



**NOXOPHARM LIMITED  
A.C.N. 608 966 123  
("Company")**

**BOARD CHARTER**

**Last updated: 12 April 2016**

The following Board Charter has been adopted by the Board of Noxopharm Limited  
on 06 May, 2016.

## Contents

<b>BOARD CHARTER .....</b>	<b>3</b>
<b>AUDIT AND RISK COMMITTEE CHARTER .....</b>	<b>13</b>
<b>REMUNERATION &amp; NOMINATION COMMITTEE CHARTER .....</b>	<b>17</b>
<b>RISK MANAGEMENT POLICY .....</b>	<b>20</b>
<b>SECURITIES TRADING POLICY .....</b>	<b>21</b>
<b>DIVERSITY POLICY .....</b>	<b>26</b>
<b>COMMUNICATION AND DISCLOSURE POLICY .....</b>	<b>30</b>
<b>CODE OF CONDUCT .....</b>	<b>32</b>

# BOARD CHARTER

## 1. PURPOSE

- 1.1 This document sets out the following matters:
  - 1.1.1 the roles and responsibilities of the Board of the Company; and
  - 1.1.2 the roles and responsibilities of the Senior Management of the Company; and
  - 1.1.3 the manner of operation of the Board as a whole.
- 1.2 In the compilation of this Charter, the Company has where possible followed the recommendations of the *ASX Corporate Governance Principles and Recommendations with 2010 Amendments, 3<sup>rd</sup> edition (2014)*.

## 2. DEFINITIONS

In this Charter:

**Board** means the Board of the Company;

**CEO** means the Chief Executive Officer;

**CFO** means the Chief Financial Officer;

**Chairman** means the chairman of the Board;

**Charter** means this Board Charter;

**Director** means a director of the Company;

**Secretary** means the secretary of the Company;

**Senior Management** means employees of the Company who manage the Company pursuant to the directions and delegations of the Board.

## 3. COMPOSITION OF THE BOARD

- 3.1 It is the objective of the Company to establish and maintain a Board with a broad representation of skills, experience and expertise.
- 3.2 To assist in achieving the objective stated above, the Board will at all times consist of:
  - 3.2.1 executive and non-executive directors; and
  - 3.2.2 a minimum of three directors.
- 3.3 The members of the Board will be listed in the Annual Report of the Company.

- 3.4 In accordance with the ASX Corporate Governance Principles and Recommendations, the Board considers that a director to be independent if the director is free of any interest, relationship or association that may materially influence, or may reasonably be perceived to materially influence, the director's capacity to exercise their independent judgment on issues before the Board, and to act in the best interests of the Company and its shareholders. Therefore, the Board considers a non-executive director to be an independent director if they are a director who is not a member of Senior Management of the Company and who:
- 3.4.1 is not a substantial security holder of the Company, or an officer of, or otherwise directly associated with a substantial security holder of the Company;
  - 3.4.2 is not or has not been employed in an executive capacity by the Company or a child entity of the Company within the last three years and did not become a Director within three years of being so employed;
  - 3.4.3 within the last three years, has not been a senior employee, partner or director of a provider of material professional services to the Company or a child entity of the Company;
  - 3.4.4 within the last three years, has not been in a material business relationship with the Company or any child entity of the Company or an officer of, or an associate to, someone with such a relationship;
  - 3.4.5 is not a party to a material contractual relationship with the Company or a child entity of the Company other than as a Director of the Company;
  - 3.4.6 has not served on the Board for a period of time which may materially interfere with that Director's motivation to act in the best interests of the Company;
  - 3.4.7 has no close family ties with any person who falls within any of the categories described in clauses 3.4.1 to 3.4.5 above; and
  - 3.4.8 is free from any conflict of interest which may materially interfere with that Director's motivation to act in the best interest of the Company.
- 3.5 The Board shall review the independence of each non-executive director on an annual basis, having regard to the indicia set out in clause 3.4 above.
- 3.6 If a Director ceases, or may have ceased to be independent, the Director shall advise the Chairman of the Board immediately, and, if the Board finds that a Director is no longer independent, the Board shall immediately announce this to the market.
- 3.7 The Board shall state whether a non-executive Director is independent or not, and the reasons for such opinion, in the Company's annual report.

#### **4. APPOINTMENT**

- 4.1 Directors are appointed in accordance with the Constitution of the Company. The Board will review and assess the suitability of new Directors against fixed criteria, which include overall skills, experience and background, professional skills, potential conflicts of interest, ability to exercise independent judgment and whether such director can be considered to be independent.
- 4.2 The Board will set out the terms and conditions of the appointment of a Director in a formal letter of appointment or Director's Service Agreement.
- 4.3 New Directors of the Company will be provided with a copy of the constitution of the Company and all relevant policies of the Board.
- 4.4 New Directors will be fully briefed with respect to the strategic direction of the Company.
- 4.5 Directors will be offered regular opportunity for professional development.
- 4.6 The Company shall undertake appropriate checks before appointing a Director or putting forward to security holders a candidate for election as a Director of the Company;
- 4.7 The Company will provide security holders of the Company with all material information in the Company's possession which is relevant to a decision on whether to elect or re-elect a Director.
- 4.8 The Board will set out the terms and conditions of the appointment of a Senior Manager in an employment contract with the Senior Manager.

#### **5. RESPONSIBILITIES OF THE BOARD**

- 5.1. The Board is ultimately responsible for the overall management and corporate governance of the Company.
- 5.2. The Board has the authority to make decisions and give directions in relation to:
  - 5.2.1. the development, implementation and alteration of the strategic direction of the Company, including future expansion of the Company's business activities;
  - 5.2.2. risk management, assessment and monitoring;
  - 5.2.3. ensuring appropriate external reporting to shareholders, the ASX, ASIC and other stakeholders;
  - 5.2.4. encouraging ethical behaviour, including compliance with the Company's governing laws and procedures and compliance with corporate governance standards; and
  - 5.2.5. establishing targets and goals for Senior Management to achieve and monitoring the performance of Senior Management.

- 5.3. The Board is responsible for monitoring organisational capability in the context of agreed plans and budgets, accountability and diversity.
- 5.4. The Board has responsibility for the following specific matters:
  - 5.4.1 the appointment and removal of the Chair of the Company;
  - 5.4.2 the appointment of new Directors to fill a vacancy or as additional Directors;
  - 5.4.3 the appointment, and where appropriate, the removal of the:
    - 5.4.3.1 CEO;
    - 5.4.3.2 CFO;
    - 5.4.3.3 Executive Directors;
    - 5.4.3.4 Company Secretary; and
    - 5.4.3.5 Ratifying the appointment or removal of other Senior Managementof the Company.
  - 5.4.4 oversight of all matters delegated to Senior Management;
  - 5.4.5 reviewing the performance of the Managing Director & CEO and monitoring the performance of his or her direct reports;
  - 5.4.6 managing succession planning for the position of Managing Director & CEO and overseeing succession planning for his or her direct reports;
  - 5.4.7 approving overall Company, Director and specific senior executive remuneration and related performance standards and their evaluation;
  - 5.4.8 ensuring the Code of Conduct, the Communication and Disclosure Policy, the Securities Trading Policy, the Diversity Policy, the Risk Management Policy and Remuneration Policy are operative and being complied with;
  - 5.4.9 regular review of and powers to amend the Code of Conduct, the Communication and Disclosure Policy, the Securities Trading Policy, the Diversity Policy, the Risk Management Policy and Remuneration Policy to ensure the policies meet the standards of corporate governance the Board is committed to;
  - 5.4.10 review and oversight of compliance with ASX Listing Rules, financial reporting obligations, including periodic and continuous disclosure, legal compliance and related corporate governance matters;
  - 5.4.11 approving and monitoring major capital expenditure, capital management, acquisitions and divestitures and material contracts;

- 5.4.12 approving and monitoring major Company financing matters including incurring material debt obligations; and
  - 5.4.13 monitoring and reviewing the financial performance of the Company;
  - 5.4.14 monitoring and reviewing the operational performance of the Company including the viability of current and prospective operations and exploration opportunities; and
  - 5.4.15 proposing and recommending to shareholders any changes in the capital structure of the Company.
- 5.5 The Board may, in its absolute discretion, and without abrogating its responsibilities delegate other matters from time to time.

## 6. ALLOCATION OF RESPONSIBILITIES

- 6.1 The **Chairman** of the Company has the following responsibilities:
- 6.1.1 the organisation and efficient conduct of the business of the Board at Board meetings and on all other occasions;
  - 6.1.2 ensuring all Directors are adequately informed about Board matters in a timely fashion to facilitate rigorous, effective and accurate decision making in all business of the Board;
  - 6.1.3 setting the agenda for meetings of the Board, guiding the meetings to facilitate open discussion and managing the conduct of, and frequency and length of such meetings, in order to provide the Board with an opportunity to arrive at a detailed understanding of the Company's performance, financial position, operations and challenges;
  - 6.1.4 liaising with the Secretary concerning matters of corporate governance and conveying all information to the Board;
  - 6.1.5 encouraging engagement and compliance by Board members with their duties as Directors.
  - 6.1.6 ensuring that each Director is empowered to fully participate in meetings and is properly informed of Director performance expectations.
  - 6.1.7 Engaging with major shareholders of the Company to ensure that their views are known to the Board.
- 6.2 The **CEO** of the Company has the following responsibilities:
- 6.2.1 recommend to the Board for review and approval the Company strategy and strategic framework;

- 6.2.2 recommend to the Board for review and approval a two year plan and annual budget for the first year of the plan including the setting of key objectives and deliverables consistent with the agreed strategy;
  - 6.2.3 recruit and develop appropriately skilled senior management to execute the plans of the Company;
  - 6.2.4 manage the Company in accordance with the directions and delegations of the Board;
  - 6.2.5 report to the Board in a timely fashion all matters concerning the operations of the Company and the Company's employees;
  - 6.2.6 coordinate the roles and responsibilities of the management and employees of the Company to achieve the goals set by the Board;
  - 6.2.7 carry out the day-to-day management of the Company;
  - 6.2.8 in consultation with the Company's management and employees, establish and implement management policies and procedures to:
    - 6.2.8.1 achieve the financial and operational goals set by the Board;
    - 6.2.8.2 build and maintain employee satisfaction and well-being;
    - 6.2.8.3 build and maintain a staff identity and allegiance to the Company; and
    - 6.2.8.4 ensure a safe workplace for all employees.
- 6.3 The **Company Secretary** has the following responsibilities:
- 6.3.1 The adoption and implementation of corporate governance practices;
  - 6.3.2 Coordination of the Board and its Committees;
  - 6.3.3 Monitoring of the policies and procedures of the Board;
  - 6.3.4 Advising the Board, through the Chairman, of the corporate governance policies of the Company;
  - 6.3.5 Ensuring that each director has access to the Company Secretary as required;
  - 6.3.6 The accurate reporting of the Business of the Board including the timely despatch of Board agendas and briefing papers and the accurate recording and timely despatch of the minutes of the Board;
  - 6.3.7 Ensuring compliance with ASX Listing Rules, the Corporations Act and Corporations Regulations where applicable to the Board and the Company;



6.3.8 In particular, in conjunction with the Chairman, determining whether information conveyed to the Company Secretary should be disclosed to the ASX, and

6.3.9 Liaising with the ASX in respect of Company announcements.

## **7. BOARD MEETINGS**

7.1 Subject to the Act, a quorum for meetings of Directors may be fixed by the Directors and unless so fixed, is two.

7.2 The Board will meet no fewer than six (6) times each financial year and may meet as often as required to fulfil their duties.

7.3 Board papers are to be provided to all proposed attendees of Board meetings no fewer than three days before the date of each Board meeting.

7.4 Minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.

7.5 Minutes of meetings must be approved at the next Board meeting.

7.6 Each Director has an obligation at Board meetings and concerning the Company generally, to reach decisions which he or she believes to be in the best interests of the Company, free of any actual or possible personal or other business related conflict of interest.

7.7 At the commencement of each meeting, each Board member must disclose any actual or potential conflicts of interest. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged.

7.8 Where members are deemed to have a real or perceived conflict of interest, they will be excused from discussion on the issue where a conflict may, or actually exists.

## **8. BOARD COMMITTEES AND CORPORATE GOVERNANCE**

8.1 To assist in the execution of its duties, the Board will establish an Audit and Risk Committee, and a Remuneration and Nomination Committee, as the Company grows. At the date of this Charter the current Board will also act in accordance within the Charters of Audit and Risk Committee, and a Remuneration and Nomination Committee.

8.2 The Board has adopted a charter for the Audit and Risk Committee setting out matters concerning its composition and responsibilities.

8.3 The Board has adopted a charter for the Remuneration and Nomination Committee setting out matters concerning its composition and responsibilities.

8.4 Committee charters are approved by the Board and reviewed when necessary.

- 8.5 Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.
- 8.6 In addition to this Charter the Board has also adopted the following policy documents in the interest of best practice in corporate governance and to guide and assist the Company in the pursuit of its values and the achievement of its goals:
- 8.6.1 Code of Conduct, page 32;
  - 8.6.2 Securities Trading Policy, page 21;
  - 8.6.3 Risk Management Policy, page 20;
  - 8.6.4 Audit and Risk Committee Charter, page 13;
  - 8.6.5 Remuneration and Nomination Charter, page 17;
  - 8.6.6 Communication and Disclosure Policy, page 30 and .
  - 8.6.7 Diversity Police, page 26.
- 8.7 The Board will review the policies and the Committee structure annually to ensure that considering the size of the Company and composition of the Board, the Board Committees are the most cost-effective and beneficial corporate structure for the Company which reflect the values of the Company and guide the conduct of the Board consistently with those goals.
- 8.8 The Board may also establish ad-hoc special purpose committees from time to time, with terms of reference approved by the Board.

## **9. INDEPENDENT PROFESSIONAL ADVICE**

- 9.1 The Board collectively, and the Directors independently, are entitled to seek independent professional advice at the Company's expense to assist in their carrying out the functions and responsibilities as set out in this Charter or as regulated by applicable legislation, regulation or common law.
- 9.2 The Chairman must approve the engagement of professional advisors acting in the best interests of the Company. If the Chairman refuses approval of the engagement of professional advisors, the matter may be referred to the Board.

## **10 PERFORMANCE EVALUATION**

- 10.1 The Board shall develop and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors, and disclose, in relation to each reporting period, whether a performance evaluation was undertaken during that reporting period.

- 10.2 The Board shall monitor and evaluate the performance of the Managing Director and Senior Executives in achieving the strategies and budgets set by the Board, and, where appropriate, may seek advice from the Remuneration Committee;
- 10.3 The Board shall approve non-executive director remuneration, Senior Executive and Managing Director remuneration and any incentive or employee equity plans.

## **11. CORPORATE GOVERNANCE**

- 11.1 The Board shall encourage ethical behaviour and compliance with the Company's policies and procedures, including the Company's Securities Trading Policy, Continuous Disclosure Policy and Code of Conduct.
- 11.2 The Board shall periodically review the Company's compliance with corporate governance standards.

## **12. DIVERSITY**

- 12.1 The Board shall approve the Company's Diversity Policy and annual measurable objectives to encourage diversity (including, but not limited to, gender diversity) across the Company.
- 12.2 The Board shall annually review the Company's progress in achieving the measurable objectives set out in the Company's Diversity Policy.

## **13. DIRECTOR'S CODE OF CONDUCT**

A Director's code of Conduct has been developed for the Directors of the Company. In undertaking the responsibilities described in this Charter, the Board shall endeavour to create further value for shareholders, and in accordance with the obligations imposed upon it by law and with the Company's Constitution.

## **14. DIRECTOR DEVELOPMENT**

The Company is committed to continuing development of its Directors and Executives. In line with this commitment, there is an expectation that all Directors and Senior Executives will commit to professional development each year where an appropriate time arises and on the basis that the professional development is actually of value, both financially and in terms of the content being delivered. The Board will allocate an appropriate budget for this purpose to encourage Directors to participate in training and development programs. Any Director wishing to undertake either specific directorial training or personal development courses is expected to approach the Chairman for approval of the proposed course. Development may be in both governance and governance processes or in the Company's industry.

## **15. DIRECTOR INDUCTION**

New Directors will undergo an induction process in which they will be given a full briefing on the Company. This will include meeting with key Executives, tours of the premises (where applicable), an induction package and presentations. Information conveyed to the new Director will include:

- details of the roles and responsibilities of a Director with an outline of the qualities required to be a successful Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- details of key relevant legal requirements including:
  - Corporations Act;
  - Tax Office requirements; and
  - other major statutory bodies;
- a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board including anticipated regulatory changes;
- background information on and contact information for key people in the organisation including an outline of their roles and capabilities;
- a current industry, business, financial and risk overview of the Company;
- a synopsis of the current strategic direction of the Company including a copy of the current strategic plan and annual budget;
- a copy of the Constitution of the Company; and
- Directors' Deed of Indemnity and Right of Access to Documents.

## **16. Independent Advice**

16.1 Any Director is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of his or her responsibilities, provided the Director:

- a) first provides the Chair with details of the nature of and reasons for the professional advice sought, the likely cost of seeking such independent professional advice and the details of the independent adviser he or she proposes to instruct;
- b) The Chair must approve of the independent adviser nominated by the Director;
- c) The Chair may prescribe a reasonable limit on the amount that the Company shall contribute towards the cost of obtaining the advice;
- d) All documentation containing or seeking independent professional advice must clearly state that the advice is sought in relation to the Company and/or the Director in his or her capacity as a Director of the Company;

16.2 The Chairman shall decide if any advice received by an individual Director will be circulated to the remainder of the Board.

## **17. CHARTER REVIEW**

Any changes to the Charter require approval of the Board. The Board will review the effectiveness of the Charter at least once in every two years.

# AUDIT AND RISK COMMITTEE CHARTER

## **Constitution**

The Audit and Risk Committee has been established by resolution of the Board. Until such time that a Committee is constituted, the full Board of the Company will act in its place.

## **Membership**

The Audit and Risk Committee will consist of at least two independent Non-Executive Directors and such other members so that overall Audit and Risk Committee comprises:

- at least one member who has an understanding of the industry in which the Company operates.
- members who can read and understand financial statements and are otherwise financially literate;

The Board may appoint one member of Senior Executive Management to be a member of the Committee if they deem that their expertise is crucial in adding value to the Committee.

## **Chairman**

The full Board will nominate the Chairman of the Committee, who shall be an independent Non-Executive Director where possible.

## **Secretary**

The Company Secretary will be the Secretary of the Audit and Risk Committee.

## **Other Attendees**

The CEO and CFO as well as other members of Senior Management may be invited to be present for all or part of the meetings of the Audit and Risk Committee, but will not be members of the Committee.

Representatives of the external Auditor are invited to attend the Audit and Risk Committee at least twice each year; once in connection with the half year financial statements and once in connection with the full year financial statements.

## **Quorum**

A quorum will be two members.

## **Meetings**

Audit and Risk Committee Meetings will be held not less than four times a year so as to enable the Committee to undertake its role effectively. In addition, the Chairman is required to call a meeting of the Audit and Risk Committee if requested to do so by any member of the Audit and Risk Committee, the CEO or the external Auditor.

## **Authority**

The Audit and Risk Committee is authorised by the Board to investigate any activity within its charter. The Audit and Risk Committee will have access to Management and Auditors with or without Management present and has rights to seek explanations and additional information. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Audit and Risk Committee.

The Audit and Risk Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The Audit and Risk Committee is required to make recommendations to the Board on all matters within the Audit and Risk Committee's Charter.

### **Reporting Procedures**

The Audit and Risk Committee will keep Minutes of its meetings. The Secretary shall circulate the Minutes of the Meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman of the Audit and Risk Committee and circulated to the Board with the Board Papers for the next Board Meeting. The Minutes are to be tabled at the Board Meeting following the Audit and Risk Committee meeting along with any recommendations of the Committee.

### **Responsibilities of the Audit and Risk Committee**

The Audit and Risk Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external Auditors. In particular, the Audit and Risk Committee has the following duties:

#### ***Accounting Practices and External Reporting***

##### ***Financial Statements***

1. To review the audited annual and half yearly financial statements and any reports which accompany published financial statements before submission to the Board, recommending their approval, focusing particularly on:
  - any changes in accounting policies and practices;
  - major judgmental areas;
  - significant adjustments, accounting and financial reporting issues resulting from the internal and external audit;
  - asset carrying values and impairment testing;
  - going concern considerations;
  - compliance with accounting policies and standards; and
  - compliance with legal requirements.
2. To review the evaluation by management of factors related to the independence of the Company's public accountant and to assist them in the preservation of such independence.
3. To oversee management's appointment of the company's public accountant.

##### ***Related Party Transactions***

4. To monitor and review the propriety of any related party transactions.

### ***External Audit Function***

5. To recommend to the Board the appointment of the external Auditor.
6. Each year, to review the appointment of the external Auditor, their independence, the audit fee, and any questions of resignation or dismissal.
7. To discuss with the external Auditor before the audit commences the nature and scope of the audit, and to ensure coordination between staff and external Auditor.
8. To meet privately with the external Auditor on at least an annual basis.
9. To determine that no management restrictions are being placed upon external Auditor.
10. To discuss problems and reservations arising from the interim and final audits, and any matters the Auditors may wish to discuss (in the absence of management where necessary).
11. To review the external Auditor's Management Letter and Management's response.
12. To review any regulatory reports on the Company's operations and Management's response.

### ***Communication***

13. Providing, through regular meetings, a forum for communication between the Board, Senior Financial Management, staff involved in internal control procedures and the external Auditors.
14. Enhancing the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public.
15. Establishing procedures for complaints and reports regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports including the ability to submit them anonymously.

### ***Assessment of Effectiveness***

16. To evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with operating Management, internal Auditors and the external Auditors.

### ***Oversight of the Risk Management System***

17. To review at least twice annually the Company's risk management systems to ensure that risks relevant to achieving the Company's strategic, business and reputational objectives are appropriately informed to the board.
18. Meet periodically with key Management, internal staff and external Auditors to understand and discuss the Company's control environment.
19. Assess the internal processes for determining and managing key risk areas, including:

\* non-compliance with laws, regulations, standards and best practice guidelines, including environmental and industrial relations law;

- \* the Company's insurance program;
- \* litigation and claims; and
- \* relevant business risks other than those that are dealt with by other specific committees.

20. To evaluate the Company's exposure to fraud.
21. To take an active interest in ethical considerations regarding the Company's policies and practices.
22. To monitor the standard of corporate conduct in areas such as arms-length dealings and likely conflicts of interest.
23. To identify and direct any special projects or investigations deemed necessary.
24. To ensure the appropriate engagement, employment and deployment of all employees under statutory obligations.
25. To ensure a safe working culture is sustained in the workforce.
26. To determine the Company's Risk Profile describing the material risks, including both financial and non-financial matters, facing the company.
27. To regularly review and update the Risk Profile.



# REMUNERATION & NOMINATION COMMITTEE CHARTER

## REMUNERATION & NOMINATION COMMITTEE CHARTER

### **Constitution**

The Remuneration & Nomination Committee will be established by resolution of the Board. Until such time that a Committee is constituted, the full Board of the Company will act in its place.

### **Membership**

The Remuneration & Nomination Committee shall be appointed by the Board from among the Directors of the Company. Where possible, the Committee shall consist of not less than three members with at least one Director being an independent non-executive Director.

Directors will be appointed to the Remuneration & Nomination Committee for a term of three years or such shorter time as they remain in the office of Director.

The Board may appoint one member of Senior Executive Management to be a member of the Committee if they deem that their expertise is crucial in adding value to the Committee.

### **Chairman**

The Remuneration & Nomination Committee shall appoint any Director as the Chairman of the Committee.

### **Secretary**

The Company Secretary shall be the Secretary of the Remuneration & Nomination Committee.

### **Quorum**

A quorum shall be two members.

### **Meeting Frequency**

Remuneration & Nomination Committee meetings will be held not less than once a year to enable the Committee to undertake its role effectively.

### **Authority**

The Remuneration & Nomination Committee is authorised by the Board to the duties of the Committee as defined in this Charter. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Remuneration & Nomination Committee.

The Remuneration & Nomination Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at meetings of the Remuneration & Nomination Committee if it considers this necessary.

The Remuneration & Nomination Committee is required to make recommendations to the Board on all matters within the Remuneration & Nomination Committee's charter.

### **Reporting Procedures**

The Secretary shall circulate the minutes of the meetings of the Remuneration & Nomination Committee to all members of the Committee for comment and change before being signed by the Chairman of the Committee and circulated to the Board with the Board papers for the next Board meeting. The minutes are to be tabled at the Board meeting following the Remuneration & Nomination Committee meeting along with any recommendations of the Remuneration & Nomination Committee.

## **Duties**

The duties of the Remuneration & Nomination Committee are to:

### *Remuneration duties*

1. Assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and senior executives;
2. Assess each market where the Company operates to ensure that senior executives are being rewarded commensurate with their responsibilities;
3. Obtain the best possible advice in establishing salary levels;
4. Set policies for senior executives' remuneration;
5. Review the salary levels of senior executives and make recommendations to the Board on any proposed increases;
6. Review recommendations from the CEO relating to proposed merit increases for direct reports;
7. Propose, for full Board approval, the terms and conditions of employment for the CEO;
8. Undertake a review, which will be reported to and confirmed by the full Board, of the CEO's performance, at least annually, including setting with the CEO goals for the coming year and reviewing progress in achieving those goals;
9. Set the criteria for negotiating any enterprise bargain agreement;
10. Review the Company's recruitment, retention and termination policies and procedures for senior management;
11. Review and make recommendations to the Board on the Company's equity based and financial incentive schemes;
12. Review and make recommendations to the Board on the Company's superannuation arrangements; and
13. Review the remuneration of both executive and non-executive Directors and make recommendations to the Board on any proposed changes.

### *Nomination duties*

1. Developing and regularly reviewing a policy on Board structure.
2. Developing criteria for Board membership.
3. Identifying and screening specific candidates for nomination.
4. Ensuring there is an appropriate induction and orientation program in place.
5. Making recommendations to the Board for committee membership.
6. Ensuring there is an appropriate Board succession plan in place.
7. Ensuring that the performance of each Board member and the Board as a whole is reviewed annually.
8. Developing with Directors an appropriate training and development program.
9. Overseeing management's succession planning including the CEO and his/her direct reports.

10. Assisting the Chairman in advising Directors about their performance and possible retirement.
11. Reviewing the policy in respect of tenure, remuneration and retirement of Directors.

## RISK MANAGEMENT POLICY

The Board is committed to the identification, assessment and management of risk throughout the Company's business activities.

The Company's Risk Management Policy recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives. Risk management improves decision making, defines opportunities and mitigates material events that may impact security holder value.

The Board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound.

Management reports risks identified to the Board through regular operations reports, and via direct and timely communication to the Board where and when applicable. . The Company does not have an internal audit function.

The Company faces risks inherent to its business, including economic risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term. The Company has in place policies and procedures, including a risk management framework (), which is developed and updated to help manage these risks. The Board does not consider that the Company currently has any material exposure to environmental or social sustainability risks

In addition to the usual business risks, the particular risks associated with the Company's activities are:

- Long lead times and high costs associated with biotech research, development and commercialisation;
- The low success rate of biotech research in Australia;
- Stringent health regulations which are subject to regular change;
- The high level of funding required over a long period of time;
- Securing and protecting the Company's intellectual property.

The Board has established a policy for risk oversight and management within the Company. This is periodically reviewed and updated. Management reports risks identified to the Board through regular operations reports, and via direct and timely communication to the Board where and when applicable. During the reporting period, management has reported to the Board as to the effectiveness of the Company's management of its material business risks.

The CEO and CFO have given a statement to the Board that:

- a) the Company's Financial Statements are founded on a sound system of risk management and internal compliance and control which implements the Policies adopted by the Board; and
- b) the Company's 'Risk Management and Internal Compliance and Control System', in so far as it relates to financial risk, is operating effectively in all material aspects.

The Company also manages ongoing risk through the Audit and Risks Committee. The functions and responsibilities of that Committee are outlined earlier in this section of the report.

# SECURITIES TRADING POLICY

---

## Purpose

This trading policy (**Policy**) sets out the policy of the Company regarding the trading in Company securities. In this Policy:

- **Securities** include Shares as well as options, warrants, debentures and any other security on issue from time to time.

---

## Scope

This policy applies to all Executive and Non-executive directors, officers and employees of the Company (including those defined as Key Management Personnel according to AASB 124 *Related Party Disclosures*) and their associates (collectively, **Restricted Persons**) of the Company, and its subsidiaries (collectively, **Group**)

---

## Policy

The Company has adopted this Policy to regulate dealings by Restricted Persons in Securities.

All Restricted Persons must comply at all times with the provisions of the Corporation Act and Australian Securities Exchange (**ASX**) Listing Rules concerning Share dealings including:

- Insider trading provisions;
- Market manipulation provisions; and
- Notification requirements.

It is each Restricted Person's own responsibility to ensure that they are fully aware of their legal obligations with respect of security dealings.

All trading in securities by Restricted Persons must be in accordance with this Policy. Despite anything else in this Policy, Restricted Persons should not deal in the Company's securities when they possess Price Sensitive Information relating to the Company that is not generally available to the market.

### **Insider Trading**

Restricted Persons who possess material price sensitive information (collectively, **inside information**) relating to the Company, are prohibited in all circumstances from:

- Trading in securities in the Company;
- Procuring others to trade in securities in the Company; and
- Directly or indirectly communicating the inside information to another person who the Restricted Person believes is likely to trade in the securities in the Company in any way or procure a third person to trade in the securities in the Company.

Insider trading is strictly prohibited by law, and it is incumbent upon all Restricted Persons to uphold that prohibition. Insider trading, or the perception of insider trading, by any Restricted Person will not be tolerated.

Insider trading is a crime and can result in imprisonment, fines, orders to pay compensation and other penalties against the Company and Restricted Persons.

### **Price Sensitive Inside Information**

Non-public price sensitive information or inside information is information which is not generally available to the public and which a reasonable person would expect to have a material effect on the price or value of securities. The person who holds the information knows, or ought reasonably to know, that the information is not generally available and, if it were, it might have a material effect on the price or value of the Company's securities.

Examples of inside information include, but are not limited to:

- A material variance in the financial performance of the Company; or
- The signing or termination of a joint venture; or
- A proposed or actual takeover; or
- An unexpected liability or legal claim against the Company; or
- Proposed share issue; or
- Changes in management.

Information is considered generally available if:

- It can be easily observed; or
- It has been released to the ASX, published in an Annual Report or prospectus or is generally available to the investing public and a reasonable time has elapsed since the information was communicated; or
- It may be deduced, inferred or concluded from the above.

Information would be likely to have a material effect on the price or value of Company securities if the information might influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Company securities.

### **Black Out Periods/Closed Periods**

Given the heightened risk of actual or perceived insider trading, the Board has determined that Restricted Persons are prohibited from dealing in Company securities during the following periods (**Closed Periods**):

- a) two weeks prior to the end of the Company's half year until the end of the ASX trading session on the business day following the public release of the Company's half yearly accounts to the ASX ;
- b) two weeks prior to the end of the Company's financial year until the end of the ASX trading session on the business day following the public release of the Company's half yearly accounts to the ASX ;
- c) two weeks prior to the end of each calendar quarter until the end of the ASX trading session on the business day following the public release of the Company's quarterly activities & cash flow reports to the ASX; and
- d) Any other period determined by the Board from time to time to be a black out period.

The Company Secretary will notify Restricted Persons of the precise opening and closing date of any other Closed Period determined by the Board.

### **Excluded Trading**

Trading that is not covered by the restrictions in this Policy, includes:

- Transfer of securities in a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary, but the Restricted Person has no control or influence over the investment decisions made by the superannuation fund or saving scheme ;
- An investment in, or trading units of, a fund or other scheme (other than a scheme only investing in Company securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- Where a Restricted Person is a trustee, trading in securities by that trust provided the Restricted Person is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Restricted Person;
- Undertakings to accept, or the acceptance of, a takeover offer;
- Trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution investment plan (DRP) and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. In the case of a DRP, the Restricted Person must only elect to participate in the DRP when they are not in possession of non-public price sensitive information and may not change that election until they are again not in possession of non-public price sensitive information.;
- A disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- The exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period and where the Restricted Person could not reasonable have been able to exercise at a time when free to do so.; and
- Trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
  - The Restricted Person did not enter into the plan or amend the plan during a Closed Period; and
  - The trading plan does not permit the Restricted Person to exercise any influence or discretion over how, when, or whether to trade.
  - The Company's trading policy does not allow the Restricted Person to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a prohibited period other than in exceptional circumstances.

#### **Trading inside a Black Out Period - Exceptional Circumstances**

A Restricted Person, who is not in possession of inside information affecting securities, may be given prior written approval to sell or otherwise dispose of securities during a Closed Period where there are exceptional circumstances.

Whether severe financial hardship or other exceptional circumstances exist is to be determined by the Managing Director/CEO or, if in the case of the Managing Director/CEO, by the Board in its sole and absolute discretion. Exceptional circumstances may include:

- severe financial hardship which means a Restricted Person has a pressing financial commitment that cannot be satisfied otherwise than by selling the securities. By example,

the tax liability of a Restricted Person would not normally constitute severe financial hardship unless the Restricted Person has no other means of satisfying the liability;

- if the Restricted Person is required by a court order, or there are court enforceable undertakings to transfer or sell the securities or there is some other overriding legal or regulatory requirement for the Restricted Person to do so; or
- a situation determined by the Chairman or, in the case of the Chairman, the non-executive Directors, to be an exceptional circumstance.

*Procedure for obtaining written approval:*

When requesting prior written approval to sell or otherwise dispose of securities, a Restricted Person must submit an application in writing (which can be by email) to the Chairman, generally through the Company Secretary (in the case of the Chairman an application in writing (which can be by email) to the non-executive Directors, and in the case of other Directors, to the Chairman or their nominee) including the reasons for requesting approval and confirming the Restricted Person is not in possession of non-public price sensitive information. Approval, if granted, must be in writing (which can be by email) and must specify a time period for which the approval applies.

---

Extension of restrictions to family members and others

A number of the restrictions described in this Policy prohibit the communication of non-public price sensitive information to other people or arranging for another person to trade in securities.

Where a person related to or closely connected with a Restricted Person undertakes trading in securities, which are restricted by this Policy, there is often a presumption that such person has been privy to information, which is held by the Restricted Person. If that presumption is correct, both the Restricted Person and the other person may have engaged in insider trading. Even if that presumption is incorrect, such trading may create a perception of insider trading.

Accordingly, to the extent that it is within Restricted Persons' power to do so, Restricted Persons should ensure that any securities trading which is prohibited by this Policy is not undertaken by their:

- spouse or partner;
- immediate family members such as a parent, child, sibling, in-laws or other relative living in the Restricted Persons home or to whom material support is contributed;
- a company or trust over which the Restricted Person has influence or control (regardless of who is the beneficiary);
- a trust of which the Restricted Person is a beneficiary (other than a trust over which the Restricted Person exercises no control, i.e. a third person or entity exercises exclusive discretionary authority); and
- any other person over whom Restricted Person has investment control or influence.

---

Notifiable Interests

Executive & Non-Executive directors must provide to the Company Secretary, all information regarding the trading of the Company securities within 2 (two) days of a trade in the Company's securities to ensure compliance with all requirements of the Corporations Act and the Listing Rules.



---

### Anti-hedging Policy

Restricted Persons are not permitted to enter into transactions with securities (or any derivative thereof) in associated products which limit the economic risk of any unvested entitlements under any equity-based remuneration schemes offered by the Company.

---

### Review of this Policy

This Policy will be reviewed when legislation relating to Insider Trading changes and otherwise at least every two years by the Company's Directors, having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing. Material changes in the Policy will be notified to the ASX in accordance with the Listing Rules.

---

### Breaches of this Policy

Strict compliance with this policy is mandatory for all Restricted Persons. Breaches of this policy may damage the Company's reputation in the investment community and undermine confidence in the market for Company securities.

Any Restricted Person who becomes aware of a violation of this Policy should immediately report the violation to the Company Secretary.

It should also be noted that, in some circumstances, the Company may be obliged to notify regulatory and/or criminal authorities of a serious breach of this Policy.

---

### Further Information

If you have any questions or need further information on how to comply with this policy, please contact the Company Secretary.

---

### Glossary of Terms

<b>Trading Window</b>	A period not subject to a Black Out Period. A Trading Window commences on the business day following the end of a Black Out Period. It continues until such time as a Black Out Period commences again, subject to any other trading restrictions.
<b>Black Out Period</b>	Is a Closed Period in which Restricted Persons are prohibited from trading in Company securities, unless under exceptional circumstances.
<b>Closed Period</b>	Is a Black Out Period in which Restricted Persons are prohibited from trading in Company securities, unless under exceptional circumstances.
<b>Restricted Person</b>	Includes all Executive and Non-Executive directors, officers and employees of the Company, including their associates.
<b>Inside Information</b>	Price sensitive information relating to the Company that is not generally available to the public, which a reasonable person would expect to have a material effect on the price or value of Company securities.

# DIVERSITY POLICY

## 1 Introduction

Diversity includes, but is not limited to, an individual's race, ethnicity, gender, sexual orientation, age, physical abilities, educational background, socioeconomic status, and religious, political or other beliefs.

The Company recognises the benefits arising from employee, senior management and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

---

## 2 Purpose

The purpose of the Diversity Policy (**the policy**) is to outline the company's commitment to fostering a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management team. The policy also provides a process for the Board to determine measureable objectives which the Company will implement and report against to achieve its diversity goals.

---

## 3 Scope

This policy applies to the Board and all Company employees including contractors and temporary employees.

---

## 4 Diversity commitment

The Company is committed to:

- Complying with the diversity recommendations published by ASX Corporate Governance Committee by establishing measureable objectives for achieving gender diversity;
- Promoting diversity among employees, consultants and senior management throughout the Company; and
- Keeping shareholders informed of the Company's progress towards implementing and achieving its diversity objectives.

The Board will:

- Aim to ensure that appropriate procedures and measures are introduced and responsibilities delegated to the Remuneration and Nomination Committee to ensure that the Company's diversity commitments are implemented appropriately;
- Seek to ensure that the diversity profile is a factor that is taken into account in the selection and appointment of qualified employees, senior management and Board candidates;
- Seek to identify and consider programs and initiatives that:
  - Assist in the development of a broader pool of skilled and experienced Board candidates, in particular women,
  - Assist with enhancing employee retention, in particular that of women from middle management,
  - Assist with minimising career disruption when employees take time out of the workplace to meet other obligations and attempt to re-enter the workforce; and,

- Facilitate or permit employees to access such programs or initiatives where reasonable, possible and in line with the needs and objectives identified by the diversity profile.

While the key focus of the Diversity Policy and the ASX Corporate Governance Council's recommendations is on promoting the role of women within organisations, the Company recognises that other forms of diversity are also important and will seek to promote and facilitate a range of diversity initiatives throughout the Company beyond gender diversity.

---

## 5 Responsibilities and Accountabilities

Supporting workplace diversity is the responsibility of everyone in the Company:

### **The Board**

- Establishing the Company's Diversity Policy;
- Establishing and monitoring the Company's diversity strategy;
- Establishing measureable objectives for achieving diversity that are linked to the Company's circumstances and industry; and
- Annually assessing the objectives and the progress in achieving them.

### **Remuneration & Nomination Committee**

- Addressing strategies on Board diversity;
- Conducting all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts, where necessary;
- Advising on measurable objectives for achieving diversity, and annually assessing the objectives and the progress in achieving them;
- Reviewing and monitoring appropriate procedures to ensure the policy is implemented, which may include additional measureable objectives in relation to other aspects of diversity as identified in the policy;
- Reporting and, where appropriate, making recommendations to the Board in relation to the above matters.
- Reviewing and making recommendations to the Board regarding remuneration by gender; and
- Reviewing and reporting to the Board, at least annually, on the proportion of women and men at all levels of the Company, and their relative levels of remuneration.

### **CEO**

The CEO is responsible to the Board for:

- The implementation of this policy;
- The development, implementation, maintenance and review of the appropriate structures, systems, policies and procedures to support the Company's diversity strategy; and

- Reporting to the Board and Remuneration and Nomination Committee on performance objectives and on the implementation of diversity initiatives and programs.

### **Senior Executives**

Senior executives of the Company are responsible to the CEO for:

- The practice and promotion of behaviour that is consistent with the Company's values and this policy;
- The incorporation of workplace diversity principles into their team and management practices;
- The recognition and use of the diverse skills and knowledge of employees;
- Support for employees who seek flexible work arrangements and leave entitlements, subject to business needs;
- Providing a workplace that is free from discrimination and harassment;
- Ensuring meetings, travel and other work arrangements do not place inappropriate pressure on employees with personal or other family commitments; and
- Resolving workplace issues in a timely, sensitive and effective manner wherever possible and in accordance with applicable law.

### **Employees**

All employees are responsible for:

- Behaving in a way that is consistent with the Company's values and this policy;
- Respecting different ways of thinking and working to maintain a workplace that is inclusive and free from discrimination;
- Supporting employees who access flexible work arrangements;
- Being aware of the Company's diversity initiatives and, where appropriate, being involved.

---

## 6 Measurable objectives

### Setting measurable objectives

The Board, in consultation with the Remuneration and Nomination Committee, will set measurable objectives for achieving diversity, in particular gender diversity, in accordance with this policy and the diversity targets set by the Board from time to time and will review the effectiveness and relevance of these measurable objectives on an annual basis.

### Determining the measurable objectives

The measurable objectives should identify ways and, where applicable, specify benchmarks against which the achievement of diversity is measured, in order for the Board to assess and report annually on the Company's progress towards achieving its diversity goals.

In order to set meaningful objectives, the Board (in consultation with the Remuneration & Nomination Committee) will assess its current diversity levels and identify where gaps exist.

Measurable objectives will then be developed which are tailored towards improving diversity in areas where most improvement is needed.

Periodic review

As part of the commitment to achieving and maintaining effective diversity policies, the Board and the Remuneration & Nomination Committee will perform regular reviews of the changes in diversity throughout the organisation.

Measureable objectives as key performance indicators

The Board, in consultation with the Remuneration & Nomination Committee, will consider the extent to which the achievement of these measureable objectives should be tied to key performance indicators for the Board, the CEO and other senior management.

---

7 Strategies

Strategies to help achieve the Company's diversity objectives include:

- Facilitating a corporate culture that embraces diversity and recognises employees at all levels have responsibilities outside of the workplace;
- Ensuring that meaningful and varied development opportunities are available to all employees to enhance the retention of new employees and promotion of existing employees;
- Recruiting from a diverse pool of candidates for all positions, including Board and senior management appointments; and
- Reviewing succession plans to ensure an appropriate focus on diversity.

---

8 Annual disclosure to shareholders

The Board will include in the Annual Report each year:

- Measurable objectives, if any, set by the Board; progress against achieving the objectives; and
- The proportion of women employees in the whole organisation, at senior management level and at Board level.

---

9 Publication

A copy of this policy will be made available on the Company's website and to the ASX to the extent necessary.

---

10 Review of this Policy

The Diversity Policy will be reviewed annually by the Remuneration and Nomination Committee to ensure that it remains relevant and appropriate to the Company.

External reviews of this policy may be undertaken at the request of the Board from time to time.

# COMMUNICATION AND DISCLOSURE POLICY

*Listing Rule 3.1 of the Australian Stock Exchange (“ASX”) requires listed entities to immediately notify the ASX when it becomes aware of any information that a reasonable person would expect to have a material effect on the listed entity’s securities.*

## 1. PURPOSE

This document sets out the Company’s policies and procedures which are aimed at ensuring the Company complies with Listing Rule 3.1.

## 2. DEFINITIONS

2.1 In this Charter:

**Board** means the Board of the Company;

**Policy** means this Communication and Disclosure Policy as amended from time to time; and

**Senior Management** means employees of the Company who manage the Company pursuant to the directions and delegations of the Board.

## 3. RESPONSIBILITIES

3.1 Directors and Senior Management must:

3.1.1 understand the continuous disclosure requirements set out in the ASX Listing Rules;

3.1.2 convey all potentially material information to the Company Secretary or Chairman immediately after obtaining or becoming aware of such information; and

3.1.3 convey all information that would or would likely influence persons who commonly invest in securities to the Company Secretary or the Chairman.

3.2 The Company Secretary must:

3.2.1 determine, in liaison with the Chairman, whether information conveyed to the Secretary must be disclosed to the ASX;

3.2.2 prepare an appropriate announcement in conjunction with the Chairman, ensuring that the material information is reported in an objective and complete manner; and

3.2.3 report material information to the ASX following the approval of the Board, ensuring that information reported is factual and does not omit

any material information required to be disclosed under the ASX Listing Rules.

#### **4. POLICY**

- 4.1 The Company is committed to ensuring all investors have equal and timely access to material information concerning the Company.
- 4.2 The Company will not disclose price-sensitive information in any forum unless it has been previously disclosed to the ASX.
- 4.3 The Company is committed to:
  - 4.3.1 communicating effectively with its shareholders;
  - 4.3.2 providing shareholders with timely access to balanced information concerning the Company;
- 4.4 The Company will communicate with its shareholders by:
  - 4.4.1 market releases via the ASX;
  - 4.4.2 information provided directly at meetings of shareholders; and
  - 4.4.3 information provided directly on the Company's website.

## CODE OF CONDUCT

*The Company is committed to the highest standards of honesty and ethical practices in all aspects of the Company's operations.*

### Minimum Standards

This Code of Conduct may be amended from time to time but will always comply with the following minimum standards.

1. The Company will regularly review its practices and procedures to ensure that its legal obligations are being met.
2. The Company must publish this Code as amended on the Company's web page.
3. All employees of the Company and particularly Senior Management and Directors must act honestly at all times in the exercise of their duties as an employee.
4. All employees of the Company and particularly Senior Management and Directors will act to the best of their ability given their skills and experience.

**The Board and Senior Management endorse this Code. A condition of employment for any employee of the Company is agreeing to be bound by this Code**

### **1. PURPOSE**

- 1.1 This document sets out:
  - 1.1.1 the standards of ethical behaviour and good corporate governance that are required to be achieved by the Board, Senior Management and employees; and
  - 1.1.2 how the Company will engender good corporate governance practices and encourage observance of the standards of behaviour and good corporate governance set out herein.
- 1.2 In the compilation of this Code, the Company has where possible followed the recommendations of the *ASX Corporate Governance Principles and Recommendations with 2010 Amendments, 3<sup>rd</sup> edition (2014)*.
- 1.3 This document is not a legal document but sets out the aspirations and values of the Company to be adhered to.

### **2. DEFINITIONS**

- 2.2 In this Charter:



**Board** means the Board of the Company;

**Code** means this Code of Conduct as amended from time to time;

**Related Entity** has the same meaning as provided under section 9 of the *Corporations Act 2001* (Cth).

**Senior Management** means employees of the Company who manage the Company pursuant to the directions and delegations of the Board.

## 5. STANDARDS

### Integrity, Honesty and Fairness

- 3.3 The Directors, Senior Management and every employee of the Company is expected to:
- 3.3.1 deal fairly with customers, suppliers and the community;
  - 3.3.2 understand and comply with legal requirements and the policies of the Company in particular the requirements placed on the Directors under Chapter 2D, Part 2D.1 of the *Corporations Act 2001* (Cth);
  - 3.3.3 avoid actual or potential conflicts of interest and declare any actual or potential conflicts that arise. Those conflicts include but are not limited to financial conflicts of interest;
  - 3.3.4 take reasonable steps to avoid or manage any actual conflict or potential conflict that does arise;
  - 3.3.5 report any complaint or instance of dissatisfaction with the Company, its Senior Management or employees to the Board;
  - 3.3.6 never accept or offer any bribes or rebates or any other form of inducement or enticement ;
  - 3.3.7 decline to accept any gift which may affect their motivation to act in the best interest of the Company;
  - 3.3.8 trade only in shares of the Company in strict accordance with the Company's share trading policy;
  - 3.3.9 maintain confidentiality with respect to all dealings of the Company and maintain the confidences of all persons the Company has dealings with; and
  - 3.3.10 maintain individual's privacy and not use any personal information provided to the Company for any purpose other than for that which it was provided to the Company.

### Good Corporate Citizenship

3.4 The Company recognises that it operates in an environment which impacts on various interests in the community. In pursuing corporate responsibility, the Company will:

3.4.1 always consider the environmental, sociological and economic impacts of our operations;

3.4.2 implement appropriate health and safety and environmental policies which balance the interests of our stakeholders and the communities in which we operate but always place the health and safety of our employees and others first;

3.4.3 observe the letter and spirit of relevant laws and regulations; and

3.4.4 adhere to the ASX Principles of good corporate governance.

### Workplace Fairness

3.5 The Company values its employees. The objective of the Company is to create a diverse and equitable workplace where employees feel encouraged to perform and are free from discrimination on the basis of age, gender, race, religion, sexual orientation or marital status.

3.6 In pursuit of this objective, the Company will:

3.6.1 not tolerate any act of harassment or discrimination;

3.6.2 encourage the reporting of any act of harassment and deal swiftly and appropriately with those in breach of the standards to minimise harm, protecting the reporting employee if appropriate; and

3.6.3 openly apply policies of performance management, recognise achievement consistent with the policies and communicate to employees areas in which they could improve.

### Trading Activities

3.7 The Company values fair competition and trade practices and will seek to comply with the letter and spirit of all Commonwealth and State or Territory trade practices laws where applicable. In pursuing this objective the Company expects that:

3.7.1 its employees and particularly Senior Management will exercise the highest level of honesty and integrity in all dealings with suppliers, customers and consumers in relation to marketing and selling activities, use of market power, description of goods, our relationships with suppliers and the quality and safety of our products; and

- 3.7.2 its employees and particularly Senior Management, will never say or do anything that is likely to mislead or deceive anyone dealing with the Company.

## **6. ASSISTANCE**

- 4.1 The Company treats breaches of this Code very seriously.
- 4.2 If you have any concerns or queries about conduct which may have breached this Code, it should be reported to a member of Senior Management. Employees making a report in good faith will be treated fairly and confidentially if appropriate. The report will be handled appropriately as the circumstances dictate so as to minimise harm to all parties.
- 4.3 Please contact the Company if you have any query or concern which has not been addressed in this Code or any other policy of the Company.