



Code of conduct for directors

Ellerston Asian Investments Limited ACN 606 683 729
(Company)

Code of conduct for directors

1. Introduction

1.1 This code of conduct applies to the directors of the Company.

2. Purpose

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

- (a) articulate the high standards of honest integrity, ethical and law-abiding behaviour expected of directors;
- (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 directors as to the practices thought necessary to maintain confidence in the Company's integrity; and
- (d) set out the responsibility and accountability of directors to report and investigate any reported violations of this code or unethical or unlawful behaviour.

3. Honesty and integrity

3.1 The Company expects each director to observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:

- (a) performing their duties; and
- (b) dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other adviser of the Company.

4. Conflicts of interest or duty

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

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

4.2 Each director 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.

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- 4.3 Each director 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 independent legal advice 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 disclosing material personal interests and restrictions on voting by directors.
- 4.5 Each 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 Company; and
 - (b) any proposed appointment as a director of another entity outside the Company before accepting the appointment.

5. Corporate opportunities

- 5.1 A director 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 Company.
- 5.2 A director may not use the words 'Ellerston Asian Investments Limited' (or any combination of those words) or any other business name or trademark used by the Company for a personal or external business transaction other than through any interest that the director has (directly or indirectly) in the Company's investment manager, Ellerston Capital Limited ACN 110 397 674 (**Manager**).
- 5.3 Each director must keep their personal or external business dealings separate from the Company's business dealings.
- 5.4 A director must only use goods, services and facilities received from the Company in accordance with the terms on which they are given.
- 5.5 A director must not accept any improper gift from the Company's existing or potential customers or suppliers.

6. Confidentiality

- 6.1 Any information acquired by a director while performing their duties is confidential information of the Company and must be kept confidential. A director 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 financial market).

6.2 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 are subject to paragraph 6.1.

6.3 Each director's obligations of confidentiality continue after he or she leaves the Company.

7. Fair dealing

7.1 The Company expects each director to:

- (a) deal fairly with any officer, employee, shareholder, customer, supplier, competitor, auditor, lawyer or other adviser of the Company; and
- (b) encourage other employees and officers to do the same.

7.2 A director must 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.

8. Protection and proper use of assets

8.1 The Company expects each director to use all reasonable endeavours to protect any Company asset and to ensure its efficient use.

8.2 A director may only use a Company asset (for example, a product, vehicle, computer or money) for legitimate business purposes or other purposes approved by the Board.

8.3 Each director must immediately report any suspected fraud or theft of a Company asset for investigation.

9. Compliance with laws, regulations, policies and procedures

9.1 Each director 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 Company; and
- (c) encourage other officers and employees to do the same.

10. Reporting of unlawful and unethical behaviour

10.1 The Company expects each director to:

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

10.2 A director may use their own judgement in deciding to whom to report any violation or behaviour referred to in paragraph 10.1, however directors are encouraged to report to the chairperson of the Board or another director.

11. Investment Manager

11.1 The Company must obtain assurances from the Manager that the Manager has adopted an appropriate code of conduct which applies to its employees and directors.

12. Approved and adopted

12.1 This code of conduct was approved and adopted by the Board on 27 July 2015.