

## **CODE OF CONDUCT**

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### ALCHEMIA CODE OF CONDUCT- PREAMBLE

Shareholders, staff and the broader community have particular expectations about the way in which Alchemia operates. We are all responsible for Alchemia achieving the highest levels of business conduct. All Alchemia employees are accountable for acting in line with the policies and standards outlined in this code.

Managers will be held accountable for Alchemia policies and standards being followed.

Alchemia strives to provide a fair, equitable and rewarding workplace. To realise such a workplace, it is necessary to provide and enforce a set of policies and procedures for the practical functioning of the company.

The following code and accompanying policies and procedures incorporate the company's core values and have been approved by the Alchemia Board of Directors.

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### 1. COMPLIANCE WITH LAW

Alchemia employees must comply with the letter, and where it is clear, the spirit of all laws and regulations relating to their business conduct. This includes understanding the laws and regulations relevant to their work.

Some laws affect everyone, such as those concerning equal employment and occupational health and safety. Other laws primarily affect employees in particular roles such as trade practices, hazardous goods and protection of the environment.

The laws that govern our activities may be complex, but ignorance of the law does not excuse Alchemia or its employees from their obligations to comply. Employees should seek advice from the Company Secretary or the Operations Manager if they are unclear about laws or regulations relating to their work.

### 2. HEALTH, SAFETY AND ENVIRONMENT POLICY

Alchemia is committed to providing a safe workplace for employees and visitors.

This commitment includes:

- The provision of safe work places and a safe working environment
- The adoption of safe work methods and appropriate training and supervision procedures
- The adoption of measures to minimise the risks and harmful effects of fire, explosion, exposure to hazardous chemicals or organisms, etc
- The provision of appropriate personal protective equipment

Legislation also places responsibilities on employees and other persons present in a workplace such as Alchemia. These responsibilities include following safety instructions and procedures, utilising protective clothing, and in general, behaving responsibly in regard to health and safety at Alchemia. An important corollary is that all persons in Alchemia have a responsibility to report any safety hazards that come to their attention to the Safety Officer.

The wording of the Workplace Health and Safety Act (Qld 1995) is to the effect that any employer who fails to safeguard the health and safety of its employees and other persons at the work site commits an offence against the Act.

Similarly, an employee or other person who fails to comply with safety instructions or acts in a manner that endangers the health or safety of any other person at the workplace commits an offence against the Act.

While the primary concern is certainly the personal and financial cost of unsafe practices, the Act clearly places a legal liability upon all employees to do all that they can do to protect health and safety at Alchemia.

Alchemia has strict safety requirements that are detailed in a comprehensive Safety Manual. All Alchemia employees must be familiar with the contents of the Safety Manual as it relates to their area of work and responsibility.

### 3. ALCOHOL AND DRUG USE

Alcohol and drug use can affect work performance, posing health and safety risks to employees. Employees must not be impaired by illegal or legal drugs, including alcohol, while at work or when conducting company business.

No laboratory procedures or operations of equipment are to be undertaken whilst under the influence of any drug (including alcohol) and any wilful disregard of this policy will be treated as serious misconduct potentially resulting in dismissal.

Consult with your supervisor or a safety officer if any medication has been taken.

### 4. EQUALITY IN EMPLOYMENT

Alchemia is committed to developing a diverse workplace and to providing a work environment in which everyone is treated fairly and with respect.

Employment with Alchemia must be offered and provided based on merit. All employees and applicants for employment should be treated and evaluated according to their job related skills, qualifications, abilities and aptitudes only. Decisions based on attributes unrelated to job performance (e.g. race, colour, gender, national origin, age, disability, political beliefs, marital status, sexual orientation, family responsibilities, etc) may constitute discrimination and are prohibited.

Harassment in any form is unacceptable. Actions that constitute harassment are regarded by Alchemia as serious misconduct.

A more detailed version of Alchemia's anti-discrimination, work place bullying, grievance and harassment policies are available from Human Resources.

## 5. CONFIDENTIALITY

Employees are required to protect proprietary, commercial and other information that is confidential to Alchemia. These obligations continue after an individual's employment with Alchemia ends.

Information that is not generally available to the public concerning the activities, results and plans of Alchemia must be used for authorised purposes only. Such information should be handled and communicated with care and must not be disclosed outside the company without proper authority. It must not be used for personal gain.

Confidentiality provisions must be included in contracts with consultants, contractors and other parties who provide services to the company

## 6. INSIDER TRADING

Laws against insider trading in Australia and elsewhere make it unlawful to deal in the shares of a company while in possession of material information about the company that has not become public. A detailed version of Alchemia's Securities Dealing Policy is available on the intranet. If you are in doubt, advice should be sought from the Company Secretary.

## 7. INTELLECTUAL PROPERTY POLICY

Intellectual Property protection is paramount for Alchemia's continued success. Failure to adequately protect its Intellectual Property (IP) can lead to loss of customers, competitive edge and market share. Due to the high importance of IP all staff must strive to the utmost to protect all IP, and not to disclose accidentally or on purpose any technology developed by Alchemia before such a disclosure has been vetted and approved by the appropriate company delegate.

All discoveries / research by all staff at Alchemia must be treated as new and novel IP and strictly confidential until it has been reviewed by the IP committee and a clear decision as to the fate of such discoveries / research has been made. Potential new / novel IP should be brought to the attention of the IP Committee as soon as possible after its discovery.

All staff must document all necessary pieces of evidence for establishment of a Priority Date for invention, as well as all proof for the novel invention. As part of this process all research staff must keep laboratory notebooks according to the guidelines provided in Alchemia's laboratory notebooks.

## 8. PUBLICATIONS

All Alchemia staff are encouraged to present their work in a public forum whenever possible, subject to compliance with Alchemia's Intellectual Property Policy and External Communications Policy.

If a publication is planned from research carried out at Alchemia, clear guidelines for pre-publication review must be followed by all staff. These guidelines are detailed in Alchemia's publication policy. It is the responsibility of the IP manager and Alchemia's IP committee to oversee and enforce these guidelines by reviewing all material intended for publication.

## 9. PERSONAL INFORMATION AND PRIVACY

Alchemia will only collect personal information from its employees ethically and lawfully. It also seeks to collect information in a fair manner and in a way that is not unreasonably intrusive.

Employees must ensure that the confidentiality of personal information of fellow employees contained in company records is strictly maintained. Personal information relating to individuals including individual employees should not be provided to other employees unless it is required to perform their jobs. Information relating to employment records, salaries, addresses, etc cannot be released to external organisations unless required by law or upon informed consent from the relevant employee.

## 10. PUBLIC RELEASE OF COMPANY INFORMATION

Alchemia is obliged to inform the ASX on a continuous basis of any information concerning the company that is likely to affect the share price. This has to be done without delay and before such information is released to others. The Company Secretary is responsible for coordinating disclosures in accordance with relevant obligations. Guidelines for the public release of company information including seminars and published papers are contained in the External Communication Policy.

## 11. USING COMPANY RESOURCES

Employees must not use company funds, property, equipment or other resources for personal benefit. In addition, employees are responsible for safeguarding the company resources under their control, including information, and for maintaining accurate records regarding the use of these resources. Instances of fraud by their very nature represent unacceptable behaviour within the company and should on all occasions be reported. Fraud generally involves some form of deceit, theft, trickery, acts of omission, or making of false statements, breach of trust and guilty intention with the object of obtaining money or other benefit.

A fraudulent act can have significant consequences to Alchemia and the individuals involved.

At all times employees should use company funds sensibly and effectively. Expenditures must be reported accurately and in a timely way. Submission of a fraudulent expenses report is regarded as serious misconduct.

An accurate and auditable record of all financial transactions relating to the company must be maintained in accordance with generally accepted accounting principles.

No entry should be made in the company's records that distorts or disguises the true nature of any transaction. Non-financial records (e.g. personnel files, environmental documentation, laboratory results, etc) must be accurately and rigorously maintained.

Unauthorised removal of company equipment, supplies or other resources is regarded as theft. Similarly company resources must not be sold, loaned or donated without management approval.

Employees should take appropriate precautions to prevent theft, damage or misuse of company resources. Buildings should be locked after hours and alarm mechanisms activated.

Employees should not destroy or dispose of company records without management approval unless the items are of nominal value and can no longer be used (eg office supplies). Intentional damage of company resources is unacceptable and is prohibited.

## 12. INFORMATION SYSTEMS

The Information Technology and computing resources provided by Alchemia are designed to provide high quality computing, electronic mail, Internet access and database access to staff to assist in the efficient completion of Alchemia projects. This policy is designed to ensure that the system operates in the most efficient manner achievable, with full regard to our legal responsibilities.

**Computer Hardware:** Alchemia provides computer hardware for staff members use in the course of their work. No modifications to the hardware, network connections or the network are to be made by any person without the express permission of the IT department. Network and hardware maintenance, upgrading and replacement of equipment are to be performed only by the IT department. At no time are new devices (zip drives, printers, modems etc) to be installed by users. Personal laptops or peripheral devices are not to be installed on the Alchemia network without the permission and under the supervision of the IT department.

**Software:** Alchemia operates under a 100% license compliance policy for all installed software. It is company policy to provide relevant and compatible software for users to allow the transparent transfer of materials within the company and to our clients. All new software installations must be performed by the IT department. Software which has not been purchased by Alchemia or for which a valid license is not available is not to be installed on any of Alchemia's hardware.

Modifications of network settings, file-sharing properties, print sharing properties etc must not be attempted by users. All such, modifications must be performed by the IT manager or delegate.

Some software can interfere with network performance. Software is not to be downloaded from the Internet or installed without authorisation.

**Electronic Mail (email):** Alchemia provides email facilities for its employees. Email may be used for personal communication with non-Alchemia employees in moderation. The sending of SPAM email or electronic harassment is against company policy. Alchemia retains the right to monitor online activities and review messages to protect Alchemia's rights and property and ensure proper use of facilities.

**Internet access:** Alchemia provides Internet access as a resource for research. The Internet may be used for personal research in moderation. The downloading of large volumes of data is not permitted. General Internet access may be monitored by Alchemia, including such information as which sites are accessed and by whom.

**General User responsibilities:** All data that is stored on Alchemia's computer system is the property of Alchemia Limited. Personal data may be stored on the system but is subject to the same backup procedures as all other data. Personal data so stored may at some future time be opened by authorised agents of Alchemia for the purposes of determining ownership.

**Inappropriate material:** The sending or permitting to be sent (through illegal access to an employee's area) of inappropriate emails, downloads from the Internet, postings on news groups or other communications is strictly prohibited. Inappropriate materials include, but are not limited to; material (including text, sexually explicit material, images, sounds etc), that may reasonably be expected to cause insult, offence, intimidation or humiliation, materials that violate copyright or other intellectual property rights.

### 13. POLITICAL CONTRIBUTIONS AND ACTIVITIES

Alchemia maintains a position of impartiality with respect to party politics. Accordingly Alchemia does not contribute funds to any political party, politician, or candidate for public office.

Alchemia does not prohibit employees from making personal political contributions.

### 14. FINANCIAL INDUCEMENTS

Subject to clause 14 below, Alchemia does not countenance the making of payments or payments in kind (gifts, favours, etc) to influence individuals to award business to Alchemia or to make a business decision in the company's favour.

### 15. TRAVEL, ENTERTAINMENT AND GIFTS

Employees are to conduct travel in accordance with the company's travel policy, which is available on the intranet. All travel arrangements are to be made by the personal assistant to the CEO and CFO. Any private travel attached to business travel is to be approval prior to bookings being made.

On occasion, employees will be required to entertain clients and business associates. Valid entertainment includes meals and events such as theatre and sporting events.

Employees must exercise the utmost care about giving or receiving business related gifts. This applies to direct payments and payments in kind including the provision of goods and services, personal favours and entertainment (eg meals, travel, etc)

Accepting or offering gifts of moderate value is acceptable in situations where it is legal. However employees must not give or accept gifts of any kind in circumstances that could be reasonably regarded as unduly influencing the recipient or creating business obligation on the part of the recipient. If there is any doubt, the situation should be referred to management.

Employees should exercise particular caution in regard to any offers of value including hospitality, entertainment and gifts when the company is negotiating or considering contracts and they are in a position to influence directly or indirectly the outcome of the decision.

The following items must not be given or accepted under any circumstances regardless of their value: cash or cheques; products or service discount not generally available to all employees; personal use of accommodation or transportation; and payments or loans to be used toward the purchase of personal property.

This policy also applies to employees' immediate family members.

## 16. CONFLICTS OF INTEREST

Employees should not engage in activities or hold or trade assets that involve or could involve a conflict between their personal interests and the interests of Alchemia. Such circumstances could compromise or appear to compromise the employee's ability to make impartial business decisions. If any doubt exists with respect to conflict of interest, employees should disclose the issue to their manager to ensure it is adequately considered. In particular:

- Neither employees nor their immediate family members should have interests or investments in a competitor, customer or supplier of Alchemia that would create a conflict of interest. Merely holding shares would not normally lead to a conflict. However conflicts would arise if, for example, an employee had shares in a family company that was a supplier to Alchemia and the employee was able to influence decision-making regarding the award of contracts to that company
- Other than in exceptional circumstances where particular arrangements may be authorised, no employee should be in a position of influence regarding the employment conditions (eg work assignment, salary, etc) or performance assessment of a family member.
- Employees should not take additional employment with outside organisations or operate their own business if such employment or activity will create an actual or perceived conflict of interest
- Employees must obtain approval from their managers to participate in recreational activities provided by customers or suppliers.

## 17. VIOLATION OF COMPANY POLICIES AND STANDARDS

All employees are expected to adhere to the policies and standards described in this code. Employees who violate these policies or standards may be subject to disciplinary action up to and including dismissal.

If the situation involves a violation of law, the matter may be referred to the police or appropriate regulatory authorities for consideration. Managers will be held accountable not only for their own business conduct but also that of their staff.

Where following inquiry, the company is satisfied that a violation had occurred the nature of any disciplinary action will be determined by relevant management. The nature of the disciplinary action will depend on the seriousness of the violation and other relevant circumstances.

A copy of the company's disciplinary code is available from the HR Co-ordinator.

## 18. RESPONSIBILITIES OF EMPLOYEES

All employees are expected to be familiar with the contents of this code. They must also have a detailed understanding of company policies and standards that directly relate to their job.

Managers must take all reasonable steps to ensure employees and, where appropriate, consultants and contractors are aware of and comply with the policies and standards in this code. Managers must consult the Company Secretary or CEO if problems occur.

Managers must also:

- Respond promptly and seriously to employees' concerns and questions about business conduct issues and seek further assistance if required, and
- Demonstrate exemplary behaviour that others employees can follow

## 19. IDENTIFYING A BUSINESS CONDUCT ISSUE

Every employee is responsible for acting consistently with the code and the company's policies and standards.

If you think a decision or action may be inconsistent with the code, or if you are unclear about what to do in a specific situation, you should raise the issue promptly.

Whenever possible you should first discuss issues with your manager. If you feel unable to do this you should contact either the Company Secretary or the CEO.

Employees who alert management and the board in good faith to potential misconduct shall be entitled to do so without fear of retribution. Alchemia shall record and investigate all such alerts in a timely fashion.