



# CODE OF CONDUCT

FARMAFORCE LIMITED

ACN 167 748 843

DATED

**20<sup>th</sup> July, 2015**

## **FARMAFORCE LIMITED ACN 167 748 843 CODE OF CONDUCT**

The Code of Conduct (the **Code**) clearly states the standards of responsibility and ethical conduct expected of you as a director or employee of the Farmaforce Limited ACN 160 238 282 (**Company**). It applies to all directors and employees who are geographically located in Australia.

The Company is committed to honesty and integrity in all its dealings, including its dealing with key stakeholders and the broader community. Importantly, the Company is committed to ensuring that the highest quality of service is provided to its clients at all times. The purpose of this Code is to assist all persons involved in the Company's business in fulfilling these objectives and ensures that our professional standing and integrity is maintained at all times.

### **Purpose of this Code**

This Code sets out the ethical standards, values and policies of the Company and provides a framework to guide compliance with legal and other obligations to stakeholders. The board of directors of the Company ("Board") and senior executives believe that the Company's commitment to this Code will maintain the confidence of the Company's key stakeholders.

### **Application of this Code**

This Code applies to all directors, officers, senior management, employees, contractors, consultants and associates of the Company. It is absolutely essential that all become familiar with the Code, which is available on the Company's website. The Company also expects you to abide by all laws, regulations and standards, and to conduct yourself in a manner that is consistent with the highest ethical and moral standards in all your dealings with or on behalf of the Company.

If you become aware of a serious breach of the Code, you have a duty to speak up and bring it to the attention of the Chair of the Audit and Risk Committee, the Company secretary or the Company's auditors. We are all responsible for ensuring compliance with our Code of Conduct. This Code charges you with the responsibility to report unethical conduct.

**George Elias**  
Chairman  
Farmaforce Limited

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## **1. Introduction**

- 1.1 The Company is committed to maintaining ethical standards in the conduct of its business activities. The Company's reputation as an ethical business organisation is important to its ongoing success. The Company expects all its directors, officers, senior management and employees to be familiar with and have a personal commitment to meeting these standards. These standards go beyond mere compliance with laws and regulations. They also embrace the values which are essential to the Company's continued success.
- 1.2 The Code requires directors, officers, senior management, employees and, where relevant and to the extent possible, contractors of the Company to adhere to the law and various policies of the Company referred to in this Code. The standards set out in this Code cannot, and do not try to, anticipate every situation which may pose a legal, ethical or moral issue. Therefore, the Code is not a prescriptive set of rules for business behaviour, but rather a practical set of principles giving direction and reflecting the Company's approach to business conduct.
- 1.3 Directors, officers, senior management and employees need to exercise sound judgment when evaluating an issue of business conduct. If they are in any doubt, directors, officers, senior management and employees should seek advice before taking any action which may compromise themselves or the Company.

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## **2. Responsibility to the Community**

- 2.1.1 The Company will recognise, consider and respect environmental issues which arise in relation to the Company's activities and comply with all the relevant legal requirements.

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## **3. Responsibility to the Individual**

- 3.1.1 The Company recognises and respects the rights of individuals and will aim to comply with the relevant legal requirements in relation to privileges and private and confidential information.

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## **4. The Company's Business Ethics**

### **4.1 Openness, honesty, fairness and integrity and in the best interests of the Company**

- 4.1.1 The Company's directors, officers, senior management and employees must conduct themselves with openness, honesty, fairness and integrity, and in the best interest of the Company in all business transactions and in all dealings with others including shareholders, employees, joint venture partners, suppliers, creditors, financiers, the financial markets, governments and the general public.
- 4.1.2 This means that directors, officers, senior management and employees:
- (a) must not make promises or commitments which to their knowledge the Company is unable to, or does not intend to, honour;

- (b) must ensure that all business decisions with clients and suppliers are made solely on sound commercial grounds having regard to the quality, price and service;
- (c) must not use the Company's name or their position for personal gain or in competition with the Company;
- (d) must act with due care and diligence in fulfilling the functions of their office or employment; and
- (e) should not engage in conduct which is likely to bring discredit upon the Company.

## **4.2 Financial and other inducements**

- 4.2.1 Offering a bribe to a government official and the receipt of a bribe by a government official is prohibited under Australian law and the laws of most countries. Australia is a signatory to the OECD Convention Combating Bribery of Foreign Public Official in International Business Transactions and have enacted legislation prohibiting the offering of anything of value to foreign public officials which enables each country to prosecute its citizens and corporations for the bribery of public officials in other countries.
- 4.2.2 A contravention of anti-bribery legislation has serious consequences, such as imprisonment or fines.
- 4.2.3 The Company's directors, officers, senior management and employees are not to participate in any of the above practices.

## **4.3 Obligations Relative to Fair Trading and Dealing**

- 4.3.1 The Company will deal with others in a way that is fair and will not engage in deceptive practices.

## **4.4 Mutual respect**

- 4.4.1 The Company's directors, officers, senior management and employees are expected to treat each other, joint venture partners, clients, shareholders and anyone else with whom they interact in their work, with courtesy and respect.

## **4.5 Ethical conduct**

- 4.5.1 The Company's directors, officers, senior management and employees must act ethically in their approach to business decisions.

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## **5. Code of Conduct for Executives**

- 5.1.1 All Executives will:
  - (a) actively promote the highest standards of ethics and integrity in carrying out their duties for the Company;

- (b) disclose any actual or perceived conflicts of interest of a direct or indirect nature of which they become aware and which they believe could compromise in any way the reputation or performance of the Company;
- (c) respect confidentiality of all information of a confidential nature which is acquired in the course of the Company's business and not disclose or make improper use of such confidential information to any person unless specific authorisation is given for disclosure or disclosure is legally mandated;
- (d) deal with the Company's customers, suppliers, competitors and each other with the highest level of honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates;
- (e) protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company and that no property, information or position belonging to the Company or opportunity arising from these are used for personal gain or to compete with the Company; and
- (f) report any breach of this Code of Conduct to the Chairman, who will treat reports made in good faith of such violations with respect and in confidence.

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## **6. Business Conduct**

### **6.1 Compliance with laws and regulations**

- 6.1.1 Directors, officers, senior management and employees must comply with all laws and regulations relating to their business conduct and the Company's operations. This includes being familiar with the duties and responsibilities applying to them under the laws relevant to the Company and in the context of their role in the Company.
- 6.1.2 Any activities carried out by the Company or its directors, officers, senior management or employees outside Australia must comply with the foreign laws which may apply to any activities or operations.
- 6.1.3 All senior managers are required to ensure that they are aware of the legal obligations and requirements that impact their areas of responsibility.
- 6.1.4 Directors, officers, senior management or employees are required to comply with the technical and ethical requirements of any relevant regulatory or professional body, including professional rules and obligations.
- 6.1.5 Directors, officers, senior management or employees must not breach, or omit to do something in breach of, any law or regulation, professional rules and obligations or requirement. All actual or potential breaches must be reported immediately to management, to the Chair of the Audit and Risk Committee, or the Company Secretary.
- 6.1.6 The laws that govern the Company's business activities may be complex. Directors, officer's, senior management and employees are encouraged to contact the Company Secretary if they are unclear about laws or regulations relating to their work.

## 6.2 Trading in Shares

- 6.2.1 The law prohibits dealing in the shares of a company while in possession of inside information. Inside information is information that is not generally available to the public concerning a company's financial position, strategy or operations and any other information which and if it was available, a reasonable person would expect it to have a material impact on a decision to buy or sell a company's securities.
- 6.2.2 In the context of the Company's business activities, directors, officers, senior management or other employees may be in possession of inside information in relation to the Company or another entity.
- 6.2.3 All directors, officers, senior management or other employees must not (or cause another person to) trade in the Company shares or the shares of any other entity to which the information relates on the basis of inside information or pass inside information onto someone who might use that inside information to trade in the Company's shares or that of any other entity to which the information relates.
- 6.2.4 A breach of insider trading provisions may result in criminal prosecution.
- 6.2.5 Any trading of the Company shares must be done in accordance with the Company's Securities Trading Policy. If a director, officer, senior management or employee has any doubt, they should contact either the Chief Executive Officer (**CEO**) or the Chairman or the Company Secretary or any other person nominated by the Company from time to time, as appropriate.

## 6.3 Privacy, Confidential information and Intellectual property

- 6.3.1 Directors, officers, senior management and some employees may have access to records which contain information that may be of a personal nature, or that the Company has obtained or developed to assist in the management or operation of the business. This information is private and confidential and may not be disclosed to any unauthorised third party.

### Privacy

- 6.3.2 Personal information is information or an opinion, whether true or not, and whether recorded in material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from that information or opinion.
- 6.3.3 Directors, officers, senior management and employees must respect and maintain the privacy of personal information held by or entrusted to the Company regarding its clients, employees and others. Directors, officers, senior management and employees must comply with the Privacy Act (Cth) 1998.

### Confidential information

- 6.3.4 Confidential information is non-public information, which relates to the affairs of the Company and its employees and clients. It may include the Company's business strategies, marketing and sales plans, competitive analysis, financial plans and forecasts, client or employee information, supplier information and pricing.
- 6.3.5 All directors, officers, senior management and employees are required to keep confidential information acquired while with the Company confidential, even after they leave the Company. The Company's employment contracts and other contracts of engagement have been structured (to the extent provided by law) to protect the Company's confidential information.

- 6.3.6 All directors, officers, senior management and employees must not access or request or make improper use of or transfer or disclose confidential information to anyone else except as required by their position or as authorised by the Company or legally required. If it inadvertently comes into your possession it should be returned immediately.
- 6.3.1 If you are required by an authority to provide confidential information which has not been otherwise authorised, you must notify (where reasonably practicable) the Company secretary before disclosing any such information.

### **Intellectual property**

- 6.3.2 All intellectual property that each director, officer, senior management, employee or contractor generates in relation to the Company and its activities is the property of the Company. Each director, officer and employee is responsible for protecting the Company's intellectual property rights.

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## **7. Communications**

- 7.1 Directors, officers, senior management and employees may not make any public statements or give interviews to the media (whether radio, television or press) about the Company or its affairs, outside of the guidelines articulated in the Communications Strategy.

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## **8. Professional Conduct**

### **8.1 Financial integrity**

- 8.1.1 The Company has stringent financial accounting procedures that are overseen by management, the Audit and Risk Committee and the external auditor. Therefore:
- (a) the use of Company funds or assets for any unethical or illegitimate purpose, including for the advantage of others, or to cause loss to the Company is prohibited. No undisclosed funds or assets of the Company have, or will be, maintained or established for any purpose;
  - (b) no false entries may be made in the books or records of the Company for any reason; and
  - (c) no payment on behalf of the Company may be made or approved on the understanding that it will or might be used for something other than the stated purpose.
- 8.1.2 Directors, officers, senior management and employees must ensure that:
- (a) the Company's financial books, records, reports and statements properly document all assets, liabilities, and revenue; and
  - (b) expenses accurately reflect all transactions of the Company and are retained in accordance with the Company's policies and all applicable laws and regulations.

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## **9. Personal Conduct**

- 9.1 The Company expects its directors, officers, senior management and employees to adhere to the following standards of personal conduct:
- 9.1.1 act honestly, in good faith and in the best interests of the Company as a whole;
  - 9.1.2 exercise their duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment;
  - 9.1.3 recognise that their primary responsibility is to the Company's shareholders as a whole;
  - 9.1.4 attend and undertake their work without being under the influence of drugs or alcohol; and
- 9.2 protect any Company assets under their control and not use them for personal purposes, without the Company's prior approval, except in accordance with any Company policy or approved arrangement. Limited use of Company property (such as computers and telephones) is permitted.

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## **10. Business agreements and contracts**

- 10.1 The Company expects to compete fairly and ethically for all business opportunities. Senior management and employees involved in the negotiation of agreements and contracts must ensure that they act in accordance with the law.
- 10.2 All statements, communications and representations made to clients, suppliers, partners, competitors and others with whom they undertake business transactions, should be accurate and truthful and must not be misleading.
- 10.3 All appropriate approvals must be obtained before contracts are executed.
- 10.4 The Company is committed to meeting all of its contractual obligations. The Company's senior management and employees are expected to know, understand, and honour the terms of the Company's contractual obligations that are relevant to their role.

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## **11. Avoiding or Managing Conflicts of Interest**

- 11.1 All real or apparent conflicts of interests must be avoided, and if they occur, should be disclosed to either the Chair of the Audit and Risk Committee, the Company secretary, the CEO or a supervising manager or any other person nominated by the Company immediately.
- 11.2 A conflict of interest arises when a person may prefer their own interests or the interests of others (such as friends or relatives or a commercial associate) instead of the interests of the Company as a whole. There may be a conflict of interest, in circumstances where you or your family or an associate have personal or commercial interests which may influence you in the performance of your duties and responsibilities so that your loyalties are divided, making it difficult to perform your role objectively and effectively.
- 11.3 Directors, officers, senior management and employees must avoid participating in decisions and activities, which may conflict with their duties and responsibilities to the Company. Directors, officers, senior management and employees must fully and promptly disclose to



the Company any private or other business interests or other matters which may lead to real or apparent conflicts of interest.

- 11.4 If a director, officer, senior manager or employee has any doubt about conflicts of interest, they should contact their manager or Company secretary.

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## **12. Relationships with Others**

- 12.1 The Company is committed to delivering shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and the financial community generally. The Company aims to comply with the systems of control and accountability in place as part of its corporate governance framework in accordance with the ethical standards referred to in this Code.
- 12.2 The Company is committed to providing timely, balanced and readily available information to its shareholders, relevant regulators, other key stakeholders, and the investing community generally. The Company is also committed to open and transparent communication with its shareholders and stakeholders facilitated through its consistent disclosure practices.
- 12.3 The Company is committed to providing timely, balanced and readily available information to its shareholders, relevant regulators, other key stakeholders, and the investing community generally. The Company is also committed to open and transparent communication with its shareholders and stakeholders facilitated through its consistent disclosure practices.
- 12.4 Directors, officers, senior management and employees must fully cooperate with, and not make any false or misleading statement to, or conceal any relevant information from, the Company's auditors.

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## **13. The Company and its Employees**

- 13.1 The Company actively supports the principle of equal employment opportunity regardless of race, religion, national origin, sex, age, physical disability, marital status or sexual orientation and expects its senior management and employees to practise and support this principle.
- 13.2 The Company's policy is to avoid discriminatory practices of any kind and to provide employment and career opportunities strictly on the basis of individual's ability, performance, experience and Company requirements.
- 13.3 The Company believes that every individual has the right to dignity and respect in the workplace. Accordingly, the Company has in place policies that prohibit bullying, personal, physical or sexual harassment in the workplace. Such behaviour is unacceptable regardless of whom the perpetrator is, and may lead to the termination of their employment. The use of any medium (including email or the Internet) to disseminate material which is sexually explicit, defamatory, vulgar, or racist is also prohibited. These policies apply to all directors, officers, senior management and employees of the Company regardless of their position.
- 13.4 The Company is committed to protecting the health and safety of its employees, visitors and the public. The Company expects and requires all its directors, officers, senior management and employees to comply with Occupational Health and Safety laws and Company policies, including their obligation to report any hazardous conditions in the workplace and any workplace incidents or accidents.

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## **14. Compliance**

- 14.1 It is difficult to always ensure compliance with this Code and therefore the cooperation of every person is required. If a director, officer, senior manager or employee suspects that any fraudulent or unethical behaviour has occurred, or is concerned that any conduct by any director, officer or employee may be in breach of applicable laws or this Code, they are required to report any actual or suspected breaches to either the Chair of the Audit and Risk Committee, the Company secretary, the Company's auditors or any other person nominated by the Company.
- 14.2 Details of any concerns and the identity of any persons making the report will be treated confidentially. Any matter reported will be handled promptly and in a manner that ensures the individual is not disadvantaged for reporting their concerns. Employees will receive training on how to comply with the Code on a regular basis.

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## **15. Consequences for Breaching the Code**

- 15.1 The values and policies in this Code are not exhaustive. This Code is designed to focus the Company's directors, officers, senior management and employees on particular values identified by the Company as central to its integrity.
- 15.2 Any breach of compliance with this Code of Conduct is to be reported directly to either the CEO or Chairman or any other person nominated by the Company from time to time, as appropriate.
- 15.3 All suspected breaches of the Code will be thoroughly investigated by the Company. If these investigations reveal breaches of the Code, appropriate disciplinary and remedial action will be taken, depending on the nature of the breach. This will range from providing the director or employee with training, coaching and counselling through to formal warnings and/or to termination.

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## **16. More Information**

- 16.1 If there are any questions regarding any aspect of this Code, please contact the Company Secretary.

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## **17. Review and publication of this policy**

- 17.1 The CEO or a supervising manager or any other person nominated by the Company, will monitor compliance with this Code of Conduct and report periodically to the Board. Suggestions for improvements or amendments to this Code of Conduct can be made at any time by providing a written note to the CEO or a supervising manager or other person nominated by the Company.
- 17.2 It is the responsibility of the Board of the Company to review this Code from time to time. This Code may be amended by resolution of the Board.

A copy of this Code will be available on the Company's website. Key features will be published in the annual report.

**Dated and approved by the Board on 20<sup>th</sup> July, 2015**