

HEADLINE GROUP LIMITED INTERESTS OF STAKEHOLDERS CODE OF CONDUCT & ETHICS

CODE OF CONDUCT & ETHICS

Introduction

HeadLine Group Limited (“HeadLine”) is committed to the operation of our business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of the company and the industry in which it operates.

Striving to be a good corporate citizen is as much a part of our business as the products we produce for our customers.

The Board of HeadLine has considered and approved a Code of Conduct & Ethics (“Code”) which is applicable to all employees and which the Board expects to govern the way in which our employees conduct themselves in the performance of their respective duties and in communicating with the stakeholders of our business.

Please take the time to read the Code carefully.

1. Purpose of the Code

The objective of the Code is to ensure that:

- high standards of corporate and individual behaviour are observed by all HeadLine employees in the context of their employment with HeadLine; and,
- employees are aware of their responsibilities to HeadLine under their contract of employment; and,
- all of the stakeholders of the Company can be guided by the stated values and policies of HeadLine.

2. Obligation to comply with Code

You will adhere to the Code both in letter and spirit. Adherence to the Code is a term of your employment with HeadLine. Violation of the Code by any employee, or unethical behaviour which may affect the reputation of HeadLine, may be subject to disciplinary action including termination of employment.

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3. Primary obligations of Code

You must act with high standards of honesty, integrity, fairness and equity in all aspects of your employment with HeadLine.

You must comply fully with the content and spirit of all laws and regulations which govern the operations of HeadLine, its business environment and employment practices.

You will not knowingly participate in any illegal or unethical activity.

You will not enter into any arrangement or participate in any activity that would conflict with the interests of HeadLine or prejudice the performance or professional duties.

You must actively promote compliance with laws, rules, regulations and this Code.

4. Personal Responsibility

HeadLine employees should always act with the highest standards of ethics and integrity in their dealings with customers, suppliers, creditors, shareholders, competitors and other employees. Underpinning this standard is a commitment by each employee to being truthful, honest and trustworthy and a recognition that superior ethical behaviour means complying with the spirit, as well as the letter of the law. As a consequence, you must not engage in any conduct, which brings discredit upon the Company.

5. Conflicts of Interest

You have a duty to act in the best interests of HeadLine. During the course of your employment, however, there may be occasions whereby your own interests conflict with those of the Company for whatever reason.

If you do find yourself in this situation you need to take immediate action to remove the conflict. If you are unsure what to do, speak to your supervisor or the Company Secretary.

A supervisor who is consulted about a potential conflict of interest will ensure that measures are put in place to protect parties affected by the conflict of interests from that conflict. Depending on the nature and extent of the conflict, the measures taken to protect against conflict of interest may include:

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- ensuring that the conflicted or potentially conflicted employee does not participate in the relevant decision or activity; or,
- disclosing the conflict to third parties affected by the conflict; and,
- ensuring that the conflicted or potentially conflicted employee is not the sole decision maker on the matter.

You must otherwise not allow your personal interest to conflict with the interests of HeadLine.

6. Opportunities arising from course of employment

You will not take advantage of property, information or position, or opportunities arising from these, for personal gain or to compete with HeadLine.

7. Gifts, benefits and hospitality

No employee should seek a gift or benefit from any party in the performance of their duties. No employee should accept significant gifts or other benefits that could have the potential to impair his or her judgment, or could be seen to be a conflict of interest. If you are in doubt about whether a proposed gift or benefit is significant, speak to your supervisor or the Company Secretary. All gifts and other benefits received by employees must be disclosed to their supervisor.

8. Disclosure and use of information

You have a continuing duty of trust and confidence to HeadLine. During the course of your employment with HeadLine you may become aware of information concerning the Company or a third party, which is confidential. You should not use this information in a way, which creates a personal benefit to you or to another party not entitled to make use of the information. Such information often has the potential to cause damage or create a benefit if disclosed without permission and should always remain confidential. If you are uncertain about whether information may be disclosed or used you should always seek guidance before proceeding to do so.

9. Insider Trading

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It is a serious criminal offence for any person to apply for, buy or sell, shares in HeadLine while they have *inside information* concerning the Company. Inside information is that information which is not generally available, and which if it were generally available, would be expected to have a material effect on the price or value of HeadLine shares. This applies not only to HeadLine employees, but any other person (such as a friend or family member) who has inside information concerning the Company. If you have doubts as to whether you can buy or sell HeadLine shares you should contact the Company Secretary.

10. Public statements

No employee is authorised to make or issue public statements about the Company unless these have been authorised by the Board or Managing Director. This includes public speaking engagements and conversations with the media.

11. Sexual harassment

Sexual harassment in the work environment will not be tolerated under any circumstances. Sexual harassment means any unwanted, unwelcome or uninvited behaviour of a sexual nature, which makes a person feel humiliated, intimidated or offended. HeadLine has established a separate policy, which specifically deals with this issue. You should make yourself familiar with the contents of this policy and ensure that you comply with it in all respects.

12. Equal opportunity

HeadLine is an equal opportunity employer. The Company takes very seriously its efforts to ensure that all employees, and prospective employees, have an equal opportunity to participate and contribute to the business free of prejudice and discrimination. HeadLine considers this not only fair and just, but makes good business sense. Discrimination on any grounds will not be tolerated and, if found to exist, will result in disciplinary action including termination.

13. Work environment

HeadLine is committed to providing its employees with a working environment, which is healthy, safe and productive. While the Company is continually taking action to ensure the safety of its employees, it is expected that each employee will also take responsibility for their own safety and that of their colleagues. Workplace bullying, intimidation or harassment of any kind will not be tolerated.

14. Environmental Considerations

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You should perform your duties in a manner consistent with HeadLine's on-going commitment to undertaking its business operations in a way, which minimises the impact on the environment.

15. Other policies regulating employee behaviour

HeadLine also requires you to comply with policies relating to:

- occupational health and safety;
- injury management and return to work;
- drugs and alcohol;
- the environment;
- computer usage, information systems and on-line serves;
- discrimination, harassment and bullying;
- company car;
- discipline and termination;
- workplace grievances;
- personal leave;
- parental leave;
- training and development;
- privacy; and,

any other policy developed by the Company which relates to your employment.

16. Reporting violations of the Code or other unethical conduct

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You are required to report breaches of the Code or other unethical conduct to your supervisor or the Company Secretary. You will not be disadvantaged or suffer any detriment for having reported a breach of the Code or other unethical conduct. HeadLine will investigate any reported breach and will ensure that such investigation is carried out promptly and fairly to all parties concerned. The reporting procedure should not be used maliciously or mischievously.

17. Breaches of this Code

Breaches of this Code will be viewed seriously by HeadLine and will result in appropriate disciplinary action being taken against any person engaging in conduct considered to be in breach of these minimum standards. This may range from warnings to dismissal. No disciplinary action will be taken until the breach has been investigated and the employee concerned has had an opportunity to comment on the alleged breach.