

## **1 Purpose of the Corporate Code of Conduct**

1.1 The Corporate Code of Conduct for a company is designed to maintain confidence in the integrity of that company. Benjamin Hornigold Ltd ("the Company") is committed to acting lawfully, ethically and responsibly and recognises that this goes well beyond mere compliance with legal obligations and involves acting with honesty, integrity and in a manner that is consistent with the reasonable expectations of investors and the broader community. Good corporate governance depends on the personal integrity of those on boards and in management.

1.2 This Code sets out certain basic principles that directors and employees (collectively referred to as **officers**) should follow in all dealings related to the Company. The code articulates the Company's culture and values that creates a link between the Company's purpose and its strategic goals by expressing the standards and behaviors expected of Company officers to fulfil the Company's goals and meet its purpose.

1.3 Company culture and values

Company values underpin the Board's desired culture to maximise shareholder value while nurturing the needs of the environment and community. The values at the core of the Company's ethos are:

- ✓ Transparency
- ✓ Integrity
- ✓ Resilience
- ✓ Ecological awareness and
- ✓ Accountability

As the Company evolves, so too do its values.

1.4 Purpose

The Company is a Listed Investment Company (LIC) incorporated on 28 September 2016. The Company provides investors with the opportunity to gain exposure to an investment portfolio that is actively managed. The investment portfolio is invested in a small number of high conviction investments in undervalued assets which provide growth opportunities with the aim of achieving above average returns (whilst limiting volatility) over the medium to long term.

1.5 This Code reflects the Company's recognition that the Company's reputation is an essential element of the Company's success. Each officer must act in a way that preserves and enhances the Company's reputation.

1.6 Officers should be loyal to the Company and should show the highest business integrity in their dealings with others, including preserving the confidentiality of other people's information. Officers should conduct the Company's business in accordance with the law and principles of good business practice.

1.7 Officers will often encounter issues requiring judgment based on the principles expressed in this Code. While it is impossible to discuss every conceivable situation that may arise, the Company believes that the examples contained in this Code illustrate rules that should usually be followed to ensure that the actions of officers are not, and will not be, challenged for being unethical. The material in this Code is meant to be illustrative only and is not intended to limit the principles themselves.

1.8 This Code sets out the standards that the Company will adhere to whilst conducting its business and includes:

- (a) the commitment to Shareholders;
- (b) compliance with relevant laws;
- (c) environmental protection;

- (d) occupational health & safety;
  - (e) equal employment;
  - (f) confidentiality;
  - (g) conflicts of interest; and
  - (h) general conduct.
- 1.7 Although the Company expects all officers to be familiar with the principles stated in this Code, the Company does not expect each officer to be fully versed in the law affecting his or her responsibilities. Whenever questions of any nature whatsoever arise in relation to this Code, each officer should seek guidance from the Company Secretary who will in turn obtain advice on the interpretation of applicable laws and regulations from the Company's solicitors.
- 1.8 All officers are responsible for the Company achieving the highest level of business conduct. The Company's officers are accountable for acting in line with the values, policies and standards outlined in this Code.

## **2 Board and senior managers' commitment to the Corporate Code of Conduct**

The Board and senior managers of the Company support, uphold and will adhere, at all times, to this Code. It is their view that this Code will benefit the Company in all that it strives to achieve and will be the key to the success of the Company in the implementation of its strategies.

Proper business conduct is in the long-term interests of the Company because it creates loyalty and trust in employees, customers, the communities in which the Company operates, and other stakeholders.

## **3 General duties of Directors**

- 3.1 Directors must:
- (a) act in good faith in the best interests of the Company and for a proper purpose;
  - (b) comply with all requirements in respect of potential conflict of interest or duty;
  - (c) exercise a reasonable degree of care and diligence;
  - (d) not make improper use of information of the Company or its customers for personal gain or to cause detriment to the Company or its customers;
  - (e) not make improper use of their position or the opportunities arising for personal gain;
  - (f) act honestly and with high standards of personal integrity;
  - (g) act ethically and responsibly
  - (h) comply with the laws and regulations that apply to the Company and its operations;
  - (i) not knowingly participate in any illegal or unethical activity;
  - (j) disclose and deal appropriately with any conflicts between personal interests and their duties as a director;
  - (k) not enter into any arrangement or participate in any activity that will conflict with the Company's best interests or that would be likely to negatively affect the Company's reputation; and
  - (l) report all breaches to the appropriate person.
- 3.2 Breaches of these duties may expose Directors to potential liability in damages, fines and disqualification.
- 3.3 A Director, in the exercise of his or her powers, and in the discharge of his or her duties, must exercise the degree of care and diligence that a reasonable person would exercise if he or she were a Director:

- (a) in the circumstance prevailing;
  - (b) occupying the same position; and
  - (c) with the same responsibilities within the Company as the Director.
- 3.4 A Director is a fiduciary and must act with fidelity and trust in company matters. The Board has been appointed to manage the Company's affairs and should have regard not only to the interests of shareholders of the Company but (in appropriate circumstances) the interests of other third parties including creditors, regulators and the community.
- 3.5 A Director who is appointed but fails to acquire and maintain a reasonable level of competence may be considered negligent.
- 3.6 All Board members should be offered at least one educational seminar a year to remain fully informed of matters relevant to their position as a Director.
- 3.7 The Company seeks to maintain directors' and officers' liability insurance. Directors must be fully aware of the terms of this insurance to qualify for protection under it.

#### **4 Business judgment rule**

- 4.1 A Director's duty to act with care and diligence may be satisfied where the Director:
- (a) makes a decision in good faith and for a proper purpose;
  - (b) has no material personal interest in the subject matter of the decision made;
  - (c) is informed about the subject matter of the decision to the extent the director reasonably believes to be appropriate; and
  - (d) rationally believes the decision to be in the best interest of the Company.
- 4.2 The business judgment rule:
- (a) relates only to decisions about the ordinary business operations of the Company; and
  - (b) does not relieve a Director from other duties, such as to act in good faith, not to misuse the position of director and not to make improper use of information obtained because they are, or have been, a director or other officer or employee of the Company.
- 4.3 A business judgment is any decision to take or not to take action relating to the business operations of the Company, it does not apply to any failure to make a decision.

#### **5 Shareholders**

- 5.1 The Company acknowledges and endorses the expectation that funds of Shareholders will be used in a manner that results in the best possible return, consistent with the agreed risk profile which takes into account the appropriate level of risk after balancing returns with risk. In achieving this aim, officers will undertake their duties with honesty, integrity, care, skill and diligence.
- 5.2 The Company recognises that transparency in business conduct and open disclosure of the strategies of the Company play a key role in building Shareholder value, loyalty and trust. The Company also recognises that in order to grow and achieve success, it must earn the trust of employees, customers, suppliers, communities and Shareholders by being open and communicative.
- 5.3 The Company should aim to facilitate communication with Shareholders through financial reports, general meetings, disclosures through the ASX and other electronic communications.

## **6 Compliance with the Law**

### **6.1 Introduction**

- (a) Officers must comply with the letter and the spirit of all laws and regulations. This includes:
  - (i) understanding the laws and regulations relevant to their work; and
  - (ii) complying with those legal requirements.
- (b) Certain laws affect the business conduct of everyone and include equal employment opportunity and occupational health and safety. Other laws focus primarily on particular roles in the Company such as the environment, trade practices and product liability.
- (c) It is crucial that all officers understand the laws that affect both their roles and their general business conduct. If an officer is unclear of the impact that the law may have on their role, they should seek advice from the Company Secretary.

### **6.2 Securities Trading**

All officers must comply with the Company's Securities Trading Policy in respect of any dealings in the Company's securities.

### **6.3 Privacy**

- (a) The Company will only collect personal information from its employees ethically and lawfully. It also seeks to collect information in a fair manner, and in a way that is not unreasonably intrusive. If personal information is collected on behalf of the Company, the person whose information is collected must be informed of the purpose for which the information is collected and be made aware that, subject to some limitations, officers will be able to gain access to the information collected on request. Steps must be taken to ensure that data is appropriately accurate and current and that data is stored no longer than necessary.
- (b) Officers must ensure that the confidentiality of personal information contained in company records is strictly maintained.
- (c) Personal information relating to individuals should not be provided to other employees unless it is required to perform their jobs. Information relating to employment records, salaries, addresses etc. cannot be released to external organisations unless required by law or upon written consent from the relevant officer.
- (d) Officers must ensure that the Company complies with its Privacy Policy and the Australian Privacy Principles.

## **7 Environment**

- 7.1 All of the Company's business activities will be carried out so as to protect the health and safety of officers, contractors, customers and the community while paying proper regard to the protection of the environment.
- 7.2 The Company will endeavour to conduct its operations in a manner that is environmentally responsible.
- 7.3 The objectives of the Company in protecting the environment are to:
  - (a) meet or exceed all legal and regulatory requirements for environmental management and protection, and where these are lacking or insufficient to protect the environment, apply best practice standards which will ensure that the environment is protected;
  - (b) maintain an awareness within the Company of the responsibility of the Company and its officers or contractors to ensure protection of the environment; and

- (c) regularly review the Company's operations to identify and assess the environmental impact associated with those operations.

## **8 Occupational Health & Safety**

- 8.1 The Company is committed to the health and safety of all employees (if appointed). The Company will work to eliminate hazardous practices and behaviour which could cause accidents, injuries or illness to employees, contractors, visitors and the general public. The Company strives to have injury free workplaces.
- 8.2 The objectives of the Company in ensuring health and safety are to:
  - (a) comply with all relevant statutory obligations;
  - (b) provide adequate resources to establish and maintain safe systems of work;
  - (c) maintain health and safety competency and integrate health and safety requirements in all aspects of business;
  - (d) ensure all incidents are reported and thoroughly investigated with a view to preventing a similar incident occurring;
  - (e) continuously improve performance through innovative technology, education and good management practices;
  - (f) provide health and safety training for employees;
  - (g) employ only those contractors who aspire to the same health and safety standards as the Company; and
  - (h) promote a positive health and safety culture that is based on the principle that all incidents can be prevented.
- 8.3 All officers are required to follow rules for safe and healthy operations, report hazards to their supervisors and report any injuries that they have incurred.

## **9 Equality in employment**

- 9.1 The Company seeks to provide a work environment in which everyone is treated fairly and with dignity and respect. Merit is the primary basis for employment with the Company. All employees and applicants for employment should be treated and evaluated according to their job-related skills, qualifications, abilities, aptitudes and attitude only. Any decisions based on characteristics such as gender, age, race, religion, marital status, sexual preference or political beliefs may constitute discrimination or vilification and will not be accepted by the Company.
- 9.2 Active discrimination and harassment in the workplace in any form is unacceptable. The Company regards any actions by an officer that constitute harassment or discrimination as serious misconduct. All officers, employees and contractors are expected to comply with the Company's Dignity and Respect at Work Policy and its Equal Employment Opportunity and Anti-Discrimination Policy.

## **10 Confidentiality**

- 10.1 Directors must keep confidential any Board matters and all confidential information (which includes Price Sensitive Information and information that is not Price Sensitive Information but might reasonably be of use or of interest to retail investors) received by the Directors in the course of the exercise of their duties.
- 10.2 All information received by Directors to carry out their duties must be regarded as confidential and is the property of the Company.

- 10.3 A Director may not disclose information, or allow it to be disclosed, to any other person unless disclosure is authorised by the Company or the information is required by law to be disclosed.
- 10.4 All discussions and resolutions of the Board must also be kept confidential and their content must not be disclosed, or allowed to be disclosed to persons who are not Directors, except in cases where disclosure:
- (a) has been authorised by the Company; or
  - (b) is required by law.
- 10.5 Authorisation by the Company is presumed to the extent the Board (or Committee) minutes state or imply that it is intended that disclosure should be made to third parties.
- 10.6 Any Director in any doubt about his or her obligations of confidentiality or in relation to any matter of disclosure should consult with the Chairman before making any disclosure.
- 10.7 Any contracts that are entered into by the Company with customers, consultants and contractors should contain appropriate confidentiality clauses that ensure the protection of the Company's confidential information.

## **11 Conflicts of interest**

### **11.1 Personal interests and conflicts**

- (a) A Director must not take improper advantage of their position as a director or officer.
- (b) No Director may allow any personal interest, or the interest of any associated person, to influence or prejudice the Director's conduct or any Board (or Committee) decision.
- (c) A Director has a duty to avoid any conflict between:
  - (i) the interests of, or duty to, the Company; and
  - (ii) his or her own personal interests or the interests of, or duty to, any third party.
- (d) Every Director should be actively vigilant for both actual and potential conflicts of interest or duty.
- (e) A Director with a conflict of interest or duty should refrain from voting, or entering into any discussion, at, or even being present during, relevant Board discussions.
- (f) A Director who has any material personal interest (whether direct or indirect, pecuniary or otherwise) in a matter must not be present at a meeting while the matter is being considered and must not vote on the matter.
- (g) Papers relevant to any matter on which there is a known conflict of interest, or in relation to which there is a material personal interest, will not be provided to any Director concerned.

### **11.2 Improper use of information**

A Director must not make improper use of information acquired as a Director to gain, directly or indirectly, any personal advantage or any advantage for any other person detrimental to the Company or the Group.

## **12 Continuous Disclosure Policy**

- 12.1 The Company must comply with the continuous disclosure regime in section 674 of the Corporations Act and under Listing Rule 3.1.
- 12.2 The continuous disclosure regime requires the Company to immediately disclose information which may materially affect the price or value of the Company's securities. The continuous

disclosure regime reflects the expectation of investors and the market to have ready access to that type of information.

- 12.3 The Company is committed to complying with the continuous disclosure regime. The Board has adopted a Continuous Disclosure Policy which includes a framework to identify, report and disclose price sensitive information.

## **13 General Conduct**

### 13.1 Officers must:

- (a) not make unauthorised gains or payments;
- (b) as a general rule, not accept or offer to give gifts, services, discounts, gratuities or other gains from (or to) people who conduct business with the Company. Although small gifts or invitations to local social or sporting functions are generally acceptable. Officers should at all times comply with the Company's Anti-Bribery & Corruption Policy and officers and employees should ensure that when dealing with contractors and suppliers that they are aware of the Company's Anti Bribery & Corruption Policy;
- (c) not make unauthorised public statements. Great care must be taken in public speaking engagements, media releases and official appearances;
- (d) treat customers, consumers, the community and suppliers with respect, and honesty and strive to deliver superior performance in conducting their duties;
- (e) not make unauthorised political donations on behalf of the Company; and
- (f) help out fellow workers and work collaboratively, and within the bounds of commercial confidentiality.

## **14 Compliance**

### 14.1 **Responsibility for monitoring compliance**

- (a) All officers of the Company are responsible for ensuring their individual compliance with this Code.
- (b) Officers of the Company are encouraged to report any difficulties or challenges encountered by them in complying with this Code (including any inconsistencies between this Code and the business initiatives of the Company) to the Company Secretary. This will assist in the evaluation of the effectiveness of this Code and will highlight any areas of this Code that may require amendment or additional guidance.

### 14.2 **Reporting instances of non-compliance**

- (a) All officers have an obligation to report instances of non-compliance with this Code to the Company Secretary. Such reporting will be treated by the Company Secretary as confidential.
- (b) The Company recognises that a key test of the Company's corporate governance is whether there are both formal and informal structures in place to enable 'good news' and 'bad news' to travel rapidly to the appropriate destination. The Company is committed to ensuring that such structures are developed and maintained and that they provide for the protection of individuals making any such reports.
- (c) Where appropriate, the Company should refer serious non-compliance to the Company Audit and Risk Management Committee.
- (d) Serious non-compliance of this Code includes any conduct or event involving impropriety which:

- (i) constitutes fraud;
- (ii) may have a serious business impact on the Company; or
- (iii) may seriously compromise the reputation of the Company.

## **15 Review**

- 15.1 The Company Secretary is to conduct an annual review of this Code and report findings to the Board to ensure that this Code continues to reflect the letter and spirit of all applicable laws and regulations and the Company's commitment to its staff and the community.

## **16 Definitions**

In this Code:

<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
<b>Board</b>	means the board of the Company.
<b>Chairman</b>	means the Director of the Company appointed as the Chairman of the Board from time to time.
<b>Code</b>	means this Corporate Code of Conduct.
<b>Company</b>	means Benjamin Hornigold Ltd ACN 614 854 045.
<b>Company Secretary</b>	means the person appointed as company secretary of the Company.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Listing Rules</b>	means the listing rules of the ASX.
<b>Senior Executives</b>	means the senior management team (excluding Board members), from time to time, being those engaged who have the opportunity to materially influence the integrity, strategy and operation of the Company, and its financial performance. At the date of this Report the Company has nil senior executives.
<b>Shareholders</b>	means Shareholders of the Company.