged to report to their immediate supervisor, the chief executive officer or the chairperson of the board.

Other employees and officers are encouraged to report to their immediate supervisor or to the chief executive officer.

- 11.3 If an employee or officer reports, in good faith, any violation or behaviour referred to in paragraph 11.2, each director and Senior Executive must ensure:
- (a) the reporting person's position is protected;
 - (b) the reporting person's identity is only disclosed with their consent, except where disclosure is required by law; and
 - (c) no disciplinary, discriminatory or other adverse action is taken or tolerated against the reporting person for reporting the violation.
- 11.4 A director or Senior Executive who receives a report of any violation or behaviour referred to in paragraph 11.2 must ensure:
- (a) the alleged violation or behaviour is thoroughly investigated;
 - (b) rules of natural justice are observed in the investigation; and
 - (c) appropriate disciplinary action is taken if the allegation is substantiated.

Part B – Fraud and Corruption

12. Purpose

The purpose of this section of the Code is to protect Webjet Limited's assets and reputation by:

- reinforcing Board and senior management commitment and responsibility for identifying fraudulent and corrupt activities and for establishing policies, controls and procedures for prevention and detection of these activities
- reinforcing the requirement for all employees and others to refrain from corrupt and fraudulent conduct and encourage the reporting of any instance of fraud or corrupt conduct
- providing a framework for conduct of investigations to ensure all suspected fraudulent and corrupt activity is dealt with appropriately
- assigning responsibility for the development of controls to prevent and detect fraud.

13. Scope

- 13.1 This policy applies to all employees (including directors, executives and managers) and contractors of Webjet Limited and its subsidiary companies.
- 13.2 Any irregularity or suspected irregularity, involving a shareholder, vendor, consultants or any other third party agencies doing business with Webjet Limited or its employees or contractors, is included in the scope of this policy.
- 13.3 The policy does not have regard to the employees' or contractors length of service, title or relationship to the company.

14. Definition of Fraud and Corruption

- 14.1 Corruption is defined as a dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the company and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.
- 14.2 Examples of corrupt conduct include but are not limited to:
- payment of secret commissions (bribes or gratuities) in money, or some other value, to other businesses, individuals or public officials
 - receipt of bribes or gratuities from other businesses, individuals or public officials
 - release of confidential information, for other than a proper business purpose, sometimes in exchange for either a financial or non-financial advantage
 - a staff member manipulating a tendering process to achieve a desired outcome
 - a conflict of interest involving a staff member acting in his or her own self-interest rather than the interests of Webjet Limited.
- 14.3 Fraud is defined as an intentional act by one or more individuals among management, those charged with governance, employees or third parties, involving the use of deception to obtain an unjust or illegal advantage.
- 14.4 A fraud can typically result in actual or potential financial loss to any person or entity. However, this is not always the case and proof of actual or potential financial loss is not a pre-requisite to a breach of this policy.
- 14.5 Examples of fraud could include, but are not limited to:
- misappropriation of funds, securities, stock, supplies or other assets including use of assets for private purposes;
 - causing a loss to Webjet Limited or creating a liability for Webjet Limited by deception;
 - impropriety in the handling or reporting of money or financial records;
 - profiting from insider knowledge of Webjet Limited activities;
 - accepting or seeking anything of value from contractors, vendors or persons providing services or goods to Webjet Limited;
 - false invoicing for goods or services never rendered or backdating agreements;
 - submission of exaggerated or wholly fictitious accident, harassment or injury claims; and
 - misuse of sick or family leave.

15. Policy

- 15.1 Webjet Limited requires all employees at all times to act honestly and with integrity and to safeguard the company resources for which they are responsible. Webjet Limited is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits.
- 15.2 Any fraud or corruption committed against Webjet Limited is a major concern and as a consequence all cases will be thoroughly investigated and appropriate disciplinary action will be taken against any staff member who is found guilty of corrupt or fraudulent conduct. This may include referral to the appropriate law enforcement or regulatory agencies for independent investigation.

16. Fraud and Corruption Control

Board and senior management responsibility

- 16.1 The Board and senior management are ultimately responsible for setting the tone at the top and have a responsibility to:
- ensure there is effective fraud and corruption risk management framework in place
 - understand the fraud and corruption risks that the Company group is exposed to
 - maintain oversight of the fraud risk assessment and the controls in place to mitigate the risks identified
 - monitor reports on fraud risks, policies and control activities which include obtaining assurance that the controls are effective.

Business unit responsibilities

- 16.2 All business unit managers are responsible for:
- fostering an environment within their businesses that makes active fraud and corruption control a responsibility of all employees
 - articulating clear standards and procedures to encourage the deterrence of fraud and corruption
 - the detection and reporting of offences should they occur.
- 16.3 All employees are responsible for complying with company policies and procedures, codes of personal conduct and ethics, avoidance of conflict of interest and maintaining vigilance in early detection, reporting and prevention of fraud and corruption.
- 16.4 Managers and supervisors are responsible for communicating and raising awareness of the risks relating to fraud and corruption with their employees and for ensuring compliance with company policies and procedures, adequate rotation of employees and levels of staffing are in place.
- 16.5 Most importantly they should establish and maintain adequate internal controls that provide for the security and accountability of company resources and prevent/reduce the opportunity for fraud and corruption to occur.

Risk team

- 16.6 The Risk Committee (with the support of internal audit, IT security and the asset protection employees) has the primary responsibility for:
- investigating internal and external fraud and corruption matters, including using external parties where required and notifying law enforcement or regulatory agencies as necessary
 - conducting an annual fraud and corruption risk assessment via workshops with the businesses to assess the adequacy and effectiveness of Webjet Limited fraud risk management processes
 - ensuring that the risk of fraud and corruption are being appropriately managed and controlled by business units
 - analysing loss trends arising from fraud
 - advising and assisting relevant business units in the implementation and maintenance of best practice techniques and controls to prevent and detect fraud and corruption.

Asset protection team

- 16.7 Asset Protection is responsible for delivering store level audits with a focus on protecting and substantiating company assets. The main focus of their audits at store level is on cash and point of sale procedures, inventory and shrinkage management, physical security and other store level processes.
- 16.8 In addition to the above store level activities, the Asset Protection team also monitor theft or misuse of inventory from distribution centres by auditing cycle counts and monitoring and investigating inventory variances.

Internal audit

- 16.9 Internal audit, as part of its audit activity is required to:
- assess the adequacy and effectiveness of Webjet Limited's fraud and corruption risk management processes, in line with Webjet Limited's risk management policies;
 - support the risk team with investigation of any suspected fraud or corrupt activity;
 - ensure that fraud and corruption risk is being appropriately managed and controlled by business units when auditing business units including compliance with this policy; and
 - analyse loss trends arising from fraud and advise/assist relevant units, process owners and employees in the implementation and maintenance of best practice techniques and controls to prevent and detect fraud and corruption.

16.10 Additionally, any specific fraud risks (with high or moderate risk rating) flagged by the annual fraud risk assessment will form part of the annual internal audit program.

Human resources

16.11 The human resources function is responsible for ensuring adequate procedures are in place that address:

- appropriate security screening and selection of employees;
- disciplinary / dismissal procedures;
- employment contracts that include relevant conditions of employment relating to fraudulent and corrupt conduct;
- monitoring of annual leave entitlements to ensure that employees do not accumulate excessive annual leave entitlements ie four weeks over and above their yearly entitlement;
- clarification and formalisation of responsibilities / segregation of duties (where possible, these should be included in relevant position descriptions); and
- investigation of 'Fair Call' reports and escalation of matters as appropriate.

Insurance

16.12 The Risk Committee is responsible for making recommendations regarding the placement and maintenance of insurance cover for crime, fraud and fidelity risk for Webjet Limited.

Finance

16.13 Finance must implement robust processes and controls in relation to expenditure, investments and transfers of money. Provisions, losses and write offs in relation to fraud must be made in accordance with Webjet Limited's Accounting Policies and Procedures.

Legal

16.14 Legal will provide advice and requisite management assistance regarding any prospective investigation or litigation linked to a fraud or corruption event.

17. Investigation Protocols

17.1 If an investigation identifies that fraud or corruption has occurred, the risk team will escalate the matter in accordance with the section 18 below.

17.2 Decisions to prosecute or refer the examination results to the appropriate law enforcement or regulatory agency will be made in conjunction with legal counsel and senior management, and in the case of a significant matter, with the Board.

17.3 In the event of an investigation, members of the investigating team will have free and unrestricted access to all Webjet Limited's records and premises. They will have the authority to examine, copy and remove any information within the scope of the investigation.

18. Reporting

18.1 Any employee or contractor who suspects fraud or corrupt activity has the ability to confidentially report the matter through one of the following options;

- notifying their immediate manager or their HR manager;
- notifying the Company's Chief Commercial Officer;
- directly notifying one or more non-executive Director members of the Risk Committee.

18.2 It is the responsibility of all employees to report all suspected, attempted or actual fraud or corruption incidents. All information received will be treated confidentially by any manager, the Risk Committee and/or member of the Senior Executive team to whom it is disclosed.

18.3 Investigations will not be disclosed or discussed with anyone other than those who have a legitimate need to know.

18.4 The table below outlines the escalation requirements upon receiving a report of suspected fraud or corruption.

Size and nature of report	Escalation
Any report of suspected fraud or corruption received by management	The Managing Director (MD) or Chief Commercial Officer
Where the incident meets the definition of corruption (regardless of the financial impact).	<p>MD or CCO (as the case may be), which persons will be responsible for escalating to:</p> <ul style="list-style-type: none">• Chairman; and/or• the Board. <p>For minor incidents (the financial impact is less than \$20,000), the MD / CCO must discuss the matter, including any legal action or required disclosure, with the Chairman.</p> <p>For more major incidents (the financial impact is greater than \$20,000), the MD or CCO must prepare an immediate report for the Board.</p> <p>The Board will discuss the matter, including any legal action or required disclosure, with the MD or CCO and determine the course of action, as appropriate.</p>

Part C - Policy Review and Approval

19. Policy review

The Board (through the agency of the Risk Committee) will initiate a review of this policy annually. The Board may amend, substitute or remove this policy at any time. Any proposed changes to this policy must be recommended by the Risk Committee to the Board and will only be operative if and when approved by the Board of Directors.

20. Approved and adopted

This code of conduct was approved and adopted by the Board.

Webjet Limited

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www.webjetlimited.com

Webjet Limited

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