



CODE OF CONDUCT FOR DIRECTORS AND KEY EXECUTIVES

The Board has adopted a Code of Conduct for Directors & key executives to promote ethical & responsible decision making. The code is based on a code of conduct prepared by the Australian Institute of Company Directors.

In accordance with legal requirements & agreed ethical standards, Directors & key executives of the Company:

- will act honestly, in good faith & in the best interests of the whole Company;*
- owe a fiduciary duty to the Company as a whole;
- have a duty to use due care & diligence in fulfilling the functions of office & exercising the powers attached to that office;*
- will undertake diligent analysis of all proposals placed before the Board;
- will act with a level of skill expected from Directors & key executives of a publicly listed company;
- will use the powers of office for a proper purpose, in the best interests of the Company as a whole;*
- will demonstrate commercial reasonableness in decision making;
- will not make improper use of information acquired as Directors & key executives;*
- will not disclose non-public information except where disclosure is authorised or legally mandated;†
- will keep confidential, information received in the course of the exercise of their duties & such information remains the property of the Company from which it was obtained & it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided, or is required by law;*
- will not take improper advantage of the position of Director* or use the position for personal gain or to compete with the Company;†
- will not take advantage of Company property or use such property for personal gain or to compete with the Company; †
- will protect & ensure the efficient use of the Company's assets for legitimate business purposes; †
- will not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company;*
- have an obligation to be independent in judgment & actions, & Directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;*
- will make reasonable enquiries to ensure that the Company is operating efficiently, effectively & legally towards achieving its goals;
- will not engage in conduct likely to bring discredit upon the Company;*



- will encourage fair dealing by all employees with the Company's suppliers, competitors & other employees;[†]
- will encourage the reporting of unlawful/unethical behaviour & actively promote ethical behaviour & protection for those who report violations in good faith;[†]
- will give their specific expertise generously to the Company;
- have an obligation, at all times, to comply with the spirit, as well as the letter of the law & with the principles of this Code;^{*} and
- A Director must recognise that the primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interest of all stakeholders of the Company.

(*From the *AICD Code of Conduct*)

([†]From the ASX Corporate Governance Council's *Principles of Good Corporate Governance*)

This Policy was updated by Hexagon Resources Limited on 03 August 2018.