Blue Sky Alternative Investments Limited

ACN 136 866 236

Code of Conduct

Approved and adopted by the Board on 23 September 2011, effective 6 October 2011

This Policy was reviewed and adopted by the Board on 25 July 2016
1. Introduction

1.1 Blue Sky Alternative Investments Limited (‘Company’) is a public company which is listed on the Australian Securities Exchange (‘ASX’).

1.2 The reputation of the Company and its subsidiaries (‘Group’) in the business world and broader community is of fundamental importance to the Company. Its reputation can only be protected and enhanced by the directors of the Company (‘Directors’), the Senior Executive Team and employees consistently maintaining the highest standards of integrity and honesty.

1.3 This Code of Conduct provides the framework that ensures that Directors, the Senior Executive Team and employees engage in practices necessary to maintain confidence in the Group’s integrity.

1.4 The Company is committed to its objective of maximising returns to Shareholders. It can achieve this objective by striving for professional excellence whilst operating within the framework of behaviour provided by this Code of Conduct.

1.5 In all situations, including those not covered by this Code of Conduct, it is the duty of each Director, member of the Senior Executive Team and employee to act ethically and within the law.

1.6 A reference to a Director, Senior Executive Team member or employee must be read to include a reference to their associates or associated entities where the context allows.

1.7 A reference to the Board includes any person to whom the Board has delegated authority to deal with a matter.

2. Responsibilities under this Code of Conduct

The Board of Directors of the Company (‘Board’) has determined that this Code of Conduct shall apply to all Directors, members of the Senior Executive Team and employees of the Group. These persons are responsible for conducting themselves in accordance with this Code of Conduct. In particular, they must behave in a manner consistent with the Company’s core values of:

2.1 abiding by the law and complying with any relevant legislation, regulations and accounting practices;

2.2 acting honestly, diligently and with integrity;

2.3 dealing fairly, without prejudice and in the best interests of the Company’s shareholders having regard to the interests of the Group’s other stakeholders and the broader community; and

2.4 complying with the Board Charter and all relevant Committee Charters, Codes of Conduct and Policies (including the Securities Trading Policy).

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1 The Senior Executive Team refers to the senior management team as distinct from the Board, being those who have the opportunity to materially influence the integrity, strategy and operation of the Group and its financial performance.

2 An ‘Associated Entity’ is as defined in section 50AAA of the Corporations Act 2001 (Cth).
3. **Honesty and integrity**

The Company expects Directors, Senior Executive Team members and employees to:

3.1 observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:

3.1.1 performing their duties; and

3.1.2 dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other adviser of the Group; and

3.2 foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

4. **Conflicts of interest or duty**

4.1 Each Director, Senior Executive Team member and employee must be aware of potential conflicts between (directly or indirectly):

4.1.1 on the one hand:

(a) the interests of the Group; or

(b) their duties to the Group; and

4.1.2 on the other hand:

(a) either personal or external business interests; or

(b) their duties to any third party.

4.2 Each Director, Senior Executive Team member and employee must avoid placing himself or herself in a position that may lead to:

4.2.1 an actual or a potential conflict of interest or duty; or

4.2.2 a reasonable perception of an actual or potential conflict of interest or duty.

4.3 Each Director, Senior Executive Team member or employee must:

4.3.1 fully and frankly inform the Board of any personal or external business interest that may lead to:

(a) an actual or potential conflict of interest or duty; or

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

4.3.2 obtain and follow independent legal advice to avoid or resolve any actual, potential or perceived conflict of interest or duty.

4.4 Each Director must:

4.4.1 leave the room when the board considers any matter in which the Director has or may have a conflict of interest or duty; and

4.4.2 comply with the *Corporations Act* 2001 (Cth) and the Company's
Constitution and all other relevant Board Charters in relation to the disclosure of material personal interests and restrictions on voting by Directors.

4.5 Each Non-Executive Director must inform the Chairperson of the Board of:

4.5.1 any existing directorship or other office held by the Director in another entity, and

4.5.2 any proposed appointment as a Director or Senior Executive of another entity before accepting the appointment.

5. Corporate opportunities

Each Director, Senior Executive Team member and employee:

5.1 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;

5.2 may not use the words used for company product names or any other business name or trademark used by the Group for a personal or external business transaction;

5.3 must keep their personal or external business dealings separate from the Group's business dealings;

5.4 must only use goods, services and facilities received from the Group in accordance with the terms on which they are given; and

5.5 must not accept any improper gift from the Group's existing or potential customers or suppliers.

6. Insider trading prohibition

6.1 If a Director, Senior Executive Team member or employee has access to price sensitive information relating to any publicly listed entities (including the Company) which has not been disclosed to the market or is not otherwise generally available, it acknowledges and agrees that is illegal to:

6.1.1 trade in those securities;

6.1.2 advise, procure or encourage another person (such as a friend or family member) to trade in those securities; or

6.1.3 communicate that information to another person who they know, or ought reasonably to know, would, or would be likely to, trade in those securities (whether themselves or through others).

6.2 Examples of information concerning publicly listed entities which may be price sensitive include:

6.2.1 a material change to profit forecasts;

6.2.2 details of proposed share issues;

6.2.3 borrowing or other financing arrangements;
6.2.4 involvement in material takeovers, acquisitions or asset sales; and

6.2.5 significant changes in operations.

6.3 Insider trading is a serious criminal offence, which also carries civil penalties in addition to the penalties that may be imposed by the Group for breach of this Code of Conduct.

7. Confidentiality and privacy

7.1 Any information acquired by a Director, Senior Executive Team member or employee while performing their duties is confidential information of the Group and must be kept confidential. The information must not be disclosed to a third party except where that disclosure is:

7.1.1 authorised by the Board; or

7.1.2 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 Company and subject to paragraph 7.1.

7.3 Each Director's, Senior Executive Team member's and employee's obligations of confidentiality continue after he or she leaves the Group.

7.4 Personal information collected by the Company and made available to any Director, Senior Executive Team member and employee must be treated in accordance with applicable laws and the Company's Privacy Policy.

8. Fair dealing

8.1 The Company expects each Director, Senior Executive Team member and employee to:

8.1.1 deal fairly with any officer, employee, shareholder, customer, supplier, competitor, auditor, lawyer or other adviser of the Company; and

8.1.2 encourage other employees and officers to do the same.

8.2 Directors, Senior Executive Team members and employees shall not take unfair advantage of any officer, employee, customer, supplier, competitor, auditor, lawyer or other adviser of the company 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 each Director, Senior Executive Team member and employee to use all reasonable endeavors to protect any Group asset and to ensure its efficient use.

9.2 Directors, Senior Executive Team members and employees 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 Each Director, Senior Executive Team member and employee must immediately report any suspected fraud or theft of a Group asset for investigation.

10. **Compliance with laws, regulations, policies and procedures**

   Each Director, Senior Executive Team member and employee must:

   10.1 comply with the letter and spirit of any applicable law, rule or regulation of the Commonwealth of Australia;

   10.2 comply with the protocols, policies and procedures of the Group, including this Code of Conduct; and

   10.3 encourage other officers and employees to do the same.

11. **Employment practices**

   The Company is an equal opportunity employer and provides a workplace which is free of any form of discrimination of its employees.

12. **Community**

   The Company takes pride in its reputation in the community and supports certain charitable causes approved by the Board.

13. **Breaches of this Code of Conduct**

   13.1 It is the duty of all Directors, Senior Executive Team members and employees to report any breaches of this Code of Conduct or any unethical or unlawful behaviour.

   13.2 Senior Executive Team members and employees should report any breaches or potential breaches promptly to the Company Secretary or the Managing Director. Directors should report to the Chairperson of the Board.

   13.3 Any breaches reported will then be investigated and appropriate action taken.

   13.4 Any person reporting a potential breach in good faith will be protected against any retaliation, victimisation or intimidation.

14. **Review**

   This Code of Conduct will be reviewed by the Board on an annual basis having regards to any change in the applicable law, rule or regulation.

15. **ASX Corporate Governance Principles**

   This Code of Conduct is consistent with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (3rd Edition) 3.

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3 *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition)* principle 3.1.