



Code of conduct for directors and senior executives

QANTM Intellectual Property Limited ACN 612 441 326
(Company)

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Code of conduct for directors and senior executives

QANTM Intellectual Property Limited

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Code of conduct for directors and senior executives

1. Introduction

- 1.1 The Company and its predecessors have been committed and will continue to be committed to maintaining the highest ethical standards in the conduct of its business activities. The reputation of the Company is important to its ongoing success and so this Code outlines the standards of conduct expected of our business and people, taking into account the Company's legal and other obligations to its stakeholders. This code of conduct applies to:
- (a) the directors of QANTM Intellectual Property Limited ACN 612 441 326 (**Company**), including the CEO and Managing Director;
 - (b) the chief financial officer of the Company; and
 - (c) any other employee or officer of the Company and its related bodies corporate (**Group**) who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of the Group.
- 1.2 In this code of conduct, **Senior Executive** includes the CEO and Managing Director and chief financial officer and any person referred to in paragraph 1.1, including any principal of a legal, patent or trade mark practice owned or operated by the Company.

2. Purpose

As well as the legal and equitable duties owed by Senior Executives, the purpose of this code of conduct is to:

- (a) articulate the high standards of honesty, integrity, ethical and law-abiding behaviour expected of Senior Executives;
- (b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors);
- (c) guide Senior Executives as to the practices thought necessary to maintain confidence in the Group's integrity; and
- (d) set out the responsibility and accountability of Senior Executives to report and investigate any reported violations of this code or unethical or unlawful behaviour.

3. Honesty and integrity

The Company expects each Senior Executive to:

- (a) observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:
 - (i) performing their duties; and
 - (ii) dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other adviser of the Group;
- (b) foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees of the Company;
- (c) act in the best interests of the Company;
- (d) not knowingly participate in any illegal or unethical activity;
- (e) not enter into any arrangement or participate in any activity that would conflict with the Company's best interests or that would be likely to negatively affect the Company's reputation;

- (f) not take advantage of the property or information of the Company or its customers or clients for personal gain or to cause detriment to the Company or its customers or clients; and
- (g) not take advantage of their position or opportunities for personal gain.

4. Conflicts of interest or duty

4.1 Each Senior Executive must be aware of potential conflicts between (directly or indirectly):

- (a) on the one hand:
 - (i) the interests of the Group; or
 - (ii) their duties to the Group; and
- (b) on the other hand:
 - (i) their personal or external business interests; or
 - (ii) their duties to any third party.

4.2 Each Senior Executive must avoid placing himself or herself in a position that may lead to:

- (a) an actual or a potential conflict of interest or duty; or
- (b) a reasonable perception of an actual or potential conflict of interest or duty.

4.3 Each Senior Executive must:

- (a) fully and frankly inform the board of directors of the Company (**Board**) of any personal or external business interest that may lead to:
 - (i) an actual or potential conflict of interest or duty; or
 - (ii) a reasonable perception of an actual or a potential conflict of interest of duty; and
- (b) obtain and follow any independent legal advice obtained to avoid or resolve any actual, potential or perceived conflict of interest or duty.

4.4 Each director must:

- (a) leave the room when the Board considers any matter in which the director has or may have a conflict of interest or duty; and
- (b) comply with the *Corporations Act 2001* (Cth) and the Company's constitution in relation to the disclosing material personal interests and restrictions on voting by directors.

4.5 Each non-executive director must inform the chairperson of the Board of:

- (a) any existing directorship or other office held by the director in another entity outside the Group; and
- (b) any proposed appointment as a director or Senior Executive of another entity outside the Group before accepting the appointment.

5. Bribes and other unlawful or unethical payments or inducements

5.1 Senior Executives must comply with and uphold all laws against bribery, corruption and related conduct applying to the Group in all the jurisdictions in which the Group operates.

5.2 Senior Executives may not offer secret commissions or bribes to further the Group's interests. Facilitation payments are also prohibited as they may breach anti-bribery laws.

5.3 Senior Executives and employees may not accept any money or opportunity or other benefit which could be interpreted as an inducement, secret commission or bribe. Care must be exercised in accepting hospitality, entertainment or gifts over and above that required for the normal conduct of business or which may compromise impartiality. Any gift, entertainment or other personal favour or assistance given or received which has a value in excess of an amount

determined and announced by the Board must be approved by the CEO and Managing Director (or the chief financial officer in his or her absence) and entered into a gifts register maintained by the Company Secretary. Any gift not declared may be viewed as a bribe.

- 5.4 No Senior Executive or employee of the Company may offer a bribe to a government official. This is prohibited under Australian law and the laws of most countries. A contravention of anti-bribery legislation has serious consequences, such as imprisonment or fines.

6. Corporate opportunities

- 6.1 Senior Executives must not improperly use their position, property or information acquired through their position for personal gain or gain of an associate or to compete with or harm the Group.
- 6.2 Senior Executives may not use the words 'QANTM Intellectual Property Limited ACN 612 441 326' (or any combination of those words) or any other business name or trademark used by the Group for a personal or external business transaction.
- 6.3 Senior Executives must keep their personal or external business dealings separate from the Group's business dealings.
- 6.4 Senior Executives must only use goods, services and facilities received from the Group in accordance with the terms on which they are given.
- 6.5 Senior Executives must not accept any improper gift from the Group's existing or potential customers or suppliers. Senior Executives must immediately report any gifts received to the CEO and Managing Director.

7. Confidentiality

- 7.1 Any information acquired by a Senior Executive while performing their duties is confidential information of the Group and must be kept confidential. A Senior Executive must not disclose the information to a third party except where that disclosure is:
- (a) authorised by the Board; or
 - (b) required by law or a regulatory body (including a relevant stock exchange).
- 7.2 The existence and details of any Board and management information, discussions, and decisions that are not publicly known and have not been approved by the Board for public release, are confidential information of the Group and subject to paragraph 7.1.
- 7.3 Each Senior Executive's obligations of confidentiality continue after he or she leaves the Group.

8. Fair dealing

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

9. Protection and proper use of assets

- 9.1 The Company expects Senior Executives to use all reasonable endeavours to protect any Group asset and to procure its efficient use.
- 9.2 Senior Executives may only use a Group asset (for example, a product, vehicle, computer or money) for legitimate business purposes or other purposes approved by the Board.
- 9.3 Senior Executives must immediately report any suspected fraud or theft of a Group asset to their immediate supervisor, the CEO and Managing Director or the chairperson of the Board for investigation.

10. Compliance with laws, regulations, policies and procedures

Each Senior Executive must:

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

11. Reporting of unlawful and unethical behaviour

11.1 The Company expects each Senior Executive to:

- (a) report promptly and in good faith any actual or suspected violation of the standards, requirements or expectations set out in this code of conduct or the corporate code of conduct; and
- (b) encourage other officers or employees to do the same.

11.2 A Senior Executive may use their own judgment in deciding to whom to report any violation or behaviour referred to in paragraph 11.1, however:

- (a) directors are encouraged to report to the chairperson of the Board or another director; and
- (b) other Senior Executives are encouraged to report to their immediate supervisor, the CEO and Managing Director or the chairperson of the Board.

Other employees and officers are encouraged to report to their immediate supervisor or to the CEO and Managing Director.

11.3 If an employee or officer reports, in good faith, any violation or behaviour referred to in paragraph 11.2, each Senior Executive must procure that:

- (a) the reporting person's position is protected;
- (b) the reporting person's identity is only disclosed with their consent, except where disclosure is required by law; and
- (c) no disciplinary, discriminatory or other adverse action is taken or tolerated against the reporting person for reporting the violation.

11.4 A Senior Executive who receives a report of any violation or behaviour referred to in paragraph 11.2 must procure:

- (a) the alleged violation or behaviour is thoroughly investigated;
- (b) rules of natural justice are observed in the investigation; and
- (c) appropriate disciplinary action is taken if the allegation is substantiated.

12. Discrimination, bullying, harassment and vilification

Discrimination, bullying, harassment or vilification in the workplace will not be tolerated by the Company. Any such conduct will be dealt with in accordance with Company policies and the law.

13. Whistleblower protection

- 13.1 All Senior Executives and employees are encouraged to report any actual or suspected unethical behaviour, including excess waste or breach of the Company's codes and policies, to the CEO and Managing Director, chief financial officer or chairperson of the Board. Matters raised will be investigated promptly.
- 13.2 The Company is committed to ensuring that concerns are raised confidentially in good faith without being disadvantaged in any way to the extent that the law permits

14. Breach of this code

- 14.1 Compliance with this code will be monitored and any known or suspected breaches of this code will be investigated.
- 14.2 If a breach is found to have occurred, legal or disciplinary action may be taken including termination of employment.

15. Approved and adopted

This code of conduct has been approved and adopted by the Board.

Date Approved: 12 July 2016