



**MAGNIS ENERGY TECHNOLOGIES LIMITED**  
**CODE OF CONDUCT for the BOARD of DIRECTORS**

This Code of Conduct of **Magnis Energy Technologies Ltd** (“Magnis” or the “Company”) is to be supplemented with the Board Charter.

## **1. LEGISLATION ADHERENCE**

Directors of the Company will familiarise themselves with the obligations imposed on them and the Company by the Corporations Act. Directors will also familiarise themselves with other documents prepared by the Company to meet corporate governance requirements, such as:

- This Code of Conduct that sets out minimum standards of conduct to be observed by all directors and employees;
- The Corporate Governance Statement that advises shareholders and the ASX of the Corporate Governance practices put in place by the Board;
- Committee Charters from the various subcommittees of the Board setting out the roles and responsibilities of each;
- Other Company policies such as Code for Dealing in Securities (Trading Policy).

Directors always have a fiduciary duty to the Company to act with loyalty and good faith and to act honestly and exercise reasonable care and diligence in their role. A current or former Director shall not make improper use of information that they have acquired in their position. A Director shall not make any improper use of a position to gain any form of advantage for self or any other person.

## **2. GENERAL BEHAVIOUR**

In summary below, the general standards of behaviour are:

- Directors will attain a clear understanding of the role and purpose of the Board and Company, including the statutory and regulatory requirements. They will develop an understanding of the Company's business and the environment in which it operates and stay informed of all relevant activities affecting the Board. Directors will attempt to attend all Board and relevant committee meetings and general meetings. Where attendance is not possible, the Director will tender an apology;
- Directors will comply with all laws and regulations and will actively promote compliance within the Company; and
- Directors will encourage the reporting of unlawful or unethical behaviour and will actively promote such ethical behaviour and protection for those who report violations in good faith;
- Directors will treat each other with professionalism, courtesy and respect. They will work co-operatively with fellow Board members towards agreed goals, whilst accepting the obligation to be independent in judgement and actions and will not attempt to improperly influence other Board members;
- All Directors will strive to achieve consensus within the Board, but if the final position reached is a majority decision, that will be the decision of the Board. A dissenting Director may have his or her vote recorded in the minutes or records;

## **3. CONFLICT OF INTEREST & INDEPENDENCE**

Directors may have other responsibilities or interests which may from time to time, interact with the interests of Magnis. This may create a situation of divided loyalties, or of a temporary conflict of interest. The Board aims for the highest standards of corporate governance and will apply rigorous procedures to deal with actual or potential conflict situations.

Directors have the obligation to declare an interest and to isolate themselves from any activity in which they may have a conflict.

- A Director is required to disclose their interests such as directorships, partnerships, consultancies and material holdings in securities to the Board upon joining;

- Directors will advise the Company Secretary and Board Members promptly of any changes to relevant interests such as directorships, partnerships, consultancies and material holdings in securities. The Company Secretary will inform the relevant regulatory authorities, if required. Interests are confirmed annually in writing to the Company Secretary prior to inclusion in the Directors' Report;
- If a Director wishes to accept a new directorship, partnership or consultancy during their term as a Director of Magnis, that Director will discuss the matter with and obtain consent from the Chairperson of the Nomination and Remuneration Committee and the Chairperson of the Audit & Risk Committee;
- If an actual or potential conflict should arise, the Director concerned must discuss the matter with the Chairman. The Director concerned will withdraw from discussions if requested by the Board whilst the Board discusses the potential conflict. However, if it has been decided that a conflict of interest does exist, then depending on the significance of the matter, the Director involved will be requested to take a possible course of action that could be either:
  - Abstain from voting on the relevant matter during a Board Meeting or Committee Meeting;
  - Withdraw from discussion on the relevant matter;
  - Take a leave of absence from the Board for a period;
  - Resign from the Board.
- If in the particular matter where the other members of the Board may decide that a Director or a related party may properly supply goods or services on commercially acceptable terms to the Company, details will be reviewed by the Audit & Risk Committee and appropriate disclosures will be provided in the Annual Report and Notes to the Financial Statements.

#### **4. RECORDS AND INFORMATION**

The Company Secretary of the Company takes the prime responsibility for proper recording of Board proceedings and related matters – including storage and handling of documents and files, however it is noted that the Directors receive a good amount of information in various forms as a result of their own Board role and accept responsibility for careful stewardship especially in relation to confidential material.

Directors acknowledge that confidential information received in the normal course of Board duties remains the property of the originating party, whether this is the Company or another entity. It will not be disclosed unless either the originator has so authorised, or disclosure is required by the law.

Directors will exercise discretion with regard to all Board information which is not in the public domain.

## **5. PAYMENT, EXPENSES AND OTHER BENEFITS**

The Directors have adopted the Board Charter of the Nominations and Remuneration Committee.

## **6. COMPANY TRADING POLICY**

The Board has adopted a separate policy on Securities Trading titled “Code for Dealing in Securities” that applies to Directors, Employees and relevant persons dealing in the Company securities.

## **7. UPON COMPLETION OF DIRECTOR DUTIES**

Once a Director completes his or her duties and the contract period has ceased, a Director will:

- Not represent themselves as being in any way connected with the Company. This does not include any financial interest the Director may have via owning shares in the Company;
- Repay to the Company any amount due by the Director provided that any such amount may be offset by any amount due by the Company to the Director;
- Deliver to the Company, all property in his or her possession, belonging to the Company. This does not include Board papers or other information the Director is entitled to retain under relevant legislation;

The Board Code of Conduct shall be made available on the Company website.

### **Board Code of Conduct**

**Formed by:** Company Secretary

**Approver:** Board of Directors

**Version:** 1.1

**Issued:** Apr 2020  
**Next Review Date:** Apr 2022