

Code of Business Conduct and Ethics

Magnis is developing businesses (that it operates itself or through its subsidiaries – wholly owned or otherwise) (referred to as Magnis) that aspire to and will earn and maintain a solid reputation for integrity, diversity, and success. Magnis will carry on business honestly fairly and sustainably, acting only in ways that reflect well on the company in strict compliance with all laws and regulations.

This code of business conduct and ethics – which has the full endorsement of the Magnis board of directors and senior management – sets out the way Magnis conducts business.

Why have such a code? It is an effective way to guide the behaviour of everyone in Magnis – all employees including managers as well as the Magnis board – clearly stating the company’s firm commitment to behaving honestly fairly and sustainably.

Values

The code is grounded in Magnis’ fundamental values, which derive from our obligations to give proper regard to the interests of people and organisations that have a stake in Magnis’ activities, including:

- **Our employees** Magnis recognises that the talent, skills, knowledge, integrity, and reputation of its people are Magnis’s greatest asset. We are committed to attracting, developing, motivating, and retaining competent, ethical employees.
 - **Our shareholder’s** Magnis is committed to providing a reasonable return for the company’s owners – our shareholders – on their investment in Magnis, striving to increase the value of their investment by developing and carrying on business in a sound and effective way and clearly, openly, accurately, and honestly reporting on the company’s operations to our shareholders.
 - **Our customers** We are committed to conducting business fairly, honestly, and sustainably, providing our customers – including the final consumers or users of our output – with quality products and services which satisfy their needs. We recognise that we are in long term partnership with our customers for mutual benefit.
 - **Our suppliers** We are committed to open and honest dealing with our suppliers, recognising their contributions in providing best value for Magnis’ customers. Suppliers must be aware that they will be chosen based solely on commercial considerations.
 - **Our communities** Magnis is committed to earning and maintaining the support of the communities in which we operate, including government representatives at all levels. We believe that good community relations benefit both the company and our fellow members
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of society by building relationships based on trust and mutual understanding of one another's needs and where opportunities present assisting the communities to develop in a sustainable way.

If in doubt

Such a set of principles as this code cannot be comprehensive. If in doubt, Magnis people should ask themselves:

1. do I believe the action I am taking is right – am I being fair and honest?
2. is the action legal? (If in doubt, do not do it.)
3. would I or Magnis be embarrassed if my action was disclosed publicly?

If employees are not sure that a proposed action is appropriate, they should ask their manager, or Magnis Legal or Magnis Human Resources departments for guidance before acting.

By following the Magnis Code of Business Conduct and Ethics, Magnis people will ensure that our reputation for high ethical standards is protected.

Responsibilities of Magnis People

Employee Responsibilities

Each Magnis employee is responsible for complying with this Code of Business Conduct and Ethics both in detail and in spirit. Everyone must:

- act with integrity – being honest, fair and trustworthy in all business dealings and relationships.
- avoid conflicts between Magnis' interests and their personal interests.
- protect Magnis' business assets.
- respect and abide by our obligations to fellow employees, shareholders, customers, suppliers, competitors, and the communities in which Magnis operates; and
- act within the laws and regulations affecting business conduct.

(These requirements are dealt with in more detail below)

It is the responsibility of all Magnis people, including managers and other leaders, to ensure ethical conduct is recognised and valued throughout Magnis.

Magnis. contract of employment requires all Magnis employees to abide by its policies including this Code of Conduct.

We are committed to open and frank communication in Magnis workplaces. No employee will be subject to retaliation by Magnis for reporting in good faith a possible violation of this code. More details are available in our Whistle blower Policy.

If employees are in doubt about any action, they should contact their manager for approval or guidance.

Responsibility and Accountability of the Magnis Board of Directors and Managers

The Magnis board of directors is responsible for the contents of the code and its regular review and updating. The CEO (if appointed) and managers at all levels of Magnis are responsible for ensuring that all employees understand and follow this code. Any significant deviation from the code will be reported by management to the board – with a report of action taken to correct the situation.

Consultants' Responsibilities

Individuals or organisations consulting for, or representing Magnis, or both, must comply with this code in the same way as company employees. Magnis employees who engage consultants should ensure that they are provided with a copy of relevant Magnis policies, including this Code.

Responsibility to Protect Magnis' Business and to Use Company Resources Correctly

All Magnis employees must use their best efforts to protect company assets and other resources including plant, equipment, and other valuable property including confidential information and intellectual property such as patents, trademarks, and copyrighted material, from unauthorised use, loss, theft, and misuse.

Managers are responsible for maintaining controls which:

- prevent, detect, and correct problems.
- ensure that their part of Magnis attains its business objectives; and
- ensure compliance with laws, regulations, and company policies.

To ensure important information about Magnis is distributed fairly and openly to the public, as required by law, outside requests for information shall be dealt with by authorised people only. Employees should refer requests from the media or investors or financial analysts to the Corporate Development & Investor Relations Manager or the Group General Counsel & Company Secretary.

The use of Magnis time, material, or facilities for purposes not directly related to company business, or the removal or borrowing of company property without permission is prohibited. Incidental personal use of such company resources as computers, phones, faxes, copiers and internet access is permitted, but employees must ensure that Magnis' interests are not harmed.

More information is available in Magnis' related policies, such as Delegated Authorities, Magnis Credit Cards Policy, the Electronic Communication Policy and related guidelines and the Ethical Procurement Policy.

Protecting Confidential Information

Magnis employees are responsible to ensure that confidential information relating to customers, work colleagues and Magnis operations, and suppliers is properly protected. Such information cannot be disclosed to third parties, unless allowed or required under relevant laws or regulation – or agreed by the person or organisation whose information it is. Employees must abide by the Magnis' Privacy Policy

Responsibility to Individuals

Magnis is committed to the fair and equal treatment of all its employees and abides by the employment laws of the countries in which it operates. Employees and candidates for employment shall be judged based on their behaviour and qualifications to carry out their job without regard to race, gender, religion, sexual orientation, disability, age, marital status or political belief or any other aspect protected by law. See Magnis Diversity Policy for more detail in this regard

We do not tolerate discrimination, including sexual, physical, or verbal harassment or other demeaning behaviour against any individual or group of people. Magnis does not tolerate violence or threats of violence. See the Magnis Anti Bullying & Harassment Policy

Magnis' privacy policy is designed to protect privacy of personal information and other rights of individuals in accordance with law. The company will only acquire personal information that is required to be effective in its business or is required by law.

More information is available in Magnis' Privacy Policy, the Diversity Policy, and the Anti Bullying & Harassment Policy.

Acting Responsibly on Safety, Health, and the Environment

In Magnis, we regard management of safety, health, and the environment (SHE) as an integral and very important part of our business.

We believe that all injuries, occupational illnesses, and environmental incidents can be prevented. Management is accountable for safety and environment performance, and all employees are

expected to take personal responsibility and be involved in setting standards and improvement initiatives.

We are in the process of adopting a common approach across the company to managing SHE. This approach incorporates a SHE policy, company commitments, management systems and reporting and auditing, which ensures that Magnis and its people will properly discharge their responsibilities.

Employees are responsible for reporting safety hazards and work-related accidents and injuries to avoid the adoption of bad behaviours as the bad behaviours that you walk past is the bad behaviours you condone

There are strict SHE protocols for contractors as well as for employees to ensure the safety and wellbeing of all people on Magnis sites.

As part of providing a safe and healthy workplace, Magnis will not tolerate employees or anyone else taking illegal drugs on to our sites, nor employees carrying out company business while impaired by drugs including alcohol. Smoking is not allowed on Magnis sites.

More information is available in Magnis' OHS Policy and Alcohol and Other Drugs Policy.

Avoiding Conflicts of Interest

Employees must avoid any situations involving divided loyalty or a conflict between their personal interests and those of Magnis. Employees faced with conflicting interest must report it to their manager.

In particular:

- employees and any organisation in which they or their family have a significant interest must not compete with or have business dealings with Magnis unless this is disclosed and approved prior to that relationship commencing.
 - employees must not work or consult for, or have any other key role in, an outside business organisation which has dealings with Magnis or is a competitor of Magnis unless disclosed and approved by the Board.
 - employees must not use Magnis' assets for any purpose other than for Magnis' business purposes or interests.
 - employees must not make improper use of their employment with Magnis, their position or role in the company, or information obtained because of their position, to gain an advantage for themselves or anyone else, to Magnis' detriment; and
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- employees must not buy or sell shares in Magnis or any other companies at any time when they are aware of market sensitive information about the company, which has not been disclosed to the Australian Stock Exchange or during any blackout period as determined under the MNS Share Dealing Code.

More information is available in Magnis' Delegated Authorities; Magnis Credit Cards Policy; Continuous Disclosure Policy and Share Dealing Code.

Potential Takeovers, Acquisitions or other "Change of Control" Transactions involving Magnis

Employees must be particularly careful to avoid conflicts of interest and the improper disclosure of confidential information in the case of an approach by a third party ("potential bidder") in relation to the proposed acquisition of the shares in, or any of the businesses of, Magnis. Such an approach might be made informally (for example by enquiry or overture) and/or through an intermediary or advisor to the potential bidder.

The Magnis board must be informed of any approach (no matter what the form of the approach) and will establish protocols for Magnis' response to the approach.

Any Magnis employee who is approached (even informally) by or on behalf of a potential bidder must:

- immediately notify his or her manager and Magnis' General Counsel & Company Secretary of the approach, including the details of any inducement or incentive offered to that employee or any other Magnis person.
- cease communications with the potential bidder until communication protocols are established and then only if so, authorised under those protocols.
- not provide any corporate information to anyone without the express approval of the Magnis board or the board's representative and then only on terms approved by the Magnis board.
- ensure that the approach is not discussed with customers, suppliers or other employees unless specifically authorised by the Magnis board and then only on terms approved by the Magnis board.

Gifts, Gratuities and Entertainment

We do not give nor take bribes, kickbacks or gratuities or any other payments for favourable treatment or as an inducement for doing business. However, the company allows the acceptance of token gifts and entertainment provided they are appropriate to the intended business purpose and

consistent with local business practice and laws. For more details refer to the Antibribery & Corruption Policy

It is not uncommon in some countries for employees to be asked to make relatively minor payments, (sometimes called “facilitation payments”) to lower-level officials or government employees to expedite routine services or administrative actions provided or performed by those individuals. Magnis is opposed to making such payments as a matter of policy, and every effort should be made to resist them. Magnis recognises, however, that in some cases this will not be possible, and it will be necessary to form a judgment about what to do in these circumstances. Before responding to any request for a facilitation payment you must discuss the appropriate course with CEO or Group General Counsel & Company Secretary,

Employees should not seek to gain special advantage for Magnis or themselves using business gifts, favours, or entertainment, if it could create even the appearance of impropriety. Business entertainment should be moderately scaled and clearly for business purposes. Gifts and entertainment should not be offered to a customer or supplier whose organisation does not allow this.

Employees may accept or give gifts, favours, or entertainment only if they would not create embarrassment, and:

- are a common courtesy associated with normal business relationships.
- are minor in value (under \$500, which sum will vary depending on the country where this is occurring) and cannot in any way be construed as a bribe, pay-off, or business inducement; and
- do not commit any employee, Magnis, or any other party to an obligation concerning business.

Any item more than \$500 must not be accepted, or if that causes embarrassment, the item should be given to the company and entered in the Gifts Register.

If an employee has any doubts about an issue, they should discuss it quickly with their manager who will, if necessary, refer it in writing to their general manager.

Integrity in Financial Reporting

Magnis is committed to providing accurate, timely and clearly understandable disclosures in reports on its results to shareholders, the Australian Stock Exchange, Australian Securities and Investments Commission and other regulators. Magnis will exercise the highest standard of care in preparing such reports.

All material financial information and disclosure must be accurately represented in the company's accounts. No information may be concealed by employees from Magnis' internal auditors (if appointed) or external auditors. No director, officer or employee may take any action to influence, coerce, manipulate, or mislead the company's external auditors to produce misleading financial statements.

Magnis' Responsibilities to Shareholders and Others

Magnis will strive to increase shareholder value and promote the interests of all stakeholders through:

- effective operation of the company, including preparing and implementing strategies, budgets, plans and policies.
 - identification and implementing opportunities for improving results.
 - clear and honest reporting of results.
 - effective management of business risk and safety, occupational health, and environmental issues; and
 - protecting property and other assets, confidential information and intellectual property including patents, trademarks, brands, and copyright material.
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