

INDOOR SKYDIVE AUSTRALIA GROUP LIMITED
ACN 154 103 607

CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

This Code of Conduct for Directors and Senior Executives (“**Code**”) records the minimum standards of responsibility and ethical conduct required of all directors and senior executives of Indoor Skydive Australia Group Limited (“**Company**”) and its subsidiaries (collectively “**Group**”).

1. Purpose and application

The Board of directors of the Company has approved this Code and has agreed to be bound by it. The Board may approve updates or amendments to this Code from time to time. The purpose of this Code is to ensure that the Company’s (and the Group’s) professional standing and integrity is maintained at all times. The Company is committed to maintaining ethical standards in the conduct of its business activities. The Company expects all directors and senior executives of the Group to be familiar with, and have a personal commitment to, meeting these standards.

This Code cannot, and does not attempt to, anticipate every situation which may pose a legal, ethical or moral issue. The Code is not prescriptive, but rather a practical set of principles to give direction to, and reflect the Company’s and the Group’s approach to, business conduct.

Some of the standards expressed in this Code summarise, or are otherwise broadly consistent with, various key duties imposed on directors and officers under the *Corporations Act 2001* (“**Act**”) and the general law. Other standards are intended to supplement the statutory and general law duties and obligations of directors and officers. This Code does not purport to be an exhaustive statement of such statutory and general law duties.

Directors and senior executives need to exercise sound judgment when evaluating an issue of business conduct. If they are in any doubt, directors and senior executives should seek advice before taking action which may compromise themselves or the Company or the Group.

Nothing in this Code requires or permits a director or senior executive of the Group to act in a way which would be a breach of any duty owed by that director or senior executive or which would be unlawful.

This Code is in addition to any other charter, policy, protocol or code of conduct from time to time approved by the Board of directors of the Company.

2. Good Faith, Honesty and Integrity

Each director and senior executive must act with openness, honestly, in good faith and in the best interests of the Company and the Group as a whole and for a proper corporate purpose in all business transactions and dealings with others including shareholders, employees, joint venture partners, suppliers, creditors, financiers, the financial markets, governments and the general public.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) directors and senior executives must not make promises or commitments which to his or her best knowledge the Company is unable to, or does not intend to, honour;
- (b) directors and senior executives must ensure that all business decisions with customers and suppliers are made solely on sound commercial grounds having regard to quality, price and service;
- (c) directors and senior executives should not engage in conduct which is likely to bring discredit upon the Company or the Group;
- (d) directors and senior executives must not prefer, promote or protect the interests of any particular group of directors or senior executives or a director’s or senior executive’s personal or commercial interests at the expense of the best interests of the Company or the Group as a whole;
- (e) in special circumstances, a director or senior executive of the Group may also owe a duty to other stakeholders. For example, the interests of creditors must be taken into account if the Company is in financial difficulty; and

- (f) all directors and senior executives of the Group must also comply with all relevant statutory obligations, including environmental, occupational health & safety, industrial relations and competition & consumer protection laws.

3. Care and diligence:

Each director and senior executive has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) the statutory business judgment rule contained in section 180(2) of the Act provides a "safe harbour" for directors in relation to their statutory and general law duty of care and diligence. For it to be relied upon, a director must:
 - (i) make the judgment in good faith for a proper purpose;
 - (ii) not have a material personal interest in the subject matter of the judgment;
 - (iii) inform himself or herself about the subject matter of the judgment to the extent they reasonably believe to be appropriate;
 - (iv) rationally believe that the judgment is in the best interests of the Company or the Group. (The belief that a judgment is in the best interests of the Company or the Group is a rational one unless the belief is one that no reasonable person in the Director's position would hold);
- (b) a Director must not make improper use of information acquired as a Director to gain an advantage for themselves or someone else or to cause detriment to the Company or the Group; and
- (c) a Director must not take improper advantage of their position as a Director to gain an advantage for themselves or someone else or to cause detriment to the Company or the Group.

4. Professional Integrity

Each director and senior executive shall act with integrity in all their dealings on behalf of the Group.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) **Courtesy:** directors and senior executives must not be discourteous towards fellow directors or staff or make personal attacks on a fellow director or a member of staff, whether in Board, Committee or other internal Group meetings or in discussion with others or in public statements.

All directors and senior executives are expected to treat each other, joint venture partners, customers, shareholders and anyone else with whom they interact in their work, with courtesy and respect.

- (b) **No prejudicial actions or statements etc:** directors and senior executives must not engage in conduct, or make any public statement, likely to prejudice the Company's or Group's business or likely to harm, defame or otherwise bring discredit upon or denigrate the Company or any of the directors or employees of the Company or Group.
- (c) **Dealings with other directors and senior executives:** directors and senior executives must not engage in conduct, including by way of threats of court action against another director or senior executive, or other directors or senior executives personally, which is calculated or intended to intimidate those other directors or senior executives from supporting or seeking to further a policy, proposal or other matter which those other directors or senior executives may support or are supporting in discharge of their duty to act in what they honestly believe to be the best interests of the Company or the Group as a whole.
- (d) **Ethical conduct:** directors and senior executives must act ethically in their approach to business decisions.
- (e) **Compliance with laws and regulations:** directors and senior executives must comply with all laws and regulations relating to his or her business conduct and the Company's or a Group company's operations. Any activities carried out by the Company, a Group company, or directors or senior executives outside Australia must comply with the foreign laws which apply to any activities or operations. Directors and senior executives are required to ensure that they are aware of the legal obligations and requirements that impact their areas of responsibility.

The laws that govern the Company's business may be complex and directors and senior executives should contact the Company Secretary if they are unclear about laws or regulations relating to their work.

5. False or Misleading Statements

Each director and senior executive shall not make false or misleading statements, or otherwise mislead directly or indirectly, whether by action or omission.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) a director or senior executive must not knowingly or recklessly disseminate false or misleading information about the Company, the Group, any other director, senior executive or officer of the Company or the Group or the content of any discussions or decisions at any Board or Committee meeting or any communications between the directors and/or senior executives or between some or all of the directors and/or senior executives in relation to affairs of the Company or the Group;
- (b) all statements, communications and representations made to customers, suppliers, partners, competitors and others with whom a director or senior executive works or undertakes business transactions should be accurate and truthful and must not be misleading;
- (c) all appropriate approvals must be obtained before contracts are executed; and
- (d) directors and senior executives are expected to know, understand, and honour the terms of the Company's or any Group company's contractual obligations that are relevant to their role.

6. No Discrimination

Each director and senior executive shall not discriminate on the grounds of a person's race, gender, religion, marital status, sexual preferences or disability.

7. Conflicts of interest

Each director and senior executive shall not allow their personal or professional interests, or that of an associated person, to conflict with his or her obligations towards the Company and the Group.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) a director or senior executive must not place himself or herself in a position where there is a real sensible possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or the Group or his or her duties to the Company or the Group, on the other hand;
- (b) a director or senior executive who has a material personal interest in a matter that relates to the affairs of the Company or the Group must notify all directors of the nature and extent of the interest unless the director or senior executive is not required to do so under the Act. A director of a Group company who has a material personal interest in a matter that is being considered at a Board or Committee meeting must not vote on the matter or be present while the matter is being considered unless:
 - (i) the interest is not required to be disclosed under the Act;
 - (ii) approval for participation is obtained from other non-interested directors;
 - (iii) approval for participation is obtained from the ASIC;

One of the circumstances in which notice of a material personal interest is not required to be given is where the director has given a standing notice of the nature and extent of the interest under section 192 of the Act and the notice remains effective. A standing notice will cease to have effect if it is not given to any director appointed after the date it was first given or if the nature or extent of the interest materially increases above that disclosed in the notice;

- (c) a director or senior executive who holds any office or possesses any property which, whether directly or indirectly, conflicts or may create a conflict with his or her duties or interests as a director or senior executive of the Company or the Group must give to all directors a standing notice of the nature and extent of that interest and ensure that such notice remains effective in relation to that interest;

- (d) apart from the obligation to notify the directors of any material personal interest or other actual or potential conflicting interests under this Code, the action which a director or senior executive should take if he or she is faced with an actual or potential conflict of interest or duties in relation to a particular matter being considered by the Board or any Committee meeting or internal meeting, will depend on the nature and circumstances of the conflict. It may include abstaining from voting on the matter and absenting himself or herself from all deliberations relating to the matter.

8. Use Powers of Office for a Proper Purpose

Each director and senior executive shall use the powers of office for a proper purpose, and not take improper advantage of his or her position to seek personal gain.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) that a director or senior executive must not divert to the director or senior executive or to any associated person a maturing business opportunity which the Company or any member of the Group is pursuing.

9. Improper Use of Information

Each director and senior executive shall not make improper use of information acquired in the course of his or her duties with the Company or the Group.

10. Personal Gain, Improper Payments and Gifts

Each director and senior executive shall not accept any personal gain, improper payments or other gifts of significance.

Guidelines to assist the directors and senior executives to comply with this standard include (but are not limited to) the following:

- (a) a director or senior executive must not give, seek or accept, in connection with the Company's or any Group company's operations, any gifts, meals, refreshments or entertainment which goes beyond common courtesies associated with the ordinary and proper course of business or that could reasonably be construed as a bribe or improper inducement;
- (b) in general, a director or senior executive may accept gifts, hospitality or other benefits associated with the performance of their official duties if such gifts, hospitality or other benefits:
- (i) are within the bounds of propriety, a normal expression of courtesy or within the normal standards of hospitality;
 - (ii) would not compromise the integrity of the Company, the Group or the Company's brand;
 - (iii) are not likely to be regarded as compromising the director's or senior executive's ability to carry out his or her duties in an impartial manner; and
- (c) a director or senior executive must not solicit or accept any bribe, secret commission or illegal inducement of any kind. Offering a bribe to a government official and the receipt of a bribe by a government official is prohibited under Australian law and the laws of most countries. A contravention of anti-bribery legislation has serious consequences, including imprisonment or fines. Directors or senior executives of the Company or the Group shall not, without prior approval from the Chairperson (or in his absence, the Company Secretary), make any payments or payments in kind (gifts, favours, etc) to influence individuals to award business opportunities to the Company or make business decisions in the Company's favour.

11. Use of Services and Facilities

Each director and senior executive shall use services and facilities provided to him or her by the Company or any member of the Group only for the purpose and in accordance with the terms on which they have been provided.

12. Financial Integrity

The Company has stringent financial accounting procedures that are overseen by management, the Audit and Risk Committee and the external auditor. Therefore:

- (a) use of Company or any Group company funds or assets for any unethical purpose, including for the advantage of others, or to cause loss to the Company or the Group is prohibited. No undisclosed funds or assets of the Company or any Group company have, or will be, maintained or established for any purpose;

- (b) no false entries may be made in the books or records of the Company or any Group company for any reason;
- (c) no payment on behalf of the Company or any Group company may be made or approved on the understanding that it will or might be used for something other than the stated purpose.

13. The Company and its Competitors

The Company acknowledges that an understanding of the market in which the Company operates and its competitors is essential to the success of its business. However, gathering information on competitors must be undertaken legally and ethically. Information must not be obtained through unlawful or deceitful means.

14. The Company and its Shareholders and the Financial Community

The Company is committed to delivering shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and takes into account the rights and interests of the financial community generally. The Company aims to comply with the systems of control and accountability in place as part of its corporate governance in accordance with the ethical standards referred to in this Code.

15. The Company and its Employees

The Company actively supports the principle of equal opportunity employment regardless of race, religion, national origin, age, physical disability, marital status, gender or sexual orientation and expects all directors and senior executives of the Company and any Group company to practise and support this principle.

The Company believes that every individual has the right to dignity and respect in the workplace. The Company regards any personal, physical or sexual harassment as unacceptable and may lead to termination of his or her employment. The use of any medium (including email or the internet) to disseminate material which is sexually explicit, defamatory, vulgar, or racist is prohibited. These policies apply to all directors, senior executives and employees of the Company and each Group company.

The Company will promptly investigate all allegations of harassment, bullying, victimisation or discrimination and will take appropriate corrective action. Retaliation against individuals for raising claims of harassment or discrimination will not be tolerated.

The Company is committed to protecting the health and safety of its employees, its visitors and the public. The Company expects and requires all of its directors, senior executives and employees to comply with application workplace health and safety laws and Company policies, including their obligation to report any hazardous conditions in the workplace and any workplace incidents or accidents.

16. Environment and Community

The Company is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations. If a director or senior executive becomes aware, or suspects, an action that is not environmentally responsible and/or in breach of the applicable laws and regulations, he or she should report the matter in accordance with section 23 of this Code.

The Company is a responsible corporate citizen and each director and senior executive is expected to uphold the Company's commitment to pursue good corporate citizenship while conducting its business activities. The Company supports and encourages directors and senior executives to actively contribute to and participate in the community. If a contribution is to be made on behalf of the Company or a Group company, prior approval of the Chairperson (or in the absence of the Chairperson, the Company Secretary) is required.

Directors and senior executives may voluntarily engage in community politics as an individual, however no director or senior executive may engage in actions that could cause someone to believe that his or her actions reflect the views or position of the Company. It is against Company policy to use corporate funds for political purposes.

17. Conduct at Board and Committee Meetings

A director or senior executive must bring an open and independent mind to Board and Committee meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, in good faith and on reasonable grounds, to be in the best interests of the Company (or Group as applicable) as a whole.

An opportunity must be provided for a director or senior executive to put his or her views on issues before the

Board or a Committee on which he or she sits. While directors and senior executives must treat each other with courtesy and observe the other rules in this Code, directors and senior executives should be able to engage in vigorous debate on matters of principle.

18. Confidentiality

Confidential information (including the contents of Board or Committee papers and any document which is referred to in, or relates to, any of them) received by a director or senior executive in the course of the exercise of the director's directorial duties or senior executive's duties remains the property of the Company or Group company (as applicable) from which it was obtained. Accordingly, a director or senior executive must not disclose such confidential information, the content of discussions and any decisions, resolutions, recommendations or directives made or given at Board or Committee meetings or any confidential communications between the Company and the directors and/or senior executives or between some or all of the directors and/or senior executives in relation to the affairs of the Company or any Group company, or allow any of the foregoing to be disclosed, unless that disclosure:

- (a) has first been duly authorised by the Board;
- (b) is made in accordance with any media and communications protocol approved by the Board;
- (c) is required by law or by any notice, order or regulation of any regulatory authority which is binding on the director or senior executive; or
- (d) is made to such employees, agents or advisers of the Company or other Group company who have a legitimate interest in the subject of the disclosure and on the basis that the information being disclosed is to remain confidential;

The above restrictions on the disclosure in the public arena, whether through the media or otherwise, of confidential information and communications and the content of discussions at Board or Committee meetings are of fundamental importance. All directors must feel free to discuss without inhibition their views on issues before the Board. Likewise all senior executives must feel confident that commercially sensitive and potentially controversial issues concerning the business and affairs of the Company or the Group can be fully and frankly canvassed in the boardroom without risk of later unauthorised ventilation in the public arena.

19. Share trading

The law prohibits dealing in the shares of a company while in possession of inside information. Inside information is information that is not generally available and if it was available, a reasonable person would expect it to have a material effect on the price or value of shares.

Any director or senior executive or other employee must not (or must not cause another person to) trade in the Company's shares or the shares of any other company to which the information relates on the basis of inside information or pass inside information onto someone who might use inside information to trade in the Company's shares or the shares of any other company to which the information relates. A breach of insider trading provisions may result in criminal prosecution.

Any trading in the Company's shares must be done in accordance with the Company's Securities Trading Policy. If a director, senior executive or other employee has any doubt about trading in the Company's shares, they should contact the Company Secretary.

20. Continuous Disclosure Policy

The Company has adopted a Continuous Disclosure Policy as a means of ensuring compliance with its disclosure and communication obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules. The aim of the Continuous Disclosure Policy is to keep the market fully informed of information that may have a material effect on the price or value of the Company's securities, and to correct any material mistake or misinformation in the market.

All directors and senior executives must ensure that they are aware of the requirements of the Continuous Disclosure Policy and act in accordance with this policy.

21. Privacy and Intellectual Property

Directors and senior executives may have access to records which contain information that may be of a person nature, or that the Company or a Group company has obtained to assist in the management or operations of the business. This information is private and confidential and must be dealt with in accordance with the Company's Privacy Policy.

Each director and senior executive is expected to be aware of the provisions of the Company's Privacy Policy.

All intellectual property that each director, senior executive, employee or contractor generates in relation to the Company or a Group company and its activities is the property of that Company or Group company. Each director and senior executive is responsible for protecting these intellectual property rights.

22. Corporate governance

Each director or senior executive shall, unless exempted by the Board or the Chairperson, co-operate in corporate governance procedures from time to time prescribed by the Board including periodic appraisals of the performance of the Board.

23. Adherence to Code

Each director and senior executive must, at all times, comply with the spirit, as well as the letter, of the law and of the standards set out in this Code.

If any director, senior executive or employee of the Company or a Group company becomes aware of a serious breach of this Code, or suspects that any fraudulent or unethical behaviour has occurred, or is concerned that any conduct of a director or senior executive may be in breach of applicable law or this Code, he or she should report it to the Chairperson of the Audit and Risk Management Committee, the Company Chairperson, the Company Secretary or the Company's auditors. Details of any concerns and the identity of the persons making the report will be treated confidentially. Any matter reported will be handled promptly and in a manner that ensures the individual is not disadvantaged for reporting his or her concerns.

24. Consequences for breach of the Code

All suspected breaches of the Code will be thoroughly investigated by the Company. If these investigations reveal breaches of the Code appropriate disciplinary and remedial action will be taken depending on the nature of the breach. This will range from providing the director or senior executive with training, coaching and counselling through to formal warnings and/or to termination.

25. Review of the Code

The Board will review the Code no less than annually. Any amendment to this Code must be approved by the Board.