

## SKIN ELEMENTS LIMITED

### CORPORATE GOVERNANCE – 4 DIRECTORS' and EXECUTIVE OFFICERS' CODE OF CONDUCT

The board of directors (**Board**) of Skin Elements Limited (**Company**) has adopted a Code of Conduct (**Code**) to address matters relevant to the Company's legal and other obligations to its stakeholders.

The Code sets ethical standards for the business of the Company, to guide and enhance the conduct and behavior of the Company directors, officers and employees and contractors (**Employees**) in performing their everyday roles.

In addition to the obligations imposed under the Code, directors and officers of the Company are required to comply with additional ethical standards which relate to their position in the Company. Directors and officers of the Company are required to pursue the highest standards of ethical conduct in the interests of all shareholders and all other stakeholders.

#### **Fiduciary duties**

All directors have a fiduciary relationship with the shareholders of the Company. A director occupies a unique position of trust with shareholders, which makes it unlawful for directors to improperly use their position to gain advantage for themselves.

Each director is expected to exercise skills commensurate with their level of knowledge and experience to increase the value of the Company for the benefit of shareholders as a whole.

#### **Duties of directors**

Each director must endeavour to ensure that the Company is properly managed so as to protect and enhance the interests of all shareholders. To meet this obligation directors should:

- at all times exercise due care in their duties;
- be diligent, attend Board meetings and make themselves knowledgeable about the business of the Company and the physical and social environment in which it operates;
- ensure that shareholders and any relevant securities exchange or regulatory body are informed of all material matters which require disclosure;
- avoid or fully disclose conflicts of interest; and
- be impartial in their judgements and actions.

#### **Conflict of interest**

A director must be able to act in the interests of the Company at all times. Where the interests of associates, the personal interest of a director or a director's family may conflict with those of the Company, then the director must immediately disclose such conflict and either:

- eliminate the conflict,
- abstain from participation in any discussion or decision-making process in relation to the subject matter of the conflict, or
- in exceptional circumstances, they may need to consider resignation.

Executive directors must always be alert to the potential for a conflict of interest between their roles as executive managers and their fiduciary duty as directors.

### **Insider trading**

Fiduciary duty requires that directors do not improperly utilise their position for personal gain or for the gain of associates.

Therefore, information concerning the activities or proposed activities of the Company, which is not public and which could materially affect the price of the Company's shares, must not be used for any purpose other than valid Company requirements.

Each director is required to ensure that any information in their possession which would affect the price of the Company's shares is transmitted only to those with a need to know for the proper discharge of their duties on behalf of the Company.

### **Disclosure of Information**

Directors must produce true, fair, accurate, understandable and timely disclosure in reports and documents that the Company and its subsidiaries are requested to make.

### **Payments, Gifts, Entertainment and Travel**

Directors shall not use their status as a director to seek personal gain from those doing business or seeking to do business with the Company. Directors shall not accept any personal gain of any material significance if offered. In regard to acceptance of favours, gifts and entertainment, directors should exercise tact and judgement to avoid the appearance of improper influence on the performance of their official duties.

### **Abiding by the Law**

Directors must observe the rule and spirit of all laws and regulations under which the Company operates and with the principles of the Code. In addition, they must comply with the ethical and technical requirements of any relevant regulatory or professional body.

### **Enforcement**

Skin Elements Limited views breaches of these additional standards as breaches of the Code. Any director or officer who breaches these additional standards may be subject to disciplinary action, including in the case of serious breaches, dismissal.

**Policy history**

Established: December 2015

Last review:

Review frequency: Annually or as required