

## **QUTBLUEBOX BOARD CODE OF CONDUCT**

1. A director must act honestly, in good faith and in the best interests of the corporation as a whole.
2. A director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. A director must use the powers of office for a proper purpose, in the best interests of the corporation as a whole.
4. A director must recognise that the primary responsibility is to the corporation's key stakeholders, consisting of the Queensland University of Technology through the ownership of its holding company.
5. A director must not make improper use of information acquired as a director.
6. A director must not take improper advantage of the position of director.
7. A director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the corporation.
8. A director has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the board of directors.
9. Confidential information received by a director in the course of the exercise of directorial duties remains the property of the corporation from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the corporation, or the person from whom the information is provided, or is required by law.
10. A director should not engage in conduct likely to bring discredit upon the corporation.
11. A director has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code.

***Adapted from: The Australian Institute of Company Directors, Code of Conduct.***

## **GUIDELINES FOR THE INTERPRETATION OF THE PRINCIPLES OF THE QUTBLUEBOX BOARD CODE OF CONDUCT**

The following guidelines are intended to assist directors in complying with the core principles of the *Qutbluebox Board Code of Conduct*. They are not meant to be exhaustive and may be added to overtime to address issues of importance as they arise.

### **1. Duties to the Corporation**

- 1.1. Each director should endeavour to ensure that the functions of the board have been specified clearly, are properly understood and are competently discharged in the interests of the corporation.
- 1.2. A director should endeavour to ensure that the management of the corporation is competent and is devoting its best endeavours in the interests of the corporation.
- 1.3. In evaluating the interests of the corporation, a director should take into account the interests of the stakeholders as a whole, but recognise that the primary stakeholder is the Queensland University of Technology, in the person of QEH Enterprise Holdings Pty Ltd.

### **2. Duties to Stakeholders**

- 2.1. Each director should endeavour to ensure that the corporation is financially viable, properly managed and constantly improved so as to protect and enhance the interests of the stakeholders.
- 2.2. A director should consider whether any benefit to be received by the director or an associated person is of sufficient magnitude that the approval of the stakeholders should be sought, even though not required by law.
- 2.3. The corporation and its directors must comply with the legal framework governing its operations and must be conscious of the impact of their business on society. Although the director owes primary duty to the stakeholders of the corporation as a whole, the responsibilities imposed on the corporation and directors under various statutes clearly demand that the director evaluate actions in a broader social context.

### **3. Due Diligence**

- 3.1. A director should attend all board meetings but where the attendance at the meeting is not possible appropriate steps should be taken to obtain leave of absence.
- 3.2. A director must acquire knowledge about the business of the corporation, the statutory and regulatory requirements affecting directors in the discharge of their duties to the corporation, and be aware of the physical, political and social environment in which it operates.
- 3.3. In order to be fully effective, a director should insist upon access to all relevant information to be considered by the board. This information should be made available in sufficient time to allow proper consideration of all relevant issues. In the extreme circumstances where information is not provided, the director should make an appropriate protest about the failure on the part of the corporation to provide the information and if necessary abstain from voting on the particular matter on the basis that there has not been the time necessary to consider the matter properly. Any abstention, and the reasons for it, should be included in the minutes. It may also be

appropriate to vote against the motion or move for deferment until proper information is available.

- 3.4. A director should endeavour to ensure that systems are established within the corporation to provide the board, on a regular and timely basis, with necessary data to enable them to make reasoned judgment and so discharge their duties of care and diligence. An internal review of systems supporting the board should be conducted regularly.
- 3.5. A director should endeavour to ensure that relations between the board and the auditors are open, unimpeded and constructive. Similarly, the auditors should have direct and unimpeded access to the board. A director should be satisfied that the scope of the audit is adequate and that it is carried out thoroughly and with the full cooperation from management and the internal auditors.
- 3.6. A director should endeavour to ensure that the corporation always complies with the law and strives for the highest standards of business and ethical conduct.
- 3.7. A director from time to time may need expert advice (whether to be legal, financial or some other professional advice and whether it relates to fiduciary or other duties) in order to discharge the director's duties properly. The director should ensure, to the extent possible, that any advice obtained is independent of the corporation. In that regard the services of advisers independent of those advising the corporation may need to be sought. In any case of doubt, the directors should always seek separate independent advice on matters that may impact on their position vis-à-vis the corporation. There should be an agreed procedure for directors in the furtherance of their duties to take independent professional advice if necessary, at the corporation's expense.

#### **4. Conflicts of interest**

- 4.1. Directors should be guided by the corporation's policy on Conflict of Interest in when considering any issues of conflict of interest.

#### **5. Use of information**

- 5.1. A director must not make improper use of information acquired by virtue of the director's position. This prohibition applies irrespective of whether the director would gain directly or indirectly a personal advantage or an advantage for any associated person or might cause detriment to the corporation.
- 5.2. Matters such as trade secrets, processes, methods, advertising and promotional programs, sales and statistics affecting financial results are particularly sensitive and must not be disclosed.
- 5.3. A director who takes the serious step of resignation on a point of principle should consider whether the reasons for resignation should be disclosed to stakeholders. In deciding whether or not to make public the reasons for resigning and composing any resignation statement, a director should have regard to the following:
  - (a) the duty not to disclose confidential information so as to damage the corporation; and
  - (b) the duty to act *bona fide* in the interests of corporation.
- 5.4. A director who has been nominated to a board by outside parties should recognise the particular sensitivity of the position and should be especially careful not to

disclose to the nominators matters that are confidential unless the prior agreement of the board has been obtained.

## **6. Professional integrity**

- 6.1. The managing director should recognise that the position occupied is particularly sensitive. A director must be prepared, if necessary, to express disagreement with colleagues including the managing director. However, in the absence of a need to express disagreement, the managing director should be prepared to implement the decisions of the board as a loyal member of the board.
- 6.2. If there is any doubt whether a proposed course of action is inconsistent with a director's fiduciary duties the course of action should not be supported. Independent advice should be sought as soon as possible to clarify the issue.
- 6.3. When a director feels so strongly as to be unable to acquiesce in a decision of the board, some or all of the following steps should be considered:
  - (a) making the extent of the dissent and its possible consequences clear to the board as a means of seeking to influence the decision;
  - (b) asking for additional legal, accounting or other professional advice;
  - (c) asking that the decision be postponed to the next meeting to allow time for further consideration and informal discussion;
  - (d) tabling a statement of dissent and asking that it be minuted;
  - (e) writing to the Chairman, or all members of the board, and asking that the letter be filed with the minutes;
  - (f) if necessary, resign, by advising the Company Secretary
- 6.4. 'Opinion shopping' in the search for loopholes in the law is unacceptable.

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**(Adapted from the By-Laws of the Australian Institute of Company Directors)**