

Corporate Code of Conduct

(Group)

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About this document

Audience

This Corporate Code of Conduct (the 'Code') applies to all Australian and UK directors and staff members of the Praemium Group.

All Praemium directors and members of staff are expected to be familiar with, and to comply with this Code and any related/ancillary policies that may apply to them.¹

Objectives

As well as the legal and equitable duties owed by directors and staff members, the purpose of this Code is to:

- articulate the high standards of honesty, integrity, ethical and law-abiding behaviour expected of directors and staff;
- encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors);
- guide directors and staff as to the practices thought necessary to maintain confidence in the Company's integrity;
- set out the responsibility and accountability of directors and staff to report and investigate any reported violations of this Code or unethical or unlawful behaviour; and
- help directors and staff to understand their responsibilities to uphold the goals and values to which the whole of the Praemium Group aspires and to conduct business in accordance with applicable laws and regulations. Importantly, this Code is reflected in and supported by a broad range of the company policies and procedures adopted by the various Group entities.

Scope

This document outlines the Code that is approved by the Board of Directors.

Related documentation

- Praemium Audit, Risk & Compliance Charter
- Corporate Code of Conduct Policy (Australia)
- Corporate Code of Conduct Procedure (Australia)
- Personal Account Dealing Policy
- Conflict of Interest Policy (Australia)
- Conflict of Interest Procedure (Australia)
- FSA Management Controls Sysc 10
- Whistleblower Policy (Australia)
- Whistleblower Procedure (Australia)
- The UK Whistleblower Policy

¹ The UK Subsidiary Group may have additional requirements to ensure compliance with local requirements.

- Information Security Policy & Procedure (Group)
- Privacy Policies

Next Review

- Praemium will monitor and review this Code regularly to assess its effectiveness and compliance with the law at the time.
- This Code is due to be reviewed by the Legal Department June 2011.

1. Background

- 1.1. Praemium is committed to:
- (a) conducting all its business consistent with the goals and values endorsed by both the main Board and the Board of its UK subsidiary group;
 - (b) ensuring property, information and position are not misused for personal benefit or gain or to compete with the Group;
 - (c) ensuring Group assets are used only for authorised and legitimate business purposes;
 - (d) ensuring high standards of disclosure and audit integrity in relation to the Group's activities and financial performance;
 - (e) ensuring dealings between the Group and any third party (including government departments, suppliers and investors) are conducted in a lawful and fair manner;
 - (f) conducting all the Group's activities in accordance with applicable laws and regulations in the jurisdictions in which it operates, and in a way that enhances its reputation;
 - (g) protecting a person who in good faith makes, or assists someone to make, a report concerning a violation of this Code;
 - (h) overseeing the development, promotion and maintenance of this Code and the review of its contents regularly to ensure its effectiveness.

2. Specific Obligations

Honesty and integrity

- 2.1. Praemium expects each director and member of staff to:
- (a) Observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:
 - (i) performing their duties; and
 - (ii) dealing with any officer, employee, shareholder, customer, supplier, auditor, lawyer and other adviser; and
 - (iii) foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

Conflicts of interest or duty

- 2.2. As a listed company and as the holders of licences/authorisations which enable it to conduct financial services businesses in relevant jurisdictions, Praemium and its subsidiaries have a duty to adequately manage its conflicts of interest.
- 2.3. Accordingly, Praemium has established a number of processes to ensure that any conflicts of interest are:
- (a) identified, assessed and evaluated; and
 - (b) controlled, avoided or disclosed.

- 2.4. Each director and member of staff is expected to 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; and

comply with the Conflict of Interest Policy and Procedures (Australia) or in the case of the directors and members of staff of the UK subsidiary group, the FSA Management Controls Sysc 10.

Avoiding conflicts and potential conflicts

- 2.5. Each person to whom this Code applies should 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.

What about external service providers?

- 2.6. When appointing external consultants or outsourcing any service, where possible, any conflict of interest is to be minimised.
- 2.7. Where the engagement of any contractor may give rise to such a conflict, Praemium is to assess how fundamental such a conflict may be to the operation of the company.
- 2.8. If it is deemed that the conflict will not compromise Praemium, the service provider may be engaged, but the conflict must be declared.

Disclosures – staff

- 2.9. Each staff member must fully and frankly disclose to their managers any material personal interests that related to the affairs of the Group or external business interests that may lead to:
- (a) an actual or potential conflict of interest or duty; or
 - (b) a reasonable perception of an actual or a potential conflict of interest or duty.

Disclosure – Directors

- 2.10. Each director and senior executive must:
- (i) fully and frankly disclose to the Board any material personal interests that related to the affairs of the Group or external business interests that may lead to an actual or potential conflict of interest or duty; or
 - (ii) a reasonable perception of an actual or a potential conflict of interest or duty.
- 2.11. Details of all disclosures will be recorded in the register of interests which

will be held by the Group Company Secretary

- 2.12. In some instances where it is likely that the conflict will arise frequently or if the conflict will most likely impact the directors or staff member's duties and obligations to Praemium, or it is considered a significant conflict, the Board of Directors or, in the case of a staff member, the Group CEO, may provide alternative options as outlined in (as applicable)
- (a) the Conflict of Interest Procedure (Australia) or
 - (b) the FSA Management Controls Sysc 10 to manage the conflict of interest.

Specific Requirements – All Directors

- 2.13. Each director must:
- (a) leave the room in relation to a matter which the Board considers the director may or has a conflict of interest or duty; and
 - (b) comply with the Corporations Act 2001 (Cth), the Company's constitution and the Conflict of Interest Policy and Procedure or in the case of the directors and members of staff of the UK subsidiary group the FSA Management Controls Sysc 10 in relation to the disclosing material personal interests and restrictions on voting by directors.

Specific Requirements – New Directors

- 2.14. Newly appointed directors will also be required to disclose interests or potential interests at the time of appointment such as, but not limited to:-
- (a) holdings and interests or potential interests in Praemium;
 - (b) holdings or interests or potential interests in clients or potential clients of Praemium known to the new director;
 - (c) holdings or interest or potential interests in Praemium competitors or potential competitors; and
 - (d) other directorships or positions of officeholder held.

Specific Requirements - Non Executive Directors

- 2.15. Each non-executive 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 or senior executive of another entity outside the Company before accepting the appointment.

What about Corporate opportunities?

- 2.16. No-one to whom this Code applies should improperly use their position, property or information acquired through their position for personal gain or gain of an associate (directly or indirectly) or to compete with or harm the Company.
- 2.17. No-one may use the word Praemium or any other business name or

trademark used by the Company for a personal external business transaction.

- 2.18. Each director and member of staff must keep their personal or external business dealings separate from the Company's business dealings.
- 2.19. Persons to whom this code applies may only use goods, services and facilities received from the Company in accordance with the terms on which they are given.
- 2.20. A director or member of staff must not accept any improper gift from the Company's existing or potential customers or suppliers.
- 2.21. Persons to whom this Code applies must be aware of and comply with the Corporate Code of Conduct Policy and Procedure (Australia) Policy and Procedure (Australia) and in the case of the directors and members of staff of the UK subsidiary group the Personal Account Dealing Policy.

Confidentiality & Privacy

- 2.22. Any information acquired by a person to whom this Code applies while performing their duties is confidential information of the Company and must be kept confidential. Information must not be disclosed to any third party except where that disclosure is:
 - (a) Properly authorised; or
 - (b) required by law or a regulatory body (including a relevant stock exchange).
- 2.23. 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 subject to paragraph 2.22.
- 2.24. The obligations of confidentiality continue after each director, executive or staff member leaves the Company.
- 2.25. Praemium recognises its obligations under privacy laws and to its clients under contract must ensure that the confidentiality and privacy of all personal information held within Praemium's systems are not compromised at any time.
- 2.26. Persons to whom this code applied must be aware of and must comply with the Information Security Policy and Procedure (Group) and the Group's privacy policies and procedures.

Fair dealing

- 2.27. The Company expects each director and staff member 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.
- 2.28. No person to whom this Code applies may take unfair advantage of any officer, employee, customer, suppliers, competitor, auditor, lawyer or other advisor of the Company through illegal conduct, manipulation, undue influence, concealment, abuse of confidential information, misrepresentation and material facts, or any other unfair-dealing practice.

Protection and proper use of assets

- 2.29. The Company expects all persons to whom this Code applies to use all reasonable endeavours to protect any Company asset and to ensure its efficient use.
- 2.30. Company assets (for example, a computer, telephone, credit card or money) for legitimate business purposes or other purposes approved by the Board.
- 2.31. Any suspected fraud or theft of a Company asset must be immediately reported for investigation.

Compliance with laws, regulations, policies and procedures

- 2.32. Each person to whom this Code applies is expected to:
- (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, including this Corporate Code of Conduct

Reporting of unlawful and unethical behaviour (Whistleblowing)

- 2.33. The Company expects person to whom this Code applies to:
- (a) report promptly and in the spirit of the Whistleblower Policy any actual or suspected violation by an officer or employee of the standards, requirements or expectations set out in this Code of Conduct or the corporate code of conduct; and
 - (b) encourage other officers or employees to do the same.
- 2.34. Individuals should refer to the Whistleblower Policy and Whistleblower Procedure when deciding to whom to report any violation or behaviour referred to in paragraph 2.33.
- 2.35. If an employee or officer reports, in good faith, any violation or behaviour referred to in paragraph 2.34, as outlined in the Whistleblower Policy, each director and staff member must ensure:
- (a) the reporting person's position is protected;
 - (b) the reporting person's identity is only disclosed with their consent, except where disclosure is required by law; and
 - (c) no disciplinary, discriminatory or other adverse action is taken or tolerated against the reporting person for reporting the violation.

A director or senior executive who receives a report of any violation or behaviour referred to in paragraph 2.34 is expected to use all reasonable endeavours to ensure that as set out in the Whistleblower Policy and Whistleblower Procedure the alleged violation or behaviour is reported in order for it to be thoroughly investigated.

Sustainability & environmental policies

- 2.36. Praemium values the natural environment and recognises the role of environmental responsibility in the conduct of its business practices. Praemium is also committed to the concept of sustainability, integrating

not only financial considerations, but environmental and social considerations into long term business strategies.

- 2.37. Praemium is committed to:
- (a) compliance with all legislative and regulatory requirements, including relevant standards relating to the environment;
 - (b) minimisation of pollution to the environment;
 - (c) minimisation of the use of paper in the conduct of its business;
 - (d) ensuring that waste, in particular paper, is disposed of in an environmentally sensitive manner (recycling) whilst also ensuring confidentiality; and
 - (e) ensuring that lights, air conditioning, heating and other devices that utilise electricity are turned off when they are not required.

3. Concerns about an integrity related issue

Who do you contact if you have concerns about an integrity related issue?

- 3.1. Praemium has appointed an Audit Risk & Compliance Committee.
- 3.2. The Chairman of this Committee must always be a non executive director. The current chair of this committee is Mr Robert Edgley. Either Mr Edgley or the company's Auditor may be contacted if directors or staff have a concern about an integrity related issue.
- 3.3. The Audit Risk and Compliance Committee reports directly to the Board.
- 3.4. The UK subsidiaries are governed by their own board which has a majority of non executive directors. At this time the UK Board does not have a separate Audit Risk & Compliance Committee, but considers the matters covered by the Audit Risk & Compliance Committee Charter as a full board and liaises with the group Audit, Risk & Compliance Committee as a full board.

4. Material Breach

- 4.1. A material breach of this Code will be escalated to senior management and to the Board. A failure to observe the requirements of this Code may breach the law, the Company's policies and procedures, or both. In the case of staff, Praemium may upon investigation take disciplinary action up to and including dismissal.