



POLICY OF ETHICAL STANDARDS

Farm Pride Foods Limited has established this Policy to identify those standards within which each director, executive officer and employee of Farm Pride Foods Limited are expected to act. In addition to this Policy, directors also accept and endorse the Code of Conduct issued by the Australian Institute of Company Directors which has been appended to this Policy.

Every director and employee will be provided with this Ethical Standards Policy and advised that compliance with the Policy is a condition of employment. All employees must act honestly, in good faith and in the best interests of Farm Pride Foods.

This Policy is to be read in conjunction with Farm Pride Foods' Corporate Governance Statement and Board Governance – Code of Conduct Statement.

Shareholders and the Community

Farm Pride Foods has a Corporate Governance Policy. This Policy confirms that it is the Board's practice to ensure that there is appropriate disclosure to shareholders.

Responsibilities to shareholders and the financial community generally are dealt with by compliance with legislative requirements including matters arising with the ASX, ASIC, Corporations Law, and the Australian Tax Office

Employees, when exercising decisions that involve third parties, must exercise appropriate professional judgement and ensure that such decisions are in the best interests of the Company.

Farm Pride Foods has a Corporate Governance Policy on dealings in its securities. All directors and executive officers have an obligation to adhere to that Policy. A breach of that Policy may result in immediate termination of employment or contract.

Dealing with Customers and Consumers

Farm Pride Foods is committed to the supply of products and services which are of a consistent high quality.

All employees must recognise that it is the responsibility of Farm Pride Foods as a whole to ensure the safety of our products.

Farm Pride Foods recognises the importance of having a product recall procedure in place to ensure that appropriate action can be taken at every level of the organisation in the event of a product contamination.

Farm Pride Foods must not abuse its market power and will comply with all laws pertaining to Trade Practices.

Relations with Suppliers

Employees must not engage in procurement procedures which are not in the best interests of Farm Pride Foods as a whole or result in a conflict of interest.

Where quotations or tenders are called for, employees must act in good faith and ensure that potential suppliers are treated fairly and equally.

An employee must not withhold or delay payment to a supplier without due or proper consideration. Any alteration to agreed payment terms must be communicated to the supplier.

Responsibilities to the Community

Farm Pride Foods must not engage in practices that have a detrimental impact on the local community or the community at large.

Farm Pride Foods must respond in good faith to any significant issues raised by the community.

Farm Pride Foods has a practice of supporting community activities.

Personal Conduct

All employees are required to act honestly and diligently when carrying out their duties and responsibilities. They must not be involved in any illegal or unethical activity and must safeguard the interests of Farm Pride Foods at all times. The payment or receipt of bribes, kickbacks etc or any serious infringement of a fellow employee's safety or rights will result in termination of employment.

Employees must exercise due care and judgement when offered gifts. An employee must not accept a cash gift.

Employees receiving gifts or favours with a value in excess of \$50 must advise their supervisor in writing of the details in connection with the gift. Acceptance of a gift with a value in excess of \$50 will be subject to serious scrutiny.

Farm Pride Foods has a policy relating to the giving of gifts which provides that they must not exceed \$50 without the written consent of the CEO, his representative or equivalent.

Employees must not use Farm Pride Foods' assets and resources unless authorised to do so by the CEO, his representative or equivalent.

No employee may use confidential information for improper purposes.

All conflicts of interest shall be disclosed in writing to the Company Secretary by directors and employees as soon as they arise. Officers of Farm Pride Foods must not allow any conflicts, potential or otherwise, to remain undisclosed or to hinder the proper execution of their duties.

Confidential Information

Officers of Farm Pride Foods must ensure that all confidential information owned or used by Farm Pride Foods is protected. Any misuse of confidential information is a serious breach of this Code and will result in immediate dismissal.

Any new processes or know-how developed by employees remains the property of Farm Pride Foods.

Continuous Disclosure

As a listed Company, Farm Pride Foods has to satisfy the continuous disclosure requirements of the ASX. The approval of the release of any information to the public concerning Farm Pride Foods that a reasonable person would expect to affect the price or value of Farm Pride Foods' securities will be provided by the Chairman or in his absence the CEO, his representative or equivalent.

APPENDIX

CODE OF CONDUCT

(From the Articles of Association of the Australian Institute of Company Directors)

1. Directors must act honestly, in good faith and in the best interests of the Company as a whole.
2. Directors have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. Directors must use the powers of office for a proper purpose, in the best interests of the Company as a whole.
4. Directors must recognise that the primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders of the Company.
5. Directors must not make improper use of information acquired as a director.
6. Directors must not take improper advantage of the position of director.
7. Directors must properly manage any conflict with the interests of the Company.
8. Directors have an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
9. Confidential information received by a director in the course of the exercise of directorial duties remains the property of the company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that company, or the person from whom the information is provided, or is required by law.
10. Directors should not engage in conduct likely to bring discredit upon the Company.
11. Directors have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.