



## **Code of Conduct**

**1300SMILES and its subsidiaries**

**(the “Company”)**

**Adopted 1 July 2016**

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### **Commitment to the Code of Conduct**

It is the policy of the Company that all directors, officers and employees (referred to collectively as “colleagues”) of the Company shall, to the best of their knowledge and ability, adhere to, comply with and advocate the principles set out in this Code of Conduct (the “Code”) governing their professional and ethical conduct in the fulfilment of their responsibilities to each other, with customers, suppliers, government authorities, and the wider community. The Company is committed to be a leader in its field while operating openly, with honesty, integrity and responsibility and maintaining a strong sense of corporate social responsibility.

### **Purpose**

The purposes of the Code are to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, regulatory and other agencies as well as in other public communications made by the Company;
- Promote compliance with applicable governmental laws, rules and regulations;
- Promote the prompt internal reporting of violations of the Code to appropriate persons of authority within the Company;
- Promote a collegial work environment where individuals are treated with respect and professional behaviour is fostered; and
- Promote accountability for adherence to the Code.

The Code embodies principles to which all directors, officers, employees, agents and consultants are expected to adhere and that all directors, officers and employees are expected to advocate. Any violations of the Code may result in disciplinary action, up to and including termination or removal, as applicable.

The Code cannot address every possible circumstance in which the Company’s employees, agents and consultants might find themselves. However, it is intended that individuals should be mindful of the Code in relation to the judgments which they will be called upon to make.

### **General Principles of Conduct**

All directors, officers and employees of the Company will:

- Act with honesty and integrity, avoiding actual or apparent conflicts between personal and private interests and the interests of the Company, including refraining from receiving improper personal benefits as a result of holding a particular position with the Company;
- Not solicit or accept, for personal or other benefit, business or similar opportunities that could reasonably be expected to otherwise accrue to the benefit of the Company;
- Use corporate assets entrusted to them in a responsible manner and refrain from competing directly or indirectly with the Company or using corporate information or opportunities for personal gain;

- Endeavour to comply with applicable laws and regulations of federal, state, local and foreign governments and government agencies having jurisdiction over the Company, and with applicable regulations of private or self-regulatory authorities having jurisdiction over the Company;
- Act in good faith, responsibly with due care and diligence and without misrepresentation or omission of material facts, and strive to maintain independent judgment in the performance and fulfilment of their duties and responsibilities;
- Promote ethical behaviour among subordinates and peers at the Company;
- Act in a professional manner treating colleagues with respect, listening to opposing points of view and working in a collaborative manner to create a positive and collegial working environment;
- Respect the confidentiality of information acquired or obtained in the course of performance of their responsibilities, never use confidential information for personal advantage and disclose confidential information of the Company or third parties only when such disclosure is legally required or is otherwise authorised;
- Not fraudulently influence, coerce, manipulate or mislead any auditor engaged in the performance of an audit for the purpose of rendering the financial statements materially misleading; and
- Comply with other policies and procedures of the Company applicable to their positions and employment.

#### **Employment Practices**

The Company will:

- Provide a workplace that is safe for employees and that complies with the spirit as well as the letter of work health and safety laws;
- Promote equal opportunity for all employees at all levels and to all qualified individuals regardless of, amongst other things, sex, race or religion in recruitment;
- Compensate all employees in a fair and ethical manner;
- Encourage employee share ownership;
- Provide opportunities for employee training and education both through the provision of training and the support of employees pursuing further education outside of the Company;
- Recognise the need, from time to time, to give or accept customary business courtesies in accordance with ethical business practices, however, employees will not solicit such courtesies and will not accept gifts, services, benefits or hospitality that might influence, or appear to influence, the employee's conduct in representing the Company; and
- Seek to avoid conflicts of interest so that an employee's interests, or the interests of a family member of the employee, do not affect the way he or she handles the Company's business.

The Company will not tolerate:

- The offering or accepting of bribes, inducements or unauthorised commissions by any of its employees or officers;
- The misuse of Company assets or resources and employees will not use such assets or resources for their own benefit; and
- Employees being under the influence of illegal drugs or alcohol while on Company premises or while at work off Company premises.

## **RESPONSIBILITIES TO THE COMMUNITY**

### **The Environment**

The Company is committed to conducting its business in accordance with the spirit and letter of all applicable environmental laws and regulations. All employees are to have regard for the environment when carrying out their duties.

### **Good Corporate Behaviour and Fair Dealing**

The Company strives to foster a collegial work environment that encourages professionalism and the respect of individuals. Colleagues shall treat one another with respect and in a professional manner. The Company prohibits harassment of one colleague by another colleague, supervisor or third party for any reason. Harassment of third parties by our colleagues is also prohibited.

All colleagues shall deal fairly with all stakeholders of the Company. Stakeholders may include, but not be limited to, other employees, consultants, vendors, competitors and members of the public. In determining whether the dealing is fair, the following considerations can serve as a guide:

- Is it fair to all concerned?
- Is it the right thing to do?
- Will the behaviour build good relationships?
- Will the behaviour produce positive relationships?

### **Compliance with Laws Relating to our Business**

As a company we are firmly committed to compliance with all applicable state, local, federal and foreign laws, rules and regulations.

Compliance is a shared responsibility between the Company and its colleagues. Colleagues should be familiar with appropriate compliance laws and regulations to the extent necessary or appropriate to perform their job function. While every job function is responsible for compliance with relevant laws and regulations, there are some areas that may pose a heightened risk of potential criminal or other unlawful or unethical activities. Some of these areas concern all of the Company's colleagues and others relate only to those employees who work in certain departments or specialised areas. Every employee is expected to be generally knowledgeable about, and to comply with, the laws and regulations relevant to their activities. Employees directly involved in the Company's sales and marketing activities should pay particular attention to their activities to ensure that they are in compliance with the relevant laws and regulations. Similarly, employees dealing with the regulatory authorities need to ensure compliance with relevant laws and regulations to ensure that accurate information is being provided to the state and/or federal agencies.

If you are unaware or uncertain about relevant laws or regulations, you should seek advice from your supervisor or the Legal Department regarding relevant laws, regulations and policies.

#### **Protection of Assets**

It is the duty of all colleagues to protect Company assets. Assets include but are not limited to goodwill, brand names and intellectual property. Protecting assets includes ensuring the efficient use for the Company for legitimate business purposes.

#### **Securities Trading**

The Board has developed a code of conduct for trading in the Company's securities entitled Share Trading Policy. This policy can be found on the Company's website.

#### **Conflicts of Interest**

It is the duty of all colleagues to recognise and avoid circumstances where they have a personal interest, particularly a financial interest that competes or conflicts with the interests of the Company. All colleagues have a duty to identify, recognise and avoid such conflicts. Additionally, colleagues must avoid the appearance of a conflict of interest.

Employees and officers of the Company should not accept gifts or financial inducements that are offered to them by any person in the course of their employment.

#### **Corporate Opportunities**

It is the duty of all colleagues to recognise and avoid circumstances where an opportunity which comes to their attention by virtue of their employment with the Company or which arises incidental to their employment with the Company to reserve the financial benefits to those opportunity for the Company.

#### **Confidentiality**

All information that comes into the possession of any colleague by virtue of, or incidental to, their employment with the Company shall be regarded as and treated with the strictest confidence. Further, any information that is communicated to any colleague during the course of their employment by a third party under an obligation of confidentiality whether on the Company or the colleague shall not be provided or disclosed to any third party until and unless that obligation of confidentiality is released or expires.

#### **Specific Issues Related to Quality Assurance and/or Auditing**

It is inappropriate and in some cases illegal to falsify or improperly influence any audit report involving the Company or its vendors. Accurate reporting is critical to maintain regulatory compliance with third party vendors, manufacturing and testing facilities, as well as suppliers, warehouse facilities or distributors. Further, offering any form of bribe or improper compensation to an auditor or person acting in an official reporting capacity will not be condoned by the Company.

#### **Responsibilities to Shareholders and the Financial Community Generally**

The Company is committed to delivering value to its shareholders and to representing the Company's growth and progress truthfully and accurately. The Company also complies with the spirit as well as the letter of all laws and regulations that govern shareholders' rights. The Company is committed to

safeguarding the integrity of financial reporting and as such will openly promote and instigate a structure of review and authorisation designed to ensure the truthful and factual presentation of the Company's financial position. The Company will prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards that represent the generally accepted guidelines, principles, standards, laws and regulations.

#### **Specific Issues Related to Advertising, Marketing and Third Party Communications**

The Company is committed to complying with legal and regulatory requirements and professional standards for the discussion, advertising and promotion of its products. This includes ensuring that our statements are truthful, not misleading and consistent with the general principles set forth above.

As a matter of compliance, all Company product discussions, advertising and marketing must be accurate and must disclose all material information about the product's benefits and risks.

#### **Reporting Violations of this Code**

It is the duty of each director, officer and employee of the Company to report violations of the Code promptly. If you have a concern regarding any violations of this Code, you can report those concerns to the Managing Director or Board, as appropriate. If you are uncertain as to the appropriate way to report a concern, or whether your concern should be reported, please consult your supervisor or the Company Secretary.

#### **Discrimination, Retaliation or Harassment**

The Company strictly prohibits any discrimination, retaliation or harassment against any person who reports incidents of questionable or actual misconduct based on the person's reasonable belief that such misconduct occurred. The Company also strictly prohibits any discrimination, retaliation or harassment against any person who participates in an investigation of complaints of misconduct.

#### **Modification**

The Board can modify this Code unilaterally at any time. Modification may be necessary, among other reasons, to maintain compliance with applicable laws or stock exchange listing criteria and/or to accommodate organisational changes within the Company.

#### **Publication of this Code**

The Company shall place a copy of this Code on the Company's website.

#### **How the Company Monitors and Ensures Compliance with this Code**

The Board, management and all employees of the Company are committed to implementing this Code. Therefore, it is up to each individual to comply with this Code and they will be accountable for such compliance. Where an employee is concerned that there has been a violation of this Code, it can be reported in good faith. While a record of such reports will be kept by the Company for the purposes

of the investigation, the report may be made anonymously. No one making such a report in good faith will be subject to any form of retribution.

The disciplinary measures that may be imposed for violations of this Code include, but are not limited to, counselling, verbal or written reprimands, warnings, suspension without pay, demotion and/or, termination of employment.