



## **Pinnacle Investment Management Group Limited**

### **Code of Conduct**

#### **Document Control**

<b>Owner</b>	PNI Board
<b>Approval</b>	PNI Board on recommendation from Remuneration and Nominations Committee
<b>Version Number</b>	Version 6
<b>Date last updated</b>	28 November 2018
<b>Reason for update</b>	Annual review.
<b>Primary Rules / Rationale</b>	Corporations Act 2001, ASX Listing Rules
<b>Date of Signoff</b>	December 2018

## 1. Purpose and Application

### 1.1. Operation of Code

This code of conduct (**Code**) applies to Pinnacle Investment Management Group Limited (**PNI**) and its wholly owned subsidiaries (collectively **Group**).

All employees, directors, contractors and consultants of the Group (referred to in this policy as **Pinnacle Personnel**) are expected to act lawfully, honestly, ethically and in the best interests of the Group in the course of their daily work. This Code provides business guidelines to be respected, observed and implemented in the way Pinnacle Personnel act. Pinnacle Personnel are supported in their observation of the Code by a number of internal policies and procedures which are made available on the Group's intranet. Pinnacle Personnel are expected to familiarise themselves with, and adhere to, these policies.

### 1.2 Reviewing the Code

The Code will be reviewed at least annually by the Remuneration and Nominations Committee, with any recommended changes submitted for approval by the PNI Board.

## 2. Group values

### 2.1. Standards of conduct

The Group requires all Pinnacle Personnel, in whichever position they hold:

- > to be faithful and diligent, actively pursue the Group's best interests and at all times maintain ethical and professional standards;
- > to devote the whole of their time, attention and skill during normal working hours and at other times as reasonably necessary to their duties;
- > to seek to continually improve their skills and knowledge so that they can achieve excellence in their roles;
- > not to act in conflict with the best interests of the Group;
- > not to compete with the Group;
- > not to, in performing their duties, accept any financial or other benefit except from the Group;
- > not to conduct themselves in a manner, whether during or after work hours, causes damage or potential damage to the Group's property or reputation;
- > to respect confidentiality and not to use the Group's assets or confidential information for improper purposes;
- > to manage conflicts of interests responsibly;
- > not to use technology or social media at their workplace for excessive personal use or to view or distribute offensive or illegal material; and
- > neither to unlawfully discriminate against, nor sexually harass, another person.

## **2.2 Confidential Information**

Documents, or information (including data), created or stored on computers or other electronic media belonging to members of the Group, including personal information, are the property of the Group.

Pinnacle Personnel have an obligation to conduct themselves with honesty and propriety at all times. This obligation exists because it is legally and morally right and because the success of our business depends upon our reputation for integrity. Central to this is the trust and confidence our clients place in us and which we place in each other.

Pinnacle Personnel will, during the course of their employment with the Group, have access to information concerning our clients and the Group which is confidential and not available in the public domain. This information must not be disclosed by Pinnacle Personnel to any unauthorised person or third party, unless they have authorised us to do so and the use or disclosure is permitted by law. Pinnacle Personnel must not seek to gain by, or take advantage from, the information to which they have access.

## **3. Business Ethics**

### **3.1. Use of Best Judgment**

The success and reputation of the Group is built upon the principles of fair dealing and the ethical conduct of Pinnacle Personnel. The Group expects Pinnacle Personnel to refrain from any dishonest or unethical conduct.

In general, Pinnacle Personnel should always use their best judgment, based on high ethical principles when dealing with each other and with external stakeholders such as clients, investors and third party suppliers. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly by a Pinnacle Personnel member with their immediate manager.

### **3.2. Dealings with external stakeholders**

Through their actions, external stakeholders can directly impact the financial performance and profitability of the Group, as well as adding to, or detracting from, its reputation.

The Group seeks to establish a collaborative relationship with external stakeholders wherever possible. The Group requires Pinnacle Personnel to:

- > carry out enquiries before selecting and engaging with a third party to ensure they are reputable and competent and do not present unacceptable reputational risks;
- > engage in fair dealings with third parties, act with integrity and not seek to obtain a competitive advance through unethical practices or behave in a manner which may damage the Group's reputation; and
- > ensure that there is no conflict of interest that would make the engagement of a particular third party inappropriate.

### **3.3. Bribery, Corruption and Unethical Payments**

The Group does not permit, or condone, any form of bribery or corruption, or the payment of any form of inducement to a third party.

“Bribery” involves the offering, giving, granting, promise or acceptance of any payment, gift, promise, benefit, favour or anything of value, whether directly or through a third party, which is:

- > to or from any person or entity (whether a government official, a private business person or an associate of any of them),
- > for the purpose of improperly securing a private or business benefit or advantage, or for the improper performance of a function or activity.

“Corruption” involves the abuse of a position of employment, authority or trust to gain an advantage in breach of duty.

Such behaviours are illegal in Australia. A breach of anti-bribery or corruption laws is a serious offence, which can result in significant fines to the Group and Pinnacle Personnel. Even the perception of bribery, or corruption, can have a serious impact on the reputation of the Group and its Employees.

### **3.4. Gifts and Hospitality**

The Group does not encourage Pinnacle Personnel to give or receive gifts or hospitality that may impact their business judgment. Pinnacle Personnel are required to record the relevant details of any gift on the Gift Registry which is maintained by the Group and to decline any gift where the value is greater than the limits specified in the Group’s Gift and Entertainment Policy. Any gift or gesture of hospitality should be declined if it appears excessive, is inappropriate in nature or at an inappropriate venue, or if it will result in any sense of obligation or if it will adversely affect the reputation of the Group.

Pinnacle Personnel must:

- > exercise their best judgement in determining what is occasional, proportionate and modest;
- > never request a gift or hospitality of any kind from a business partner;
- > ensure that they are familiar with the Group’s policy on gifts and entertainment, available on the Group’s intranet; and
- > contact their manager if they are uncertain about the appropriateness of hospitality or gifts.

### **3.5. Conflicts of Interest and Outside Activities**

The Group is committed to avoiding conflicts of interest between personal and business interests that impact the interests of the Group. Where an unavoidable conflict arises it must be actively managed.

A conflict of interest arises when a member of Pinnacle Personnel has a personal interest in a business decision in which they are involved which affects or could affect his or her judgment, objectivity, independence, or prejudice the interests of the Group.

Conflicts of interest can arise in many ways, but common examples may involve:

- > external work or employment;
- > an outside business relationship with, or interest in, a supplier, customer or competitor;

- > a business relationship on behalf of the Group with any person who is a relative or a personal friend, or with any company controlled by such a person;
- > a position of influence or control over the job evaluation or compensation of any person who is a relative or romantic partner;
- > personal use or sharing of Group confidential information for profit;
- > an acceptance of personal benefits, such as something more than a modest gift or entertainment, from a person or organisation dealing, or expecting to deal, with the Group in any type of business transaction.

Common sense and good judgement must be exercised to avoid any perception of a conflict of interest. The Group requires Pinnacle Personnel to:

- > avoid any business dealings and personal relationships that cause, or may cause, or create the appearance of a conflict with their obligations to the Group;
- > remove themselves from any decision-making process where they have an interest that influences, or may be perceived as influencing, their ability to make an objective decision and to fulfil their responsibilities to the Group;
- > promptly advise their supervisor or manager in writing of any outside activities, financial interests or relationships that may involve them either in an actual conflict of interest or the appearance of one and seek consent where required.

### **3.6. Compliance with Laws and Regulations**

The Group expects Pinnacle Personnel to conduct business in accordance with all relevant laws and to refrain from any illegal conduct. In particular, it is important that Pinnacle Personnel comply with:

- > the Corporations Act 2001 (Cth)
- > the conditions imposed by ASIC as part of the Australian Financial Services Licences that the Group holds.

Pinnacle Personnel are also required to comply with the Group's internal policies and procedures, including this Code. In the event of any inconsistency between the laws and the Group's policies and procedures, Pinnacle Personnel should meet whichever sets the higher standard of behaviour.

## **4. Market Dealings**

### **4.1. Securities trading and inside information**

Pinnacle Personnel must not use any inside information about the Group, a competitor, joint venture partner, client or supplier for financial or other benefit, or convey such information to others before it is made public. Pinnacle Personnel must be familiar with, and compliant of, the Group's securities trading policies available on the Group's website and intranet.

## 4.2. Continuous Disclosure

The Group, as a publicly listed company, is committed to the promotion of investor confidence by ensuring that trading in its securities takes place in an informed market. The Group must meet its continuous disclosure obligations to enable investors to make informed and orderly market decisions.

Public disclosures may only be made by authorised disclosure officers. The authorised disclosure officers of the Group are defined in the Group's Continuous Disclosure Policy as "Group Disclosure Officers".

No member of Pinnacle Personnel may disclose any information which is market sensitive at any briefing to investors, analysts or the media, including in response to any question raised at a briefing, before the information has been formally disclosed to the ASX. Pinnacle Personnel who become aware of market sensitive information must immediately inform their manager or a Group Disclosure Officer.

Pinnacle Personnel should be familiar with and adhere to the Group's Continuous Disclosure policy which is available on the Group's website and the intranet.

## 5. Health, Safety and Wellbeing

### 5.1. Discrimination, Harassment and Bullying

The Group is committed to providing a positive working environment of integrity and equity, free from discrimination, harassment and bullying and where all Pinnacle Personnel are treated with fairness and respect.

Pinnacle Personnel are required to comply with the Group's Employee Behaviour and Grievance Resolution policy at all times.

The Group is committed to:

- > treating all Pinnacle Personnel fairly and with respect;
- > employing people based on their skills, qualifications, abilities and experience, and promote Pinnacle Personnel based on their performance and potential on a fair basis;
- > ensuring Pinnacle Personnel are remunerated in accordance with any relevant remuneration policies;
- > ensuring remuneration decisions are transparent to Pinnacle Personnel by being based on clear decision criteria;
- > seeking to ensure the work environment is free from unacceptable workplace behaviour such as harassment, unlawful discrimination, bullying, vilification, occupational violence, victimisation or other inappropriate workplace behaviour; and
- > managing our operations to support the dignity and rights of Pinnacle Personnel.

All Pinnacle Personnel must:

- > treat each other fairly and with respect;
- > act with honesty, integrity and fairness;

- > be reliable and conscientious;
- > respond constructively to valid complaints or criticism;
- > comply with any policies or procedures in relation to smoking, alcohol and drugs in the workplace;
- > not engage in any form of unacceptable workplace behaviour including harassment, unlawful discrimination, bullying, vilification, occupational violence or other inappropriate workplace behaviour.

The Group recognises the right of individuals to express their concern about work related issues and has an official avenue to resolve Pinnacle Personnel's genuine grievances in a fair and timely manner. Pinnacle Personnel are expected to follow the process set out in the Group's Employee Behaviour and Grievance Resolution policy.

## **5.2. Alcohol, Drugs and Smoking**

The Group aims to provide a safe, healthy and productive working environment for all Pinnacle Personnel and visitors, in accordance with the requirements of relevant legislation and practices.

The Group prohibits:

- > attendance at the Group's premises, or the conduct of business, while a member of Pinnacle Personnel is under the influence of alcohol or another drug;
- > smoking in the workplace including stairwells, fire exits, foyers and immediately outside the buildings. Smokers will be asked to take cigarette breaks during designated break periods only.

It is not a breach of the Code to consume reasonable amounts of alcohol at parties, meals or other functions (on the Group's premises or elsewhere) where a senior manager has approved alcohol consumption. Pinnacle Personnel must exercise common sense and their best judgment where alcohol is supplied in the course of conducting business, or socialising with co-workers. Pinnacle Personnel are to refrain from arriving at or returning to work (e.g. after lunch) in a state of intoxication.

## **6. Whistleblowing**

### **6.1. Reporting breaches of the Code, Group policy or the law**

Pinnacle Personnel who learn about or suspect a breach of this Code, Group policy or the law should promptly report it to their manager, another manager, or the Risk & Compliance or Legal teams. Where a member of Pinnacle Personnel is uncomfortable making such a report, they may make a confidential report under the Group's Whistleblower policy which is available on the Group's intranet.

Conduct that violates the law or company policies is grounds for prompt disciplinary or remedial action. In addition, failure by a member of Pinnacle Personnel to report a known breach of law or Group policy by someone else may result in disciplinary action for that staff member. Discipline for a breach of the Group's policies or applicable law may range from a warning up to and including summary termination of employment.

### **6.2. No retaliation**

It is against the Group's policy (and may be unlawful) for any Pinnacle Personnel to retaliate against any other person for reporting what he or she believed in good faith to be a breach of this Code, expressing an intent to report what he or she believed in good faith to be a breach of this Code, assisting other

Pinnacle Personnel to report a breach of this Code, or participating in any investigation pursuant to this Code.

## **7. The Community**

### **7.1. Community, Donations and Charity**

The Group is committed to delivering projects, services and all business activities in a manner that both respects the environment and contributes to the sustainability of the Group. The Group will also support charities and community groups through the Pinnacle Charitable Foundation.

The Group has entered into a memorandum of understanding (**MOU**) with Pinnacle Charitable Foundation Ltd, the trustee of the Pinnacle Charitable Foundation (**PCF**). The MOU documents in non-binding format the strategic relationship between the Group and the PCF.

The Group intends to leverage its relationship with PCF as the cornerstone of its commitment to being a good corporate citizen.

The Group intends to donate a minimum of \$50,000 annually to PCF to be added to its corpus for the purpose of meeting PCF's objectives as defined in its governance documents. This amount may be increased by the Board after it has received the opportunity to consider the Group's likely financial results for the relevant period.

Once the Group's full year financial result has been audited, the Board will resolve:

- > the precise amount and timing of the annual donation; and
- > the estimated amount and timing of donations for future financial years

While the Group's preferred route of donations will be contributions to the PCF, the Managing Director is empowered, subject to the approval of the Chairman of the Board, to make donations other than to the PCF of up to \$40,000 per annum, where such donations are, in the opinion of the Managing Director, in the interests of shareholders.

Any such donations may only be made for humanitarian and social philanthropic causes and do not include donations of a political nature.