



Governance at Boresight Ltd ABN 40 642 501 228

Introduction

The phrase “corporate governance” describes “the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within corporations. It encompasses the mechanism by which companies, and those in control, are held to account”.¹

Corporate governance is an important part of corporate life for a company listed on the Australian Securities Exchange (**ASX**). The ASX Corporate Governance Council (**Council**) Corporate Governance Principles and Recommendations (**Principles and Recommendations**) were first introduced in 2003, and are currently in their fourth edition.

The Principles and Recommendations set out recommended governance practices for ASX listed entities that, in the Council’s view, are likely to achieve good governance outcomes and meet the reasonable expectations of most investors in most situations. The Principles and Recommendations operate on an “if not, why not” basis, under which a listed entity must either comply with the recommendations or explain why it has chosen not to.

However, the Council recognises that different entities may legitimately adopt different governance practices, based on a range of factors, including their size, complexity, history and corporate culture. For that reason, the Principles and Recommendations are not mandatory and do not seek to prescribe the governance practices that a listed entity must adopt. Which governance practices a listed entity chooses to adopt is fundamentally a matter for its board of directors.

It is against this background that the board of Boresight Ltd ABN 40 642 501 228 (**Company**) has adopted the charters, policies and procedures set out in this document, to ensure that it has appropriate governance arrangements in place.

A reference to “child entity” in this document has the meaning given to that term in the ASX Listing Rules.

¹ Justice Owen in the HIH Royal Commission, The Failure of HIH Insurance Volume 1: A Corporate Collapse and its Lessons, Commonwealth of Australia, April 2003 at page xxxiv.

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Statement of values

- 1. Engineering Excellence** – We deliver precise, mission-ready aerospace systems built to excel.
- 2. Mission-Driven Technology** - We innovate with purpose, creating technologies that strengthen national security while keeping focused on real operational needs.
- 3. Safety & Reliability** - We prioritise safety and engineer reliability into every step, so our systems perform when it matters most.
- 4. Collaboration with Purpose** - We overcome challenges through seamless multidisciplinary teamwork grounded in shared expertise and mission.

Board Charter

1 Applicability

This Board Charter applies to all directors of Boresight Ltd ABN 40 642 501 228 (**Company**).

2 Board role

The role of the board of directors of the Company (**Board**) is to set the strategic direction for the Company, to select and appoint the Chief Executive Officer (or equivalent) and oversee the Company's management and business activities.

The Board should be mindful that while the primary objective of the Company is to create, and to continue to build, sustainable value for shareholders, the legitimate interests of other parties who may have an interest in or be affected by the activities of the Company and its child entities should be considered.

3 Board responsibilities

The Board is responsible for:

- (a) demonstrating leadership
- (b) defining the Company's purpose and setting the Company's strategic objectives;
- (c) appointing the chairman;
- (d) appointing a "senior independent director" (where applicable);
- (e) approving a statement of values for the Company and the Company's code of conduct, to underpin the desired culture within the Company;
- (f) appointing, and when necessary replacing the chief executive officer (or equivalent);
- (g) formally resolving to appoint and, when necessary, to remove the company secretary;
- (h) approving the appointment and, when necessary, the removal of other senior executives;
- (i) overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and performance generally and whenever required, challenging management and holding it to account;
- (j) approving operating budgets and major capital expenditure;
- (k) monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (l) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, including the adoption of appropriate policies and procedures, and monitoring their operation;
- (m) ensuring that the Company has in place an appropriate risk management framework (for both financial and non-financial risks), setting the risk appetite within which the Board expects management to operate and assessing the effectiveness of management's implementation of the risk management framework;

- (n) satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- (o) approving the Company's remuneration framework and satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- (p) monitoring the effectiveness of the Company's governance practices, including formulating and adopting, monitoring compliance with and reviewing, appropriate governance policies and procedures;
- (q) if considered appropriate, establishing measurable objectives for achieving gender diversity in accordance with the Company's Diversity Policy, and annually reviewing those objectives and the Company's progress towards achieving them;
- (r) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment, native title and occupational health and safety;
- (s) appointing the external auditor (where applicable, based on recommendations of the Audit and Risk Committee) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;
- (t) making regular assessment of whether each non-executive director is independent in accordance with the Company's policy and guidelines of relationships affecting independent status as set out in the Appendix to this Board Charter;
- (u) providing overall corporate governance of the Company, including conducting regular reviews of the division of functions between the Board and management to ensure that it continues to be appropriate to the needs of the Company; and
- (v) approving the annual and half-yearly financial statements and quarterly accounts; and
- (w) approving the Company's annual corporate governance statement prepared in accordance with ASX Listing Rule 4.10.3.

The Board may delegate the matters listed above to a committee of the Board, with the Board retaining the ultimate oversight and decision-making power in respect of the matters delegated.

Directors must carry out their role in accordance with their legal duties.

4 Management role and responsibilities

4.1 Chief Executive Officer

The Chief Executive Officer is responsible for:

- (a) implementing the Company's strategic objectives and instilling and reinforcing the Company's values while operating within the values, code of conduct, budget and risk appetite set by the Board;
- (b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 4.3;
- (c) providing the Board with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities. This obligation is not limited to information about the financial performance of the Company, but also its compliance with material legal and regulatory requirements and any conduct that it is materially inconsistent with the Company's values or Code of Conduct. The Chief Executive Officer is responsible for reporting all matters which exceed the Authority Threshold to the Board. All reports to the Board must present a true and fair view of the Company's financial condition and operational results;

- (d) appointing and, where appropriate, removing senior executives, including the chief financial officer and the company secretary, with the approval of the Board; and
- (e) evaluating the performance of senior executives.

4.2 Other senior executives

The Company's senior executives (management) are those people who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.

Management's role is to support the Chief Executive Officer and assist the Chief Executive Officer implement the strategic objectives set by the Board and the day-to-day running of the Company, in accordance with the delegated authority of the Board.

Management is responsible for:

- (a) implementing the strategic objectives and instilling and reinforcing the Company's values while operating within the values, Code of Conduct and risk appetite set by the Board;
- (b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 4.3; and
- (c) providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities. This obligation is not limited to information about the financial performance of the Company, but also its compliance with material legal and regulatory requirements and any conduct that it is materially inconsistent with the Company's values or Code of Conduct. Senior Executives are responsible for reporting all matters which exceed the Authority Threshold at first instance to the Chief Executive Officer or, if the matter concerns the Chief Executive Officer, then directly to the Chairman.

4.3 Authority thresholds

- (a) Any matter that is outside the delegated authority of the Chief Executive Officer or the senior executives (as appropriate) as set out in the Company's delegated authority matrix as approved by the Board from time to time (**Delegated Authority Matrix**).
- (b) Any matter that:
 - (i) impacts on the reputation of the Company;
 - (ii) will, or could potentially, involve a breach of material legal and/or regulatory requirements;
 - (iii) is inconsistent with the Company's Code of Conduct or any articulated Statement of Values;
 - (iv) is outside the ordinary course of business; and/or
 - (v) could affect the Company's rights to its assets..
- (c) Contracts will be considered material if:
 - (i) they are outside the ordinary course of business;
 - (ii) they contain exceptionally onerous provisions in the opinion of the Board;
 - (iii) any default, should it occur, may trigger any of the tests in paragraph (b), or exceed the relevant amounts in the Delegated Authority Matrix;
 - (iv) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;
 - (v) they contain or trigger change of control provisions;
 - (vi) they are between or for the benefit of related parties; or

- (vii) they otherwise trigger a threshold in the Delegated Authority Matrix.

Any matter which falls within the above guidelines is a matter which exceeds the authority threshold (**Authority Threshold**).

5 Board composition

5.1 General

The Board should be of an appropriate size and collectively have the skills, commitment and knowledge of the Company and the industry in which the Company operates to enable it to discharge its duties effectively and to add value.

5.2 Independence

The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. Where practical and consistent with the Company's stage of development, a majority of the Board should be comprised of independent directors, and the Chairman should be an independent non-executive director. The Board will determine whether a director is independent in accordance with the guidelines set out in the Appendix to this Board Charter and will assess at least on an annual basis whether each of the non-executive directors is independent or not.

5.3 Outside directorships

A director should continually evaluate the number of boards on which they serve to ensure that the Company is given the time and attention detail required for the director to properly exercise their powers and discharge their duties. An executive director is not permitted to sit on the board of another public company without first seeking the written approval of the Chairman, or where the director seeking approval is the Chairman, the written approval of the Board.

5.4 Review of Board composition

Board composition should be reviewed annually by the Board against the Company's Board skills matrix to ensure that the directors possess the mix of skills and diversity necessary to meet the requirements of the Company.

6 Chairman

Where practical, the Chairman should be an independent non-executive director.

The Chairman's role is responsible for leading the Board, facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management.

The Chairman is also responsible for:

- (a) approving Board agendas, in conjunction with the Chief Executive Officer and Company Secretary, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (b) shareholder communication (subject to the role of the Disclosure Officer as set out in the Compliance Procedures); and
- (c) arranging evaluation of the performance of the Board, individual director and Board committees (where applicable).

Any other position which the Chairman may hold either inside or outside the Company should not hinder the effective performance of the Chairman in carrying out their role as Chairman of the Company.

7 Board processes

7.1 Board meetings

The Board must convene meetings with such frequency as is sufficient to appropriately discharge its responsibilities. It is usual practice for the Board to meet six times per year, and at least once per quarter. Board meetings are held in accordance with the Company's constitution.

7.2 Conflicts

A director must inform the Chairman as soon as the director is aware of any conflict or potential conflict of interest which that director may have in relation to any particular item of business. Unless decided otherwise by the other members of the Board, the Director should be absent from discussion and decision on that matter. Directors must strictly observe and comply with the requirements of the *Corporations Act 2001* (Cth) and the Company's constitution in relation to the conflicts.

7.3 Independent professional advice

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval for incurring such expense from the Chairman, the Company will pay the reasonable expenses associated with obtaining such advice.

Where it is the Chairman who is seeking the independent professional advice, the role of the Chairman to consider and provide approval as set out above should be carried out by the Board.

7.4 Continuing professional development

The Nomination Committee (or equivalent) reviews whether the directors collectively have the skills, knowledge and familiarity with the Company and its operating environment to fulfil their role on the Board (and on any relevant Board committees) and, where any gaps are identified, consider what training or development could be undertaken to fill those gaps. Requests by individual directors for approval of professional education courses may be made to the Company Secretary, and where a request is approved by the Chairman, the cost of the course will be met by the Company.

7.5 Non-executive directors

Non-executive directors may meet without executive directors or other senior executives at times scheduled from time to time. Such meetings may be facilitated by the Chairman.

7.6 Board performance evaluation

The performance of the Board will be evaluated on an annual basis in accordance with the Company's Process for Performance Evaluations (as amended from time to time).

8 Board committees

The Board may from time to time establish committees to assist it in carrying out its responsibilities. For each committee, the Board should adopt a charter setting out the committee's composition, role, operations, responsibilities, authority and resources and any other relevant matter. The appointment of a chairman and members of the committee will be made by the Board.

The Board may also establish standing and ad hoc committees comprising members of management, as appropriate, to address particular matters and those committees will have responsibility to report directly to the Board.

9 Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary's role is to support the effectiveness of the Board and its committees. Each director should be able to communicate directly with the Company Secretary and vice versa.

The responsibilities of the Company Secretary include:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring that Board and committee policy and procedures are followed;
- (c) coordinating the timely completion and despatch of board and committee papers;
- (d) ensuring that the business at board and committee meetings is accurately captured in the minutes; and
- (e) helping to organise and facilitate the induction and professional development of directors.

10 Review

This Board Charter will be reviewed annually and updated as required.

Process for performance evaluations

1 Board, committees and individual directors

The Chairman will evaluate the performance of the Board, any committees and individual directors by way of questionnaires to be completed by each director. The Chairman, in consultation with the Company Secretary, will then review the questionnaires and hold a round table discussion with the Board to discuss the questionnaires. The Chairman will hold discussions with individual directors, if required.

2 Chairman

The Chairman's performance will be evaluated by the other members of the Board via the questionnaire process used for evaluating the performance of the Board, its committees and individual directors. The Board will address any issues that may arise with the Chairman, if required.

3 Chief Executive Officer

The Chief Executive Officer's performance will be evaluated by the Chairman. The Chairman will conduct the evaluation by way of formal discussion during which his/her performance will be assessed against key performance indicators set the previous year. In addition, key performance indicators will be agreed for the following year.

4 Senior executives

The Chief Executive Officer (or equivalent) will review the performance of the Company's senior executives. The evaluations will be performed by conducting interviews with the senior executives during which performance will be assessed against key performance indicators set the previous year. In addition, key performance indicators are agreed for the following year.

Nomination and Remuneration Committee Charter

1 Applicability

This Nomination and Remuneration Committee Charter applies to all members of Boresight Ltd ABN 40 642 501 228 (**Company**) Nomination and Remuneration Committee.

2 Role

The role of the Nomination and Remuneration Committee is to assist the Company's board of directors (**Board**) by reviewing and making appropriate recommendations to the Board on:

- (a) nomination related matters including:
 - (i) succession planning generally, including ensuring that there are plans in place to manage the succession of the Chief Executive Officer (or equivalent) and other senior executives;
 - (ii) induction and continuing professional development programs for directors;
 - (iii) the development and implementation of a process for evaluating the performance of the Board, its committees and directors;
 - (iv) the process for recruiting a new director; and
 - (v) the appointment and re-election of directors.
 - (b) remuneration related matters including:
 - (i) the Company's remuneration framework for directors;
 - (ii) remuneration packages for senior executives;
 - (iii) incentive and equity-based remuneration plans for senior executives and other employees, including the appropriateness of performance hurdles and total payments proposed to be made to senior executives;
 - (iv) superannuation arrangements for directors, senior executives and other employees; and
 - (v) remuneration by gender.
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3 Composition

The Board has not established a separate Nomination and Remuneration Committee, but rather the full Board performs the role of the Nomination and Remuneration Committee. References in this Nomination and Remuneration Committee Charter to the "Nomination and Remuneration Committee" are references to the full Board's function as the Nomination and Remuneration Committee.

4 Responsibilities

The Nomination and Remuneration Committee has the following responsibilities:

4.1 Nomination

- (a) **Size and composition of the Board:** Regularly reviewing the size and composition of the Board and considering any appropriate changes to the Board and identifying and assessing necessary and desirable director skills and competencies using a Board skills matrix and providing advice on the skills and competency levels of directors with a view to enhancing the Board, including considering what training or development could be undertaken to fill any gaps identified.
- (b) **Board skills matrix:** Developing and recommending to the Board for approval the board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership for inclusion in the Company's corporate governance statement.
- (c) **Succession planning:** Reviewing any succession plans for the Board, Chief Executive Officer (or equivalent) and other senior executives.
- (d) **Induction and continuing professional development:** Developing the Company's Induction Program and developing the appropriate programs so that directors have access to ongoing education relevant to their position in the Company, including ongoing education on material developments in laws, regulations and accounting standards relevant to the Company.
- (e) **Performance evaluation:** Developing a process for the evaluation of the Board, its committees (if any) and individual directors.
- (f) **Director selection and (re)appointment:** Developing the Company's Policy and Procedure for the Selection and (Re)Appointment of Directors, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment. The Nomination and Remuneration Committee will also carry out the functions ascribed to the Nomination and Remuneration Committee in the Policy and Procedure for the Selection and (Re)Appointment of Directors.
- (g) **Diversity:** If considered appropriate, making recommendations to the Board as to appropriate measurable objectives for achieving gender diversity, and annually reviewing those objectives and the Company's progress towards achieving them.
- (h) **Other:** Perform such other functions related to this charter as requested by the Board.

4.2 Remuneration

- (a) Reviewing the Company's Remuneration Policy and making appropriate recommendations to the Board. In considering the Company's Remuneration Policy, the Nomination and Remuneration Committee refers to the guidelines for non-executive director remuneration and executive remuneration set out in Box 8.2 in the Principles and Recommendations.
- (b) Reviewing senior executives' remuneration and incentives and making appropriate recommendations to the Board.
- (c) Reviewing the remuneration framework for non-executive directors, including the process by which the pool of directors' fees approved by shareholders is allocated to directors, and making appropriate recommendations to the Board.
- (d) Reviewing and making recommendations on incentive compensation plans, including equity-based plans.
- (e) Reviewing superannuation arrangements for directors, senior executives and other employees.

- (f) Reviewing termination payments.¹
- (g) Reviewing remuneration related reporting requirements, including disclosing a summary of the Company's policies and practices (if any) regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements and a summary of the Company's policies and practices regarding any minimum shareholding ('skin in the game') requirements (if any) for non-executive directors.
- (h) Reviewing whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.
- (i) Monitoring compliance with applicable legal and regulatory requirements relevant to remuneration-related matters and any changes in the legal and regulatory framework in relation to remuneration.
- (j) Perform such other functions related to this charter as requested by the Board.

5 Operations

The Board meets in its capacity as the Nomination and Remuneration Committee at least once per calendar year and otherwise as required. The meetings are governed by the same rules set out in the Company's constitution as applicable to other meetings of the Board.

The Board deals with any conflicts of interest that may occur by ensuring that the director with a conflicting interest is not party to the relevant discussions.

6 Engaging remuneration consultants

The Board is responsible for engaging Remuneration Consultants. A **Remuneration Consultant** is a person: (a) who makes a Remuneration Recommendation under a contract for services with the Company to whose Key Management Personnel the recommendation relates: and (b) who is not an officer or employee of the Company.

Key Management Personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company. A **Remuneration Recommendation** is defined in section 9B of the Corporations Act 2001 (Cth) (**Corporations Act**).

The Board will, in accordance with any policies or guidelines set by the Board from time to time:

- (a) ensure that the requirements of Part 2D.8 of the Corporations Act are complied with including:
 - (i) reviewing and approving all remuneration consultancy contracts (as defined in section 206K(1) of the Corporations Act) before they are entered into by the Company; and
 - (ii) ensuring that any Remuneration Recommendation is provided directly to the non-executive directors (unless the Board consists only of executive directors) and that the Remuneration Recommendation is not provided to a person who is neither a director of the Company or a member of the Remuneration Committee;

¹ Note also the restrictions that apply under sections 200 to 200J of the Corporations Act 2001 (Cth) to termination payments by companies incorporated in Australia (and their associates) to those who hold a managerial or executive office in the company or in a related body corporate.

- (b) put in place arrangements to ensure that a Remuneration Consultant is not unduly influenced by a member or members of Key Management Personnel to whom a Remuneration Recommendation relates;
 - (c) ensure that the Company's remuneration report includes the details relating to Remuneration Consultants as required by section 300A(1)(h) of the Corporations Act;
 - (d) authorise the distribution of any Remuneration Recommendation by any person other than the Remuneration Consultant beyond the non-executive directors (unless the Board consists only of executive directors); and
 - (e) set policies or guidelines to ensure that the Company meets its obligations under the Corporations Act, including its reporting obligations, in relation to Remuneration Consultants.
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7 Authority and resources

The Nomination and Remuneration Committee is authorised to:

- (a) seek any information it requires to perform its duties from any employee of the Company;
 - (b) obtain, at the Company's expense, external legal or other professional advice on any matter within its responsibilities as set out in this Nomination and Remuneration Committee Charter; and
 - (c) seek input or advice from external consultants or other specialists. For example, the Nomination and Remuneration Committee may engage external consultants in its search for a new director, particularly as a means to increase the presentation of candidates which meet the requirements and objectives of the Company's Diversity Policy.
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8 Review

The Nomination and Remuneration Committee Charter will be reviewed at least annually and updated as required.

Policy and procedure for the selection and (re)appointment of directors

1 Size and composition of the Board

The board of directors of Boresight Ltd ABN 40 642 501 228 (**Company**) should be structured in such a way that it has a proper understanding of, and competence to deal with, the current and emerging issues of the business and encourages enhanced performance of the Company. Reference is made to the Company's size and operations as they evolve from time to time in determining the appropriate size of the Board and its composition.

2 Selection and appointment of new directors

It is the policy of the Board that in determining candidates for the Board, the following process shall occur:

- (a) The Nomination Committee (or equivalent) evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Nomination (or equivalent) is to identify the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors on the Board. Regard must also be had to the Company's Diversity Policy in identifying appropriate candidates.
 - (b) The Nomination Committee (or equivalent) will identify potential candidates by seeking applications from suitably qualified individuals; and/or placing advertisements in appropriate media; and/or engaging external consultants that will present diverse candidates.
 - (c) The Nomination Committee (or equivalent) interviews selected candidates.
 - (d) A potential candidate is considered with reference to their skills and expertise in relation to other Board members. The Nomination Committee (or equivalent) will also have regard to the other matters identified in this Policy and Procedure for Selection and Re(Appointment) of Directors as relevant when identifying and considering candidates for the Board.
 - (e) If relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. Subject to section 6 of this policy, the Nomination Committee (or equivalent) must undertake appropriate checks before recommending an appropriate candidate for appointment to the Board. These should include checks as to the person's character, experience, education, criminal record and bankruptcy history.
 - (f) The Company must enter into a written agreement with each director appointed to the Board setting out the terms of their appointment.
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3 Board renewal

Under the ASX Listing Rules:

- (a) the Company must hold an election of directors each year; and
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- (b) a director of the Company must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer; and
 - (c) a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the Company. This rule does not apply to the Managing Director.
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4 Commitment to the Board

Non-executive directors must provide to the Nomination Committee (or equivalent), prior to their appointment or re-election, details of their other commitments and an indication of the time involved in carrying out those other commitments.

All directors should consider the number and nature of their directorships and calls on their time from other commitments. Prior to appointment, or being submitted for re-election, non-executive directors are required to specifically acknowledge to the Company that they will have sufficient time to fulfil their responsibilities as a director.

5 Providing candidate information to shareholders

Shareholders will be informed of the names of candidates submitted for election as directors. So that shareholders can make an informed decision on whether or not to elect or re-elect a candidate as a director, the following information will be supplied to shareholders in the relevant meeting materials at which shareholder approval will be sought:

- (a) biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
 - (b) details of any other material directorships currently held by the candidate;
 - (c) if the candidate is standing for election as a director for the first time:
 - (i) confirmation that the Company has conducted appropriate checks into the candidate's background and experience;
 - (ii) if those checks have revealed any information of concern, that information;
 - (iii) details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party; and
 - (iv) if the Board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect;
 - (d) if the candidate is standing for re-election as a director:
 - (i) the term of office currently served by the director; and
 - (ii) if the Board considers the director to be an independent director; a statement to that effect; and
 - (e) a statement by the Board as to whether it supports the election or re-election of the proposed candidate and a summary of the reasons why.
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6 Provisional appointments/elections subject to background checks

In certain circumstances, the Company may wish to make a provisional appointment of a director, or put a resolution to members electing a director, before it has completed the checks outlined in

section 2(e) and accordingly may do so subject to receipt of satisfactory outstanding checks. Where the Company does this, it should obtain an undertaking in writing from the director to resign if the Company receives an outstanding check that it considers is not satisfactory.

Audit and Risk Committee Charter

1 Applicability

This Audit and Risk Committee Charter applies to all members of Boresight Ltd ABN 40 642 501 228 (**Company**) Audit and Risk Committee

2 Role

The role of the Audit and Risk Committee is to assist the Company's board of directors (**Board**) to meet its oversight responsibilities in relation to the Company's corporate reporting processes, including the financial reporting process, risk management and internal control, external audit and compliance (including the Code of Conduct and Anti-bribery and Corruption Policy).

3 Composition

The Board has not established a separate Audit and Risk Committee, but rather the full Board performs the role of the Audit and Risk Committee. References in this Audit and Risk Committee Charter to the "Audit and Risk Committee" are references to the full Board's function as the Audit and Risk Committee.

4 Responsibilities

The Audit and Risk Committee will carry out the following responsibilities:

4.1 Corporate reporting

- (a) Review the half-year and annual financial statements presented by management, together with reports and opinions from the external auditor and confirm they reflect the understanding of the Audit and Risk Committee members and otherwise provide a true and fair view of the financial position and performance of the Company.
- (b) Review significant accounting and reporting issues and assess the appropriateness of accounting policies and methods chosen by management, particularly those relating to significant accounting estimates and judgements and the assessment of going concern.
- (c) Review recent regulatory and professional pronouncements and understand their impact on the financial statements.
- (d) Review the results of the audit with the external auditor, including significant adjustments, uncorrected misstatements and any difficulties encountered or unresolved disagreements with management.
- (e) Review the appropriateness of disclosures in the financial statements and financial reporting to stakeholders, particularly in regard to estimate and judgments.
- (f) Review all matters required to be communicated to the audit committee under Australian Auditing Standards with management and the external auditor, such as key audit matters for listed companies, significant internal control deficiencies, indications of fraud or corruption and non-compliance with laws or regulations.

- (g) Review management representations, including the Chief Executive Officer and Chief Financial Officer declarations regarding the financial report and financial records.
- (h) Provide a recommendation to the Board whether the financial report should be approved, based on a review of the financial statements, note disclosures and other information.
- (i) Review the other sections of the annual report before its release and consider whether the information is understandable and consistent with members' knowledge about the entity and its operations, and is unbiased.
- (j) Review management's process for ensuring that information contained in analyst briefings, investor presentations and press announcements is consistent with published financial information, and is balanced and transparent.
- (k) Ensure that the declaration referred to in Recommendation 4.2 of the Principles and Recommendations is given before the Board approves the Company's financial statements for each half-year and full year.

4.2 External audit

- (a) Assess the quality and effectiveness of the audit conducted and evaluate performance of the auditor.
- (b) Meet with the external auditor at least twice each year, and any other time considered appropriate.
- (c) Review the Company's Procedure for the Selection, Appointment and Rotation of External Auditor set out in the Appendix to this Charter.
- (d) Carry out the functions ascribed to the Audit and Risk Committee in the Procedure for the Selection, Appointment and Rotation of the External Auditor.
- (e) Review with the external auditor the scope and terms of the audit and the audit fee including a review of non-audit services provided by the external auditor.
- (f) Review the audit plan for coverage of material risks and financial reporting requirements.
- (g) Monitor and review auditor independence and objectivity.
- (h) Establish ongoing communications with the auditors and ensure access to directors and the Audit and Risk Committee.
- (i) Review reports from the external auditors (including auditor's reports, closing reports and management letters).
- (j) Discuss with the external auditor matters relating to the conduct of the audit, including any difficulties encountered, any restrictions on scope of activities or access to information, significant disagreements with management and the adequacy of management response
- (k) Review any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor.
- (l) Ensure that the external auditor is given notice of all general meetings and attends the Company's annual general meeting.

4.3 Fraud and internal control

- (a) Consider the impact of the Company's culture on internal control.
- (b) Assess the internal processes for determining and managing key financial risk areas, particularly:
 - (i) compliance with laws, regulations, standards and best practice guidelines, including industrial relations laws;
 - (ii) important judgments and accounting estimates;

- (iii) litigation and claims; and
- (iv) fraud and theft.
- (c) Make recommendations to the Board for improvements (if any) in relation to the internal financial management and financial controls of the Company.
- (d) Obtain and assess management reports on any suspected or actual fraud, theft or breaches of law, and recommend appropriate actions by the Board.
- (e) Address the effectiveness of the internal control, financial risk management and performance management systems with management and the external audit providers.
- (f) Evaluate the processes the Company has in place for assessing and continuously improving internal controls, particularly those related to areas of significant risk.
- (g) Meet periodically with key management and external auditors to understand and discuss the control environment.

4.4 Compliance and ethics

- (a) Consider the impact of the Company's culture on compliance processes.
- (b) Monitor the impact of changes in key laws, regulations, internal policies and Accounting Standards affecting the entity's operations.
- (c) Review the effectiveness of the entity's systems, policies and practices that relate to compliance with laws, regulations, internal policies and Accounting Standards, and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- (d) Obtain regular updates from management and the head of compliance about compliance and ethical matters that may have a material impact on the entity's financial statements, strategy, operations or reputation, including material breaches of laws, regulations, standards and company policies.
- (e) Review and monitor related party transactions.
- (f) Review processes and procedures designed to ensure compliance with the ASX Listing Rules on continuous disclosure.
- (g) Review and, where applicable, approve the policies, processes and framework for identifying, analysing and addressing complaints (including whistleblowing) and review material complaints and their resolution.
- (h) Review the entity's process for communicating the code of conduct to staff and assess the effectiveness of, and compliance with the code.
- (i) Discuss with management whether all regulatory compliance matters of the Company have been considered in the preparation of the financial statements, such as compliance with Accounting Standards and the requirement for the financial statements to reflect a 'true and fair' view.

4.5 Risk management

- (a) Consider the impact of the entity's culture on risk management.
- (b) Monitor changes in the economic and business environment, including consideration of emerging trends and other factors related to the entity's risk profile.
- (c) Review the effectiveness of processes for identifying the entity's risks and the appropriateness of the risk management procedures to maintain activities within the board's risk appetite.

- (d) Consider the adequacy and effectiveness of the risk management framework by reviewing reports from management and external audit, and by monitoring management responses and actions to correct any noted deficiencies
- (e) Formulate an action plan to address areas of perceived risk and monitor implementation programs.
- (f) Consider internal controls, including the Company's policies and procedures to assess, monitor and manage risks.
- (g) Review any material incident involving fraud or a breakdown of the Company's risk controls and the "lessons learned".
- (h) Review the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business.
- (i) Review disclosures in the annual corporate governance statement in relation to the recognition and management of business risks.

4.6 Other

Perform such other functions related to this Charter as requested by the Board.

5 Operations

The Board meets in its capacity as the Audit and Risk Committee at least twice per calendar year and otherwise as required. The meetings are governed by the same rules set out in the Company's constitution as applicable to other meetings of the Board.

The Board deals with any conflicts of interest that may occur by ensuring that the director with a conflicting interest is not party to the relevant discussions.

6 Authority and resources

The Company will provide the Audit and Risk Committee with sufficient resources to undertake its duties, including providing educational information on accounting policies and other financial topics relevant to the Company, to assist the Audit and Risk Committee in fulfilling its duties.

The Audit and Risk Committee is authorised to:

- (a) seek any information it requires to perform its duties, from any employee of the Company;
- (b) seek explanations and additional information from the Company's external auditors, (with or without management present), when required; and
- (c) obtain, at the Company's expense, external legal or other professional advice on any matter within its responsibilities as set out in this Audit and Risk Committee Charter where the Audit and Risk Committee considers that necessary or appropriate.

The Audit and Risk Committee has the power to conduct or authorise investigations into any matter within its scope of responsibilities.

7 Reporting

The Audit and Risk Committee will report regularly to the Board about Audit and Risk Committee activities and make appropriate recommendations.

8 Review

The Audit and Risk Committee Charter will be reviewed at least annually and updated as required.

Remuneration Policy

1 Introduction

Boresight Ltd ABN 40 642 501 228 (**Company**) has adopted the following policy in relation to the remuneration of its non-executive directors, executive directors and other senior executives.

The Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. Such officers may be given the opportunity to receive their base emolument in a variety of forms including cash and other non-cash payments. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

To assist in achieving these objectives, the Board links the nature and amount of executive directors' and officers' emoluments on an annual basis based on individual performance and market conditions.

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

2 Non-executive directors

The Board seeks to set aggregate compensation at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution and the ASX Listing Rules specify that the aggregate compensation of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed and reviewed annually. The Board may consider advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

In addition, long term incentives (such as perform rights and/or options) may be awarded to non-executive directors, subject to shareholder approval, in a manner which aligns this element of remuneration with the creation of shareholder wealth.

3 Executive directors and other senior executives

The Company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the Company so as to:

- (a) reward executives for company and individual performance against targets set by reference to appropriate benchmarks;
 - (b) align the interests of executives with those of shareholders;
 - (c) link reward with strategic goals; and
-

(d) ensure total compensation is competitive by market standards.

Fixed remuneration

Fixed compensation will be reviewed annually by the Board. The process will consist of a review of individual performance, relevant comparative compensation in the market and internally and, where appropriate, external advice on policies and practices.

Executives may be given the opportunity to receive their fixed remuneration in a variety of forms including cash and other non-cash benefits (such as motor vehicles). It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

Variable remuneration – short term incentive (STI)

The objective of the STI program is to link the achievement of the Company's targets with the compensation received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve those operational targets and such that the cost to the Company is reasonable in the circumstances.

Actual STI payments granted to executives depend on the extent to which specific targets, set at the beginning of the review period, are met. The targets consist of a number of Key Performance Indicators (KPI's), which may cover both financial and non-financial, corporate and individual measures of performance. Measures may include contribution to share price appreciation, risk management, safety, leadership and business systems development and cash flow sustainability. KPIs will be agreed by the Board in consultation with the executive at the beginning of each review period.

After the end of each review period, after consideration of performance against KPI's, the Board, acting as a Nomination and Remuneration Committee, determines the amount, if any, of the STI to be paid to each executive.

Variable remuneration – long term incentive (LTI)

The objective of the LTI plan is to reward executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such LTI grants are only made to executives who are able to influence the generation of shareholder wealth. The Company considers that shareholder wealth is measured by changes to the company's share price.

LTI grants to executives may be delivered in the form of options and/or performance rights and will be subject to any necessary shareholder approvals.

Any options, when issued to executives, will not be exercisable for a price less than the then current market price of the Company's shares. Any performance rights granted will be subject to the satisfaction of specified performance conditions during a specified performance period. The grant of LTI's are reviewed annually, though LTI's may not be granted each year. Exercise price and performance hurdles and periods (as relevant), if any, are determined at the time of grant of the LTI.

4 Review

The Remuneration Policy will be reviewed by the Board at least annually and updated as required.

Risk Management Policy

1 Applicability

This policy applies to all directors, officers, employees, consultants and contractors (**Personnel**) of Boresight Ltd ABN 40 642 501 228 (**Company**).

All Personnel are responsible for the effective application of the policy.

A copy of this policy is made available on the Company's website. Risk management training or awareness sessions will be held from time to time, as required.

2 Purpose and objectives

Recognising and managing risk is a crucial part of the role of the directors of the Company (**Board**) and management. The Company recognises that a failure by it to recognise or manage risk can adversely impact not only the Company and its shareholders, but also other stakeholders.

The Company's risk tolerance is defined by the Board and is consistent with the Company's strategy.

This policy sets out the Company's approach to risk management, including its approach to identifying and managing risk, the responsibilities of the Board, management and others within the Company in relation to risk management, and the resources and processes dedicated to risk management. Managing risk is the responsibility of everyone in the Company.

While the chief executive function of the Company is performed by the full Board, the full board will delegate responsibility for designing and implementing the Company's risk management framework and ensuring that the Company operates within the risk appetite set by the Board to an Executive Director. In this policy, that director is referred to as the **Executive Director – Risk**.

In this policy:

management refers to the senior management team as distinct from the Board, comprising the Company's senior executives, being those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.

risk means effect of uncertainty on objectives¹;

risk management means co-ordinated activities to direct and control the Company with regard to risk²;

risk management framework is the set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the Company³.

¹ As defined in Australian/New Zealand Standard AS/NZS ISO 31000:2018 *Risk management – Principles and guidelines*

² As defined in Australian/New Zealand Standard AS/NZS ISO 31000:2018 *Risk management – Principles and guidelines*

³ As defined in Australian/New Zealand Standard AS/NZS ISO 31000:2018 *Risk management – Principles and guidelines*

3 Risk management framework

The following framework references the Australian/New Zealand Standard AS/NZS ISO 31000:2018 Risk management – Principles and guidelines and involves:

3.1 Risk identification

The risks faced by the Company will be identified and documented in a risk register. Risk identification will be undertaken as part of the Company's strategic planning and budgeting process and may be carried out through a workshop with management and potentially the board, facilitated by an external service provider or by a member of management.

The Company's activities give rise to a range of risks which are considered under the categories included in the Company's risk register

3.2 Risk analysis

Once the list of risks is agreed on by management and the Board, the risks will be analysed by determining consequences of the risks eventuating and their likelihood. Existing risk controls and their effectiveness (as perceived by management) should be taken into account when considering how likely the risk event is to occur and the impact/consequences it will have on the business.

Risk prioritisation will be undertaken at the same time as risk identification and will be considered in light of a risk matrix.

3.3 Risk evaluation

Prioritised risk should be compared with the risk appetite established by the Board. The output of this process will be a prioritised list of risks for further action.

3.4 Risk treatment

Where the level of risk is accepted, the risks will be monitored. Where the level of risk is above the desired level, management will develop and execute an action plan to address the risk by either: transferring the risk; reducing the risk or accepting the risk or a combination of these approaches. When selecting the manner in which a risk will be treated, the Company will consider the values and perceptions of stakeholders and the most appropriate ways to communicate with them.

3.5 Monitoring and review

The risk register will be reviewed, and if required updated, on at least a bi-annual basis, or more often if required.

Risk is a standing agenda item at scheduled Board meetings.

The risk management framework will be monitored and reviewed through the risk activities outlined in the Appendix. However, the Board may request independent verification in relation to all or some of the risk management framework or individual controls, via internal or external means.

3.6 Documentation

The risk management framework and processes will be documented.

4 Roles and responsibilities

4.1 Executive Director – Risk

The Executive Director – Risk is responsible for designing and implementing the Company's risk management framework and ensuring that the Company operates within the risk appetite set by the Board.

The Executive Director – Risk is required to:

- (a) report to the Board on all matters associated with risk management, as required;
- (b) report to the Board as to the effectiveness of the Company's management of its material business risks at least annually;
- (c) review and update the Company's risk register and present the register to the Board on at least a bi-annual basis;
- (d) provide to the Board (together with the Chief Financial Officer or equivalent and any other person who performs the chief executive function for the Company) with a declaration in accordance with Recommendation 4.2 and section 295A of the Corporations Act (**Declaration**) before it approves the annual and half-year financial statements;
- (e) prepare the disclosure in relation to Recommendations 7.1, 7.2, 7.3 and 7.4 of the Principles and Recommendations for inclusion in the Company's corporate governance statement prepared in accordance with ASX Listing Rule 4.10.3; and
- (f) review this policy and make recommendations to the Board about any proposed changes.

In fulfilling the duties of risk management, the Executive Director – Risk may have unrestricted access to the Company's employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Chairman.

4.2 Board

The Board is ultimately responsible for deciding the nature and extent of the risks it is prepared to take to meet its objectives.

The Board is responsible for:

- (a) setting the Company's risk appetite and providing input into the Company's risk profile;
- (b) overseeing the risk management framework designed and implemented by management, noting updates to the risk register and questioning management, if required;
- (c) noting the Declaration before it approves the Company's annual and half-year financial statements;
- (d) approving changes to this policy; and
- (e) reviewing the Company's risk management framework at least annually to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

4.3 Management

Senior executives are responsible for assisting the Executive Director – Risk design and implement the Company's risk management framework and ensuring that the Company operates within the risk appetite set by the Board.

Management will seek assistance from managers and other employees as required.

4.4 Other Personnel

All Personnel across the Company are responsible for observing the Company's policies, procedures, delegations and minimising risks to the Company at all times.

5 Review

The Board will review this Risk Management Policy at least annually and update it as required.

Shareholder Communication and Investor Relations Policy

1 Applicability

This policy applies to all directors of Boresight Ltd ABN 40 642 501 228 (**Company**).

2 Purpose

The Company recognises that it needs to engage with its shareholders and provide them with appropriate information and facilities to allow them to exercise their rights as shareholders effectively. This includes:

- (a) giving shareholders ready access to information about the Company and its governance;
- (b) providing shareholders with high quality corporate reporting and continuous disclosure;
- (c) communicating openly and honestly with shareholders; and
- (d) facilitating and encouraging their participation in meetings of shareholders.

The purpose of this policy is to outline how the Company will provide shareholders and other investors with information about itself and its governance and to outline the Company's investor relations program.

3 Website

The Company has a website which can be found at www.boresighttargets.com

The Company's website is designed to provide shareholders and other investors with helpful information about the Company and will include:

- (a) an overview of the Company's current business;
- (b) a description of how the Company is structured;
- (c) a summary of the Company's history;
- (d) historical information about the market prices of the Company's securities;
- (e) copies of ASX releases the Company makes;
- (f) contact details for enquiries from shareholders, analysts or the media; and
- (g) contact details for its securities registry.

The Company's website has a "Corporate Governance" section from where the Company's relevant corporate governance information can be accessed, including its Constitution and corporate governance charters, policies and procedures.

The Company will also make available on its website the following information on a regular and up-to-date basis:

- (a) the names, photographs and brief biographical information for each of its directors and senior executives;
 - (b) copies of its annual reports and financial statements for at least the previous three years;
 - (c) copies of its announcements to ASX for at least the previous three years;
 - (d) copies of any materials distributed at investor or analyst presentations; and
 - (e) copies of notices of meetings of security holders and any accompanying documents for at least the previous three years (via the ASX announcements).
-

4 Communicating with investors

The Company endeavours to meet with shareholders upon request, and responds to any enquiries they may make from time to time.

The Company interacts with investors, analysts and the financial media on an ad hoc basis.

The Company gives shareholders the option to receive communications from, and send communications to, the Company and its security registry electronically.

Shareholders and other investors are also able to register on the Company's website to receive information updates about the Company.

5 Meetings

The Company recognises that general meetings are an important forum for two-way communication between the Company and its shareholders. The meetings provide the Company with an opportunity to impart to shareholders a greater understanding of its business, governance, financial performance and prospects, as well as to discuss areas of concern or interest to the Board and management. The meetings also provide shareholders with an opportunity to express their views to the Company's Board and management about any areas of concern or interest for them.

The Company endeavours to actively engage with shareholders at its general meetings and encourages attendance and participation at its meetings.

The Company provides information in the notice of meeting sent to shareholders that is presented in a clear, concise and effective manner.

In accordance with section 250S of the *Corporations Act 2001* (Cth), at the Company's annual general meetings the Chairman of the meeting will allow a reasonable opportunity for members to ask questions about or make comments on the management of the Company.

6 Review

The Board will review this Shareholder Communication and Investor Relations Policy at least annually and update it as required.

Securities Trading Policy

1 Applicability

In this policy a reference to the **Company** is a reference to Boresight Ltd ABN 40 642 501 228.

This policy applies to **Restricted Persons (you)**. A Restricted Person is:

- (a) a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company (**Key Management Personnel**);
- (b) a Connected Person of a person referred to in paragraph (a).

A **Connected Person** means your spouse or partner, child or step-child under 18 years, a parent, an unlisted body corporate which you are a director of, a trust of which you are a trustee and of which you or any of the persons referred to above is a beneficiary or any other person over whom you have significant influence or control.

You must take all reasonable steps to procure that your Connected Persons comply with this policy.

All Restricted Persons will be given access to this policy via the Company's website. Training or awareness sessions on this policy will be held from time to time, as required.

2 Purpose

The purpose of this policy is to:

- (a) assist you comply with your obligations under the insider trading provisions of the *Corporations Act (2001) (Cth)* (**Corporations Act**);
- (b) protect the Company's reputation;
- (c) establish a procedure for trading in the Company's securities;
- (d) comply with the requirements of the Listing Rules of the Australian Securities Exchange (**ASX**).

If you do not understand any part of this policy, you should contact the Company Secretary. It is **your** responsibility to make sure that none of your trading breaches the law or this policy.

3 Securities and trading

This policy applies to **Securities**. Securities are securities issued by the Company and include shares, share acquisition rights, options, debentures (including bonds and notes) and derivatives of any of the above.

To "trade" in Securities means, whether as principal or agent, to apply for, acquire, or dispose of Securities, or to enter into an agreement to apply, for, acquire, or dispose of Securities or procure another person to do so. To "trade" includes the exercise of an option, or the conversion of a share acquisition right.

4 **Insider trading is prohibited at all times**

A summary of the insider trading prohibition is set out in the Appendix to this policy. Engaging in insider trading can subject you to civil and/or criminal liability.

If you have Inside Information (as defined in the Appendix to this policy) you must not trade in Securities. **Insider trading is prohibited at all times.**

The insider trading provisions in the Corporations Act also apply to the securities of other companies and entities if you have inside information about that company or entity. These other companies and entities may include suppliers or customers of the Company or companies that the Company has entered (or is planning to enter) into a transaction with, for example a takeover or asset sale.

5 **Blackout period**

You must not trade in Company Securities during the following periods:

- (a) the period commencing on 1 January and ending on the next trading day after the date the Company's half-year financial statements are released to ASX;
- (b) the period commencing 1 July and ending on the next trading day after the date the Company's full-year financial statements are released to ASX;
- (c) the periods commencing on the end of each of the March and September financial quarters and ending on the next trading day after the date the Company's quarterly reports for those financial quarters have been released to ASX

(Blackout Periods), unless the circumstances are exceptional and the procedure for prior written clearance described in section 7 has been met.

In addition to the Blackout Periods, the Board may from time to time declare additional periods during which you are prohibited from trading in Securities (for example because the Company is considering matters that would require disclosure to the market but for Listing Rule 3.1A) **(Additional Period)**, unless the circumstances are exceptional and the procedure for prior written clearance described in section 7 has been met. This prohibition is in addition to the Blackout Periods. The Blackout Periods and the Additional Period are together referred to as a **Prohibited Period** in this policy. You must not disclose to anyone that an Additional Period is in effect.

Please note that even if it is outside a Prohibited Period, you must not trade in Securities if you are in possession of Inside Information.

6 **Exceptional circumstances**

If you are not in possession of Inside Information, you may request prior written clearance to trade in Securities during a Prohibited Period in accordance with the procedure set out in section 7 in the following exceptional circumstances:

- (a) where you are in severe financial hardship; or
- (b) where there are other circumstances deemed to be exceptional by the person granting the prior written clearance.

The determination of whether you are in severe financial hardship or whether there are other exceptional circumstances can only be made by the relevant Approving Officer in accordance with the procedure for obtaining clearance set out in section 7. You may be in severe financial hardship if you have a pressing financial commitment that cannot be satisfied otherwise than by selling the

relevant Securities.¹ A circumstance may be considered exceptional if you are required by a court order or a court enforceable undertaking to transfer or sell, or accept a transfer of, Securities or there is some other overriding legal or regulatory requirement for you to do so. Ultimately, it is a decision to be made by the relevant Approving Officer, in their sole and absolute discretion.

7 Prior written clearance

You must not trade in Securities at any time (including in the exceptional circumstances referred to in section 6) unless you first obtain prior written clearance from:

Your role	Approving Officer	Approving Officer alternate
Person other than a director or officer of the Company	Chairman	Board
Director or officer (other than the Chairman)	Chairman	Board (excluding requesting Director)
Chairman	Board	Not applicable

A request for prior written clearance to trade must be made in writing using the specified form and given to the relevant Approving Officer (or Approving Officer alternate). The request may be submitted in person or by mail or email.

Any written clearance may be given in person or by mail or email and will be valid for the period determined by the Approving Officer, which period will usually be 5 business days from the date that the clearance is given.

The Company Secretary will maintain a register of clearances given in accordance with this section 7, and must report all clearances given to the Board at its next following meeting.

8 Trading not subject to this policy

The following trading is excluded from the restrictions outlined in section 5, but remains subject to the insider trading prohibition summarised in the Appendix to this policy:

- (a) transfers of Securities between a Restricted Person and their spouse, civil partner, child, step-child, family company, family trust or other close family member or of Company Securities already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- (b) acceptance of a takeover offer or participation in a scheme of arrangement;
- (c) trading under an offer or invitation made to all or most of the security holders such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (d) the exercise or automatic conversion of options or other convertible rights issued under an employee incentive scheme (but not the disposal of the underlying share following exercise or conversion);

¹ A tax liability would not normally constitute severe financial hardship unless you have no other means of satisfying the liability.

- (e) an acquisition, or agreement to acquire, or grants, allocations or vesting of shares, rights or awards under an employee incentive scheme (but not the disposal of the underlying share following exercise or conversion);
- (f) a disposal of Company Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (g) where a Restricted Person is a trustee, trading in the Securities by that trust provided that the Restricted Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Restricted Person;
- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where: (a) the Restricted Person did not enter into the plan or amend the plan during a Prohibited Period; and (b) the trading plan does not permit the Restricted Person to exercise any influence or discretion over how, when, or whether to trade.

9 Restricted transactions

9.1 Hedging transactions

Before entering into any transactions or arrangements which operate to limit the economic risk of your security holding in the Company you must first obtain prior written clearance from the appropriate Approving Officer in accordance with the procedure set out in section 7.

You are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes.

9.2 Margin loans

You must not enter into margin loan agreements or other secured lending arrangements in relation to Securities without first obtaining prior written clearance from the appropriate Approving Officer in accordance with the procedure set out in section 7.

9.3 Non-discretionary trading plans

You must not put in place a non-discretionary trading plan in respect of Securities without first obtaining prior written clearance from the appropriate Approving Officer in accordance with the procedure set out in section 7. You must not cancel any such trading plan during a Prohibited Period, unless the circumstances are exceptional and the procedure for prior written clearance set out in section 7 has been met.

10 Consequences of breach

Breach of the insider trading prohibition could expose you to criminal and civil liability.

Breach of this policy (irrespective of whether the insider trading prohibition or any other law is breached) will also be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

This policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of, insider trading. Restricted Persons who wish to obtain further information are encouraged to contact the Company Secretary.

11 ASX notification

The Company will give a copy of this policy to ASX for release to the market. The Company will also give any amended version of this policy to ASX when it makes a change to: the periods within which Restricted Persons are prohibited from trading in Securities; the trading that is excluded from

the operation of the policy; or the exceptional circumstances in which Restricted Persons may be permitted to trade during a Prohibited Period within five business days of the amendments taking effect. The Company will also give this policy to ASX immediately on request by ASX.

Code of Conduct

1 Applicability

A reference to Boresight in this Code of Conduct (**Code**) is a reference to Boresight Ltd ABN 40 642 501 228 (**Company**) and each of its child entities.

This Code applies to all directors, officers, employees, consultants and contractors of the Boresight (**Personnel**).

This Code also applies, as far as is reasonably achievable, to Boresight's service providers, suppliers and third-party contractors (**Third Parties**).

A reference to 'you' in this Code is a reference to all Personnel and any Third Parties.

The Code applies in addition to, and not to the exclusion of:

- (a) Boresight's other policies and procedures; and
- (b) your statutory and other legal obligations as a consequence of your position with Boresight.

All Personnel and any Third Parties will be provided with access to a copy of this Code via the Company's [website](#). Training or awareness sessions on this Code will be held from time to time, as required.

1 Purpose

Boresight is committed to not only acting in compliance with its legal obligations, but also acting ethically and responsibly, which involves acting with honesty, integrity and in a manner that is consistent with the reasonable expectations of investors and the broader community.

This Code sets out what Boresight regards as acceptable business practices for its directors, employees, consultants and contractors with the aim of ensuring that Boresight delivers on its commitment as outlined above.

The Code is not intended to, and does not, create any rights in any person, including any employee, client, customer, supplier, competitor or shareholder of Boresight.

2 Obligations

2.1 Act in Boresight's best interests, act honestly and with personal integrity

You must conduct yourself with integrity, honesty and fairness in all business practices and activities, and should deal with Boresight's employees, service providers, suppliers, contractors, customers, shareholders and competitors accordingly.

You must not take unfair advantage of anyone through conduct such as abuse of confidential information, misrepresentation or any unfair dealing or deceptive practice. Strive at all times to enhance Boresight's reputation.

You must act in Boresight's best interests and perform your duties with care and diligence, seeking to achieve excellence in your role.

2.2 Comply with laws and regulations and do not knowingly participate in any illegal or unethical activity

Boresight must comply with all legal and regulatory requirements that apply to it and its business wherever it operates.

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

You need to be aware of, and comply with, all laws and regulations relating to your work. You are encouraged to:

- (a) understand the laws which affect or relate to Boresight's operations; and
- (b) attend training to maintain your knowledge of the laws and regulations, as well as to increase your awareness of relevant legal and regulatory developments.

Ignorance of the law is not an excuse for non-compliance. If you have a question as to whether a particular law or regulation applies, or how they may be applied or interpreted, please contact the Company Secretary.

2.3 Avoid conflicts of interest

You may have a conflict of interest if, in the course of your role with Boresight, any of your decisions lead to an improper gain or benefit to you or someone associated with you, or your personal interests (or the interests of someone associated with you), or an obligation to someone else, conflict with your obligations to Boresight. This may arise due to outside jobs and affiliations held by you or someone associated with you, shareholdings or other investments in an entity that has a business relationship with Boresight or is a competitor of Boresight.

You must not engage in any activities which conflict, or could be perceived to conflict, with your responsibilities to Boresight or compromise, or could be perceived to compromise, the performance of your role with Boresight. If you have a conflict or potential conflict of interest, you must disclose that interest to your manager or supervisor so that it may be considered and addressed appropriately.

Boresight's directors must deal with any conflicts, or potential conflicts, in accordance with the Board Charter, the Company's constitution and the *Corporations Act 2001* (Cth).

2.4 Protect Boresight's assets and maintain financial integrity

You must use your best efforts to protect Boresight's assets which are under your control to ensure availability for legitimate business purposes and to ensure all corporate opportunities are enjoyed by Boresight.

Confidential Information is information that Boresight considers to be confidential and that is not generally available outside Boresight and may include information of third parties to which Boresight has access. It includes information that Boresight owns, develops, pays to have developed or to which it has an exclusive right.

Boresight and all directors, officers and employees must ensure that they do not disclose any Confidential Information to any third party or other director, officer or employee who does not have a valid business reason for receiving that information unless:

- (a) permitted or required under relevant laws or regulations; or
- (b) agreed by the person or organisation whose information it is.

If Confidential Information is required to be provided to third parties or other directors, officers or employees for valid business purposes, Boresight and its directors, officers and employees must:

- (a) take adequate precautions to seek to ensure that the information is only used for those purposes for which it is provided and is not misused or disseminated to Boresight's detriment. Such precautions include obtaining a confidentiality agreement or other

undertaking (advice about these measures can be obtained from the Company Secretary);
and

- (b) take steps to ensure that the information is returned or destroyed when the purpose is complete.

These obligations continue to apply to you after your employment or engagement with Boresight ends.

No receipts, payments or transfers of Boresight's funds or assets shall be made which are not authorised and properly accounted for in Boresight's books. All Boresight's books and financial records must fully reflect all receipts and expenditures in its financial statements and must conform to generally accepted accounting principles. If you collect, provide or analyse information for, or otherwise contribute to, the preparation of Boresight's financial statements, you should attempt to ensure reports and disclosures are fair, accurate, timely and understandable. You must cooperate fully with the accounting department, independent auditors and legal advisers to ensure that Boresight's system for producing such reports and disclosures functions properly. Attempts to create false or misleading records are forbidden

2.5 Do not take advantage of your position for personal gain

You must not pursue or take advantage of any business opportunity which arises as a result of your position with Boresight, or your access to Boresight's property or information.

You must ensure that no property or information belonging to Boresight, or opportunity arising from these, are used for personal gain or benefit, or to compete with Boresight.

2.6 Responsibility to employees, the community and the environment

Boresight is committed to:

- (a) equal employment opportunity and supporting diversity;
- (b) respecting the human rights of its employees;
- (c) a safe workplace and maintenance of proper occupational health and safety practices commensurate with the nature of Boresight's business and activities; and
- (d) a workplace free from any kind of discrimination, bullying, harassment or other inappropriate behaviour.

You must understand and follow applicable laws and regulations, Boresight's policies and any reasonable directions given to you to achieve these matters.

Boresight is also committed to managing its activities to reduce adverse effects on the environment, and will recognise, consider and respect environmental issues and other community concerns which arise in relation to Boresight's activities. You are expected to understand and follow applicable laws and regulations, Boresight's policies and any reasonable directions given to you in relation to these matters.

2.7 Responsibilities in foreign jurisdictions

If you travel or live outside of Australia as part of your employment or engagement with the Boresight, you are seen as a representative of Boresight, not only in the performance of your employment or engagement with Boresight, but also in how you conduct yourself as a private individual. If you are working in locations outside Australia, you must act at all times in a way which upholds the good reputation of Boresight.

You must respect the laws of the country you are visiting or in which you are living as part of your employment or engagement with Boresight, and must comply with all relevant local laws and regulations. You must comply with all directions given by Boresight and/or its representatives in relation to compliance with local laws and regulations.

You need to be culturally sensitive to the people of the country in which you are working and/or living, and you need to be aware of local customs, including those relating to personal behaviour. You must familiarise yourself with local customs and determine whether aspects of your behaviour need to be modified so as to comply with the requirement of cultural sensitivity.

You must not engage in behaviour at any time which is likely to:

- (a) adversely affect your ability to perform your duties;
- (b) adversely affect the ability of Boresight to achieve its objectives; or
- (c) bring Boresight into disrepute.

In particular, you should be aware that practices relating to and attitudes towards sexual behaviour and use of alcohol and other substances are often areas of cultural difference and can be highly sensitive. You must be particularly conscious of and sensitive to appropriate personal behaviour in respect of these matters in the local context.

3 Bribery and corruption

Boresight prohibits bribery and corruption, in any form, whether direct or indirect, whether in the private or the public sector in any place that Boresight operates.

Most countries, including Australia, have specific laws prohibiting any person or company from offering a bribe to a private individual or government official, and prohibiting private individuals and government officials from soliciting and receiving a bribe. There are potentially serious consequences, including imprisonment and fines, for contravention of anti-bribery and corruption laws.

You must not offer, promise or give to anyone a gift, bribe, inducement, favour, payment or benefit of any kind (which can be non-monetary or intangible) in the expectation of influencing a person in order to obtain or retain business, or a business advantage for Boresight or anyone associated with Boresight, or so that Boresight receives preferred treatment. It is irrelevant that the benefit is considered customary or perceived to be customary or tolerated. You also must not solicit or accept bribes or inducements in any form.

You are referred to Boresight's Anti-bribery and Corruption Policy for Boresight's full policy regarding bribery and corruption.

4 Consequences of breach

Any breach of compliance with this Code is to be reported directly to the Managing Director/Chief Executive Officer (or equivalent), Chairman or Whistleblower Officer, as appropriate.

The Company has also established a Whistleblower Policy to encourage you to raise any concerns or report instances of any violations (or suspected violations) of this Code (or any potential breach of law or any other legal or ethical concern) without the fear of intimidation or reprisal. Any breach of compliance with this Code is to be reported directly to the Whistleblower Officer, in accordance with the procedure set out in the Company's Whistleblower Policy. The Whistleblower Officer is currently Mr Andrew Windsor, Chairman.

Anyone breaching this Code may be subject to disciplinary action, including termination.

5 Review

The Board will review this Code at least annually and update it as required. If you have a suggestion or improvements or amendments to this Code, these can be made in writing at any time by notice to the Company Secretary.

Anti-Bribery and Corruption Policy

1 Applicability

A reference to Boresight in this Policy is a reference to Boresight Ltd ABN 40 642 501 228 (**Company**) and each of its child entities.

This Policy applies to all directors, officers, employees, consultants and contractors of the Boresight (**Personnel**).

This Policy will also apply to agents, third parties and other representatives engaged by the Boresight to represent its interests or perform services for the Company (**Representatives**).

Boresight expects all its Personnel and Representatives to comply with both the letter and spirit of the laws that govern Boresight's operations worldwide and with Boresight policy, and particularly this Policy.

Each person to whom this Policy applies:

- (a) will be given access to this Policy via the Company's [website](#);
- (b) will be provided with and must attend training and awareness sessions on this Policy;
- (c) must cooperate with any investigation initiated pursuant to this Policy; and
- (d) must report matters of concern in accordance with Boresight's Whistleblower Policy.

Adherence to this Policy is a condition of employment or engagement by, or association with, Boresight.

2 Purpose

Boresight is committed to ensuring that its corporate culture, in all its offices and operations worldwide, discourages fraudulent and corrupt conduct. Boresight reserves the right to take disciplinary action, including immediately terminating the employment or engagement of any Personnel, or its association with any Representative, who seeks to illegitimately influence any public official in the exercise of his or her official duties or is involved in any fraudulent or corrupt behaviour.

The purpose of this Policy is to educate and inform Personnel and Representatives about Boresight's commitment to anti-corruption and bribery requirements arising from anti-bribery and corruption laws and the various laws prohibiting fraudulent and corrupt behaviour more generally. This Policy is intended to be a common-sense guide to enable Personnel and Representatives to understand and comply with their obligations under these laws.

This Policy is designed to ensure that Boresight delivers on its commitment to fostering an anti-corruption culture, but it does not create any rights in any person including any employee, customer, suppliers, competitor, shareholder or other stakeholder.

This Policy is for the protection of not only Boresight, but also Personnel and Representatives. Training and awareness sessions on this Policy will be provided to Personnel and Representatives as required and to the level appropriate to them.

If any Personnel or Representative to whom this Policy applies does not understand any part of this Policy, or how it applies to them, they should contact the Company Secretary. Ultimately it is the individual's responsibility to make sure that none of their behaviour or conduct constitutes, or could be seen to constitute, bribery or corruption. This Policy applies in addition to, and not to the exclusion of, Boresight's other policies and procedures including its Code of Conduct and Whistleblower Policy.

Boresight will communicate this Policy to its stakeholders and the wider community by publishing it on the 'Corporate Governance' page of its website.

3 What is bribery and corruption?

A bribe is an inducement or reward offered, promised or provided to gain any commercial, contractual, regulatory or personal advantage. Bribery includes the giving of benefits (such as making payments, giving a gift or a favour) to influence an individual or organisation to award business opportunities to Boresight or to make business decisions in Boresight's favour.

Corruption is the abuse of entrusted power for private gain.

4 No bribes policy

It is Boresight's policy to conduct all its business in an honest and ethical manner. Boresight takes a zero-tolerance approach to bribery and corruption, and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates.

Notwithstanding laws to the contrary, the fact that bribery and corruption may be tolerated or encouraged in some of the countries in which Boresight operates does not affect Boresight's commitment to best business practice. Boresight will make every effort to ensure that it adheres to the laws and regulations which govern its operations, including the *Criminal Code Act 1995* (Cth) (**Australian Criminal Code**) and other laws applicable to Boresight prohibiting foreign and domestic bribery and fraudulent conduct (**Bribery Laws**).

Accordingly, Boresight prohibits bribery and corruption in any form, whether direct or indirect and no Personnel or Representative should commit, be a party to or be involved in any bribery or corruption. The use of Boresight funds or assets, either directly or indirectly, for any bribe, kickback or payoff is strictly prohibited.

The payment of normal discounts and allowances, commissions, fees, entertainment expenses, expenses for normal sale promotion activity and services, expenses related to a contract with a foreign country and other customary payments or courtesies in the ordinary course of business should only be made in accordance with this Policy.

5 Facilitation Payments

Facilitation payments are a form of bribery made for the purpose of expediting or securing the performance by a public official of a routine government action of a minor nature that is part of the public official's duties or functions.

A "routine government action" is an action which is ordinarily and commonly performed by a public official and **does not** involve a decision about whether to award new business, whether to continue to do business, or the terms of that business, or encouraging someone to make such a decision. Examples of routine government actions include:

- (a) granting a permit, licence or other official document that qualifies a person to do business in a foreign country;
- (b) processing government papers such as a visa or work permit;

- (c) providing services normally offered to the public, such as police protection, mail collection or delivery, telecommunication services and power and water supply;
- (d) scheduling inspections associated with contract performance or related to the transit of goods;
- (e) loading and unloading cargo; and
- (f) protecting perishable products, or commodities, from deterioration.

Facilitation payments, whether legal or not in a country, are prohibited under the Policy.

6 Gifts and hospitality

Reasonable gifts and hospitality will not violate the principles set out in this Policy unless they are made with the intention of obtaining or retaining business or a business advantage that is not legitimately due.

Gifts and hospitality can take many forms. A gift can be a payment, payment in kind (which includes the provision of goods or services), personal favour or anything of value given or received where the recipient does not pay fair market value. Hospitality is providing entertainment or enjoyment where a Personnel or Representatives accompanies the person. It is anything of real value to the recipient. Accepting or offering gifts or hospitality of moderate value is acceptable in situations where it is legal and in accordance with Boresight's best business practice.

Personnel and Representatives must not give or accept gifts of any kind that could be reasonably regarded as unduly influencing the recipient or creating a business obligation on the part of the recipient. Advice may always be sought by the Managing Director/Chief Executive Officer by referral to Boresight's lawyers if necessary.

It is essential that all Personnel and Representatives comply with Boresight policy in relation to gifts and hospitality, and that they be seen to comply with Boresight's policies and the laws and regulations that govern Boresight.

When deciding whether it is appropriate to give or accept a particular gift or hospitality, a number of issues must be considered including:

- (a) the **monetary value** – is the gift or hospitality excessive or expensive? If so, the gift should not be given or accepted;
- (b) the **timing** of the gift or hospitality, irrespective of its value - are there any negotiations or contracts being settled? If the giving or receipt of a gift or hospitality coincides with an important business decision, the gift or hospitality should not be given or accepted;
- (c) the **outside impression** conveyed by giving or accepting the gift or hospitality – if there may be an impression formed by a third party that there is an improper connection between any gift or hospitality and a particular business opportunity, then the gift or hospitality should not be given or accepted; and
- (d) the **type** of gift - certain gifts should never be given or accepted.

Examples of appropriate gifts

Flowers, chocolates, merchandise bearing Boresight's logo (hats/t-shirts/umbrellas) or small amounts of inexpensive wine.

Examples of inappropriate gifts

Cash, vouchers, controlled substances, expensive jewellery, first class airline tickets, holidays, electronic goods, expensive wine or extravagant purchases of any description.

The above examples are not exhaustive lists.

If a person can, without hesitation, acknowledge and justify the giving and receiving of a gift or hospitality and its size and nature in a public forum without any adverse impact on the Company's reputation then and only then is it a gift or hospitality within the culture of the host country.

6.2 Legitimate, proportionate hospitality or gifts are capable of transparent disclosure; anything requiring concealment is a corruption red flag. Reporting and Record keeping

Personnel and Representatives must declare all gifts and hospitality provided, offered or received that are valued at \$200 or more to the Company Secretary as soon as possible after the event takes place, but within five business days of receiving or being offered or receiving (whichever is the earlier) the gift or hospitality.

Personnel and Representatives must disclose to the Chairman of all gifts or hospitality provided, offered or received which are valued at more than \$400 before they are provided or offered/received (whichever is the earlier) with the exception of:

- (a) working/business lunches;
- (b) work related conferences; and
- (c) invitations to networking events.

The Chairman may require that a gift or hospitality is declined, donated or returned.

7 Charitable contributions and sponsorships

Boresight does not make charitable contributions or enter into sponsorship arrangements that could be perceived as a way of obtaining or retaining an improper advantage for the benefit of Boresight, or any other person.

Donations must be solely for charitable and community purposes and sponsorships for business promotion purposes.

Any charitable contributions and sponsorships must be permitted by law, must be authorised by the Managing Director/Chief Executive Officer = in writing and not provided to individuals or organisations that are linked to a political cause (as defined in section 8 of this Policy).

Risk based due diligence should be conducted, as appropriate, on the recipients of any charitable contributions or sponsorships and all benefits to be provided to the recipients should be documented in a written agreement. Boresight will disclose all its charitable contributions and sponsorship arrangements.

8 Political contributions

Boresight does not make any political contribution in any country.

A **political contribution** is a contribution, whether financial or in-kind, support a political cause. A **political cause** includes political parties, party affiliated organisations, party officers and political candidates.

If Personnel or Representatives wish to participate in any event or activity for a political cause, they must first obtain the written approval of the Managing Director/Chief Executive Officer. If approval is given, participation is conditional on it being made clear that it is in the person's personal capacity (and not as a representative of Boresight), and the participant must use their own time and money to participate in the event or activity.

9 Internal controls and record keeping

9.1 Internal controls

Boresight will establish and maintain effective systems of internal controls to counter bribery and corruption. These internal controls will comprise financial and organisational checks and balances over Boresight's accounting and record keeping practice and other business processes related to its anti-bribery and anti-corruption policies and procedures. The system will be reviewed to ensure that it remains effective.

9.2 Integrity of record keeping and accounts

Boresight is committed to maintaining the integrity of all company books and records so that they provide an accurate account of all transactions. The integrity of records is essential for maintaining stakeholder confidence and ensuring compliance with the laws that apply to Boresight, including the *Australian Corporations Act 2001* (Cth).

The Australian Criminal Code contains false accounting laws. These are in addition to other Commonwealth, State and Territory laws dealing with false accounting. It is an offence for a company or individual to intentionally conceal illegitimate payments by making, altering or destroying accounting records, or by failing to make or alter accounting records that are required by law to be made or altered. The relevant intention is one to facilitate, conceal or disguise the giving or receiving of a benefit that is not legitimately due, or a loss not legitimately incurred. There is another offence where the person is reckless about those matters, that is aware of a substantial risk that their conduct would result in the outcomes described. These laws are sufficiently broad to capture not only false accounting connected with foreign bribery, but also false accounting practices connected with domestic bribery offences.

It is Boresight's policy that all books and records be kept so that they fully and fairly reflect all receipts and expenditures by Boresight such that:

- (a) no numbered or secret account or undisclosed or unrecorded funds or asset of the Company shall be maintained or established for any purpose;
- (b) no false or artificial entries shall be made in the books and records of the Company for any reason and no employee shall engage in any arrangement that results in such prohibited act; and
- (c) no transaction shall be effected, and no payment shall be approved or made, on behalf of the Company with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the documents supporting the payment.

10 Reporting violations

To be effective, this Policy relies on Personnel and Representatives raising concerns and reporting suspected violations as early as possible.

Boresight encourages Personnel and Representatives to notify the Whistleblower Officer in accordance with the procedures set out in the Whistleblower Policy (available on the Company's [website](#)), of potential or suspected violations of:

- (a) legal or regulatory requirements;
- (b) company policy as set out in the Code of Conduct or this Policy;
- (c) internal policy relating to accounting standards and disclosures;
- (d) internal accounting controls; or
- (e) matters related to the internal or external audit of Boresight's financial statements.

The Whistleblower Officer's contact details are as follows:

Dr Andrew Windsor
Chairman
Unit 2, 22 Giles Street,
Kingston ACT 2604

Tel: + 61 408 119 148

Email: andrew@boresighttargets.com

If the matter concerns the Whistleblower Officer, or a person is not comfortable contacting the Whistleblower Officer, they should contact another Board member.

Boresight is committed to ensuring confidentiality in respect of all matters raised under this Policy, and that those who make a report in good faith are treated fairly and do not suffer any detriment.

This commitment by Boresight:

- (a) provides a strong indicator that Boresight is committed to and complies with its legal and ethical obligations;
- (b) enables individuals to feel that Boresight is properly addressing their concerns; and
- (c) ensures that persons are not penalised for fulfilling their obligation to ensure that Boresight's conduct meets its policies on compliance and ethics.

Upon receipt of a complaint alleging a violation, the Whistleblower Officer will follow the investigation procedure set out in the Whistleblower Policy. Any findings of non-compliance with Boresight policy or regulatory non-compliance will be reported to the Board via the Chairman. The Board is responsible for ensuring that the appropriate corrective action is taken which may include: dismissal of Personnel, cancelling of contracts with Representatives, and reporting the alleged violation to the appropriate governmental and law enforcement agencies.

11 Consequences of breach

Boresight is committed to building and maintaining a reputation for integrity and honesty. This reputation depends on its Personnel and Representatives complying with the law.

Boresight expects the highest standards of ethical conduct from all its Personnel and Representatives, regardless of their position in, or relationship with, Boresight. Boresight requires adherence to both the letter and the spirit of all laws and regulations that govern Boresight. Adherence is a term of employment or association with Boresight. Violation of the law by any Personnel or Representative will be regarded as serious misconduct, which may be subject to disciplinary action including termination of employment or association with Boresight.

Personnel and Representatives are responsible for ensuring that their actions do not violate the law. If any Personnel or Representative is directed to do something which they believe to be unlawful, they are expected to report the incident to the Whistleblower Officer in accordance with this Policy and the Whistleblower Policy. All complaints and reports will be treated confidentially and no retaliation against a person making a report will be tolerated.

Boresight managers are responsible for their own individual behaviour. To an extent, they are also accountable for the actions of Boresight employees that report to them. Each manager is responsible for ensuring that the employees who report to them are aware of Boresight policy as set out in this Policy document and the Code of Conduct. Managers should ensure that new employees attend relevant training sessions to ensure that they understand Boresight policy. Managers should report any violations of the principles set out in this Policy or the Code of Conduct generally to the Whistleblower Officer.

Boresight will, through its directors and senior management, endeavour to maintain a work environment where frank and open discussion is encouraged and expected, without fear of retribution. Boresight will ensure that any allegations of violation of any laws that apply to Boresight

will be treated confidentially, investigated thoroughly and dealt with appropriately in accordance with the procedures set out in this Policy and the Whistleblower Policy.

All Personnel and Representatives are required to understand and comply with the laws that apply to Boresight, including the foreign bribery laws and Bribery Laws.

12 Review of this Policy and responsibilities

12.1 Board

The Board has approved this Policy, and the oversight of this Policy is the responsibility of the Board. The Board will review this Policy at least annually, and make any necessary amendments.

The Board is responsible for:

- (a) approving, reviewing and amending this Policy, as required;
- (b) implementing this Policy in all Boresight entities, and using its influence to encourage equivalent policies in other entities which it has a significant investment or with which it has a significant business relationship;
- (c) monitoring the effectiveness of this Policy;
- (d) providing leadership, guidance, and advice to promote compliance with this Policy; and
- (e) ensuring effective reporting, escalation and resolution of bribery and corruption compliance issues.

12.2 CEO and senior management

The CEO (or equivalent) and other members of senior management are responsible for:

- (a) providing leadership, guidance, and advice to promote compliance with this Policy;
- (b) designing and implementing training and awareness programs on this Policy;
- (c) ensuring effective reporting, escalation and resolution of bribery and corruption compliance issues; and
- (d) reporting to the Board as appropriate.

12.3 Company Secretary

The Company Secretary is responsible for:

- (a) maintaining a gifts and hospitality register, and reporting to the Board about any gifts or hospitality provided or received (as required to be reported under this Policy) at each Board meeting; and
- (b) maintaining accurate records of all information provided to the Company Secretary under this Policy, including details of any breaches of this Policy or questions about this Policy that are received.

Whistleblower Policy

1 Applicability

A reference to Boresight in this policy is a reference to Boresight Ltd ABN 40 642 501 228 (**Company**) and each of its child entities. This policy applies to all directors, officers, employees, consultants and contractors of the Boresight (**Personnel**). This policy also applies, as far as is reasonably achievable, to Boresight's service providers, suppliers and third-party contractors (**Third Parties**). Any of these persons making a report under this policy are referred to as a **whistleblower**.

All Personnel and any Third Parties will be provided with access to a copy of this policy via the Company's [website](#). Training or awareness sessions on this policy will be held from time to time, as required.

2 Purpose

As set out in the Boresight's Code of Conduct, directors, officers, employees, consultants and contractors of Boresight are expected to not only act in compliance with legal obligations, but also act ethically and responsibly, which involves acting with honesty, integrity and in a manner that is consistent with the reasonable expectations of investors and the broader community.

The purpose of this policy is to encourage the persons to whom the policy applies to raise any concerns or report instances of any potential breach of law, any violations (or suspected violations) of the Boresight's Code of Conduct or any other legal or ethical concern without the fear of detriment.

In this policy **detriment** includes (without limitation) any of the following: dismissal of an employee; injury of an employee in his or her employment; alteration of an employee's position or duties to his or her disadvantage; discrimination between an employee and other employees of the same employee; harassment or intimidation of a person; harm or injury to a person, including psychological harm; damage to a person's property; damage to a person's reputation; damage to a person's business or financial position; and any other damage to a person.

Unethical, unlawful or undesirable conduct is referred to in this policy as **reportable conduct**, examples of which are set out in section 3.

The Board has appointed Dr Andrew Windsor, Chairman, as the Whistleblower Officer for the purposes of this policy.

3 Reportable conduct

A whistleblower may make a report under this policy if they have reasonable grounds to suspect that a person or persons connected with Boresight (e.g. a director, officer, employee, contractor, supplier, tenderer) has engaged in conduct which is:

- (a) a breach of Boresight's Code of Conduct;
 - (b) dishonest, fraudulent or corrupt, including conduct in breach of Boresight's Anti-bribery and Corruption Policy;
 - (c) illegal (such as theft, drug sale or use, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law);
-

- (d) in breach of applicable laws;
- (e) unethical or in breach of Boresight's policies and procedures (either representing a breach of the Code of Conduct or generally);
- (f) conduct amounting to harassment, discrimination, victimisation or bullying;
- (g) conduct that is potentially damaging to Boresight, its employees or a third party such as unsafe work practices, environmental damage, health risks or abuse of Boresight's property or resources;
- (h) any conduct which may cause financial or non-financial loss to Boresight or be otherwise detrimental to the interests of Boresight; or
- (i) any other kind of misconduct or improper state of affairs or circumstances in relation to Boresight.

4 Whistleblower Officer

The Board will appoint a suitable senior employee to the position of "Whistleblower Officer", whose role it will be investigate the substance of any complaint regarding reportable conduct, to determine whether there is evidence in support of the conduct raised or, alternatively, to refute the report made.

The Whistleblower Officer has direct, unfettered access to independent financial, legal and operational advice as required for the purposes of effectively carrying out the role. The Whistleblower Officer also has a direct line of reporting to the Managing Director/Chief Executive Officer (or equivalent).

The current Whistleblower Officer is Dr Andrew Windsor. The Whistleblower Officer's contact details are as follows:

Dr Andrew Windsor
Chairman
Unit 2, 22 Giles Street
Kingston ACT 2604
Australia

Tel: + 61 408 119 148

Email: andrew@boresighttargets.com

5 Making a report

If you become aware of any matter that you consider to be reportable conduct you can:

- (a) report to your direct supervisor or manager. However, if you are not comfortable speaking to your supervisor or manager, or are not satisfied with their response to your report, you are encouraged to speak with anyone in management who you are comfortable approaching;
- (b) report directly to the Whistleblower Officer; or
- (c) if the matter concerns the Whistleblower Officer, or a whistleblower is not comfortable contacting the Whistleblower Officer, they should contact another member of the Board.

Supervisors, managers and members of senior management are required to make reports of reportable conduct to the Whistleblower Officer, who has specific responsibility to investigate all reports of reportable conduct.

Whistleblowers need to provide in the report all the information on which they formed the view that they had reasonable grounds to suspect reportable conduct to assist in the investigation of the

conduct. By way of example, information in the report could include the date, time and location of the conduct, the name(s) of the persons involved and any witnesses to the events, evidence of the events (e.g. emails, documents) and any steps the whistleblower or another person may have already taken to report or resolve the matter.

Reports can be submitted verbally or in writing.

Nothing in this policy restricts you from reporting any matter or providing any information to a regulator (such as the Australian Securities and Investments Commission (**ASIC**)), the Company's auditor or a member of the audit team or any other person in accordance with any relevant law, regulation or other requirement.

A false report of reportable conduct could have significant effects on Boresight's reputation, the reputation of other Personnel and may result in a considerable waste of time and effort. Any deliberately false reporting of reportable conduct will be treated as a serious disciplinary matter.

6 Investigation procedure

The Whistleblower Officer will investigate all matters reported under this policy as soon as possible after the matter has been reported. A Whistleblower Officer may appoint a person to assist in the investigation of a matter raised in a report. Where appropriate, Boresight will provide feedback to the whistleblower regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

The investigation will be conducted in an objective and fair manner, and otherwise as is reasonable and appropriate having regard to the nature of the reportable conduct and the circumstances.

The person who has had a report of reportable conduct made against them will be informed and given the opportunity to respond to the report and will be presumed innocent until proven otherwise. Their defence will be fairly set out in any report arising from the investigation and they will be kept informed of the progress of the investigations and the outcome as is reasonable and appropriate having regard to the nature of the reportable conduct and any legal considerations.

If the report is not submitted anonymously, a whistleblower may be contacted to discuss the investigation process. However, if a report is submitted anonymously, the investigation will be conducted based on the information provided by the whistleblower in their report.

7 Protection of whistleblowers

The Company is committed to ensuring confidentiality in respect of all matters raised under this policy, and that those who make a report are treated fairly and do not suffer any detriment.

7.1 No detriment

A whistleblower who reports reportable conduct will not be personally disadvantaged by having made the report by suffering detriment.

Where detriment is suffered, or is claimed to have been suffered, by a whistleblower, the whistleblower should report it immediately to the Whistleblower Officer. If the matter is not remedied, then it should be reported in accordance with section 0 of this policy.

7.2 Confidentiality and privacy

(a) Subject to compliance with legal requirements and paragraph (b) below, upon receiving a report under this policy, the Company will not, nor will any supervisor, manager or Whistleblower Officer, disclose your identity as a whistleblower or information that is likely to lead to the identification of your identity as a whistleblower unless:

(i) you consent; or

- (ii) the disclosure is made to ASIC, the Australian Prudential Regulation Authority (**APRA**), a member of the Australian Federal Police (as defined in the *Australian Federal Police Act 1979* (Cth)) or a legal practitioner for the purposes of obtaining legal advice or legal representation.
- (b) If the Company needs to investigate a matter it may disclose information that may be likely to lead to the identification of a whistleblower provided that the disclosure is not of the identity of the whistleblower, the disclosure of the information is reasonably necessary for the purposes of investigating the matter and the Company takes all reasonable steps to reduce the risk that the whistleblower will be identified as a result of the disclosure.

The Company will also ensure that any records relating to a report of reportable conduct are stored securely and are able to be accessed only by authorised staff.

Unauthorised disclosure of:

- (a) the identity of a whistleblower; or
- (b) information that is likely to lead to the identification of a whistleblower,

will be a breach of this policy and the offender(s) will be subject to disciplinary action, which may include termination.

7.3 Special protection under the Corporations Act and the Taxation Administration Act

The *Corporations Act 2001* (Cth) (**Corporations Act**) and the *Taxation Administration Act 1953* (Cth) (**Taxation Administration Act**) provide special protections to disclosures about breaches of those Acts (and other Acts as set out in Annexures A and B) provided certain conditions are met. Please refer to Annexures A and B of this policy for further details.

8 Monitoring the welfare of whistleblowers and persons against whom allegations of reportable conduct have been made

The Company acknowledges that both whistleblowers and persons against whom allegations of reportable conduct have been made may suffer stress and emotional reactions. The Company will take reasonable steps to maintain processes to monitor the welfare of both whistleblowers and persons against whom allegations of reportable conduct have been made.

9 Review

The Board will review this policy at least annually and update it as required.

Annexure A – Protections for whistleblowers under the Corporations Act

Part 9.4AAA of the Corporations Act contains a whistleblower protection regime. Under this regime, disclosure about any misconduct or improper state of affairs relating to Boresight will qualify for the protections provided under the Corporations Act if the following conditions are satisfied:

1. **Eligible whistleblower:** The whistleblower is or has been: (a) an officer or employee of the Boresight; (b) an individual who supplies services or goods to Boresight (whether paid or unpaid) or an employee of a person who supplies services or goods to Boresight (whether paid or unpaid); (c) an individual who is an associate of Boresight; (d) a relative of an individual referred to in any of paragraphs (a) to (c); a dependant of an individual referred to in any of paragraphs (a) to (c), or of such an individual's spouse.
2. **Eligible recipient:** The report is made to: (a) an officer or senior manager of Boresight or of a related body corporate; (b) an auditor, or a member of an audit team conducting an audit of Boresight or a related body corporate; (c) an actuary of Boresight or a related body corporate; (d) a person authorised by Boresight to receive disclosures that may qualify for protection under the Corporations Act, e.g. the Whistleblower Officer; (e) a legal practitioner for the purposes of obtaining legal advice or legal representation; (f) ASIC; or (g) APRA.
3. **Reasonable grounds:** The whistleblower has reasonable grounds to suspect that the information being disclosed concerns misconduct, or an improper state of affairs or circumstances, in relation to Boresight. This may include a breach of legislation including the Corporations Act¹, an offence against the Commonwealth punishable by imprisonment for 12 months or more or conduct that represents a danger to the public or financial system.

Summary of protections

When the above conditions are met, the Corporations Act provides the following protections:

1. The whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure.
2. No contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the whistleblower on the basis of the disclosure.
3. In certain circumstances², the information will not be admissible in evidence against the whistleblower in criminal proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the information.
4. Anyone who causes or threatens to cause detriment to a whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages.
5. A whistleblower's identity, or information that is likely to lead to the identification of the whistleblower, cannot be disclosed to a Court or tribunal except where it is necessary to do so to give effect to Part 9.4AAA of the Corporations Act (which contains the whistleblower protection regime) or the Court or tribunal thinks it is necessary in the interests of justice to do so.
6. The person receiving the report commits an offence if they disclose the identity of the whistleblower, information that is likely to lead to the identification of the whistleblower,

¹ Examples of conduct which may amount to a breach of the Corporations Act include insider trading, insolvent trading, breach of continuous disclosure obligations, failure to keep accurate financial records; breach of director duties by a director or directors (e.g. duty exercise their powers and discharge their duties with the care and diligence that a reasonable person would exercise; duty not to improperly use position or information; duty to act in the best interests of the company and for a proper purpose.

² For example where the disclosure has been made to ASIC or APRA, or where the disclosure qualifies as a public interest or emergency disclosure under section 1317AAD of the Corporations Act.

unless the whistleblower consents; or the disclosure is made to ASIC, APRA, a member of the Australian Federal Police (as defined in the *Australian Federal Police Act 1979* (Cth)) or a legal practitioner for the purposes of obtaining legal advice or legal representation.

Except as provided for in paragraph 3 above, the protections do not prevent the whistleblower being subject to any civil, criminal or administrative liability for conduct of the whistleblower that is revealed by the disclosure.

The offence in paragraph 6 does not apply if the disclosure is not of the identity of the whistleblower and is reasonably necessary for the purposes of investigating a matter and all reasonable steps are taken to reduce the risk that the whistleblower will be identified as a result of the disclosure.

'Public interest' and 'emergency' disclosure

A 'public interest disclosure' may be made 90 days after the original disclosure where the whistleblower has reasonable grounds to believe that their original disclosure is not being acted on. Where the whistleblower has reasonable grounds to believe that a further disclosure is in the public interest, they must then give notice of their intent to go public before telling a member of Parliament and/or a journalist.

An 'emergency disclosure' is one in which the whistleblower 'has reasonable grounds to believe that the information concerns a substantial and imminent danger the health or safety of one or more persons, or to the natural environment'. To be protected, the whistleblower must notify the Boresight Company of their intent to make an emergency disclosure before telling a member of Parliament and/or a journalist.

This Annexure A set outs out a summary of the whistleblower protection regime in Part 9.4AAA of the Corporations Act. A person seeking to rely on the protections afforded in Part 9.4AAA of the Corporations Act should seek specific legal advice.

Annexure B – Protections for whistleblowers under the Taxation Administration Act

Part IVD of the *Taxation Administration Act 1953* (Cth) (**Taxation Administration Act**) contains a whistleblower protection regime. Under this regime, disclosure about any misconduct or improper state of affairs or circumstances, in relation to the tax affairs³ of Boresight or an associate within the meaning of section 318 of the *Income Tax Assessment Act 1946* (Cth) (**Associate**) of the Company if the following conditions are satisfied:

1. **Eligible whistleblower:** The whistleblower is or has been: (a) an officer or employee of the Boresight; (b) an individual who supplies services or goods to Boresight (whether paid or unpaid) or an employee of a person who supplies services or goods to the Boresight (whether paid or unpaid); (c) an individual who is an Associate of the Boresight; (d) a spouse or child of an individual referred to in any of paragraphs (a) to (c); a dependant of an individual referred to in any of paragraphs (a) to (c), or of such an individual's spouse.
2. **Eligible recipient:** The report is made to: (a) an auditor, or a member of an audit team conducting an audit of Boresight; (b) a registered tax agent or BAS agent who provides tax agent services or BAS services to Boresight; (c) a person authorised by Boresight to receive disclosures that may qualify for protection under the Corporations Act, e.g. the Whistleblower Officer; (d) a director, secretary or senior manager of Boresight; (e) any other employee or officer of Boresight who has functions or duties that relate to the tax affairs of Boresight; (f) the Commissioner of Taxation; (g) a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the operation of Part IVD of the Taxation Administration Act. The persons referred to paragraphs (a) to (e) are **Company recipients**.
3. **Reasonable grounds where report made to a Company recipient:** The whistleblower has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of Boresight or an associate **and** the whistleblower considers that the information may assist the eligible recipient to perform functions or duties in relation to the tax affairs of Boresight or an Associate of Boresight.
4. **Reasonable grounds where report made to the Commissioner of Taxation:** The whistleblower considers that the information may assist the Commissioner of Taxation to perform his or her functions or duties under a taxation law in relation to Boresight or an Associate of Boresight.

Summary of protections

When the above conditions are met, the Taxation Administration Act provides the following protections:

1. The whistleblower is immune from any civil, criminal or administrative legal action (including disciplinary action) for making the disclosure.
2. No contractual or other remedy may be enforced, and no contractual or other right may be exercised, against the whistleblower on the basis of the disclosure.
3. If the disclosure was a disclosure of information to the Commissioner of Taxation – the information will not be admissible in evidence against the whistleblower in criminal proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the information.

³ **Tax affairs** means affairs relating to any tax imposed by or under, or assessed or collected under, a law administered by the Commissioner of Taxation.

4. Anyone who causes or threatens to cause detriment to a whistleblower or another person in the belief or suspicion that a report has been made, or may have been made, proposes to or could be made, may be guilty of an offence and may be liable for damages.
5. A whistleblower's identity, or information that is likely to lead to the identification of the whistleblower, cannot be disclosed to a Court or tribunal except where it is necessary to do so to give effect to Part IVD of the Taxation Administration Act (which contains the whistleblower protection regime) or the Court or tribunal thinks it is necessary in the interests of justice to do so.
6. The person receiving the report commits an offence if they disclose the identity of the whistleblower, information that is likely to lead to the identification of the whistleblower, **unless** the whistleblower consents; or the disclosure is made to a member of the Australian Federal Police (as defined in the *Australian Federal Police Act 1979* (Cth)) or a legal practitioner for the purposes of obtaining legal advice or legal representation.

Except as provided for in paragraph 3 above, the protections do not prevent the whistleblower being subject to any civil, criminal or administrative liability for conduct of the whistleblower that is revealed by the disclosure.

Without limiting the protections in paragraphs 1 to 3 above, the whistleblower has qualified privilege in respect of the disclosure and a contract to which the whistleblower is a party may not be terminated on the basis that the disclosure constitutes a breach of the contract.

The offence in paragraph 6 does not apply if the disclosure is not of the identity of the whistleblower and is reasonably necessary for the purposes of investigating a matter and all reasonable steps are taken to reduce the risk that the whistleblower will be identified as a result of the disclosure.

This Annexure B set out a summary of the whistleblower protection regime in Part IVD of the *Taxation Administration Act 1953* (Cth). A person seeking to rely on the protections afforded in Part IVD of the *Taxation Administration Act 1953* (Cth) should seek specific legal advice.

Diversity Policy

1 Applicability

A reference to Boresight in this policy is a reference to Boresight Ltd ABN 40 642 501 228 (**Company**) and each of its child entities.

This policy applies to all directors and employees of Boresight (**Personnel**).

All Personnel will be provided with access to a copy of this policy via the Company's [website](#). Training or awareness sessions on this policy will be held from time to time, as required.

This policy does not impose on the Boresight or its Personnel any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia, or of any overseas jurisdiction.

2 Purpose

Boresight is committed to actively managing diversity as it is in Boresight's interest to be able to attract, retain and motivate directors and employees from the widest possible pool of available talent.

Diversity involves recognising and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives, including persons with co-existing domestic responsibilities. Diversity may result from a range of factors including gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience. Boresight values the differences between its people and the contribution these differences make to Boresight.

Diversity is increasingly seen as an asset to listed entities and a contributor to better overall performance particularly in a competitive labour market. The promotion of gender diversity can broaden the pool for recruitment of high quality employees, enhance employee retention, foster a closer connection with and better understanding of key stakeholders, and improve corporate image and reputation.

3 Achieving diversity

3.1 Environment conducive to diversity

To have a properly functioning diverse workplace, discrimination, harassment, vilification and victimisation cannot and will not be tolerated by Boresight.

You are expected to contribute to ensuring that the work environment is free from discrimination, harassment, vilification and victimisation and the Board and management will ensure that complainants or reports of this type of behaviour are treated seriously, confidentially, and sympathetically by Boresight.

You should demonstrate respect of others, consideration for the cultural and social differences of the people with whom you work, communicate with others politely and respectfully and raise any diversity concerns with your manager or supervisor.

3.2 Recruitment and selection practices

The Board will ensure appropriate recruitment and selection practices are used when hiring new staff, including Board members, so that a diverse range of candidates are considered and that there are no conscious or unconscious biases that may discriminate against certain candidates. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination. The Board may engage professional consultants to assist in the recruitment and selection process to ensure a diverse range of candidates are considered.

3.3 Training and development programs

The Board will consider training and executive mentoring programs to assist in the development of a broader and more diverse pool and skilled and experienced employees and that will, over time, prepare them for senior management and Board positions.

3.4 Flexible working practices

Boresight recognises that employees (male and female) at all levels may have domestic responsibilities and will consider flexible work practices that will assist them to meet those responsibilities.

3.5 Career progression

Boresight will foster individual career development and make decisions on selection and promotion on the basis of performance, skill and merit, recognising the importance of having the right person for the right job.

3.6 Keeping in touch when on parental leave

Boresight will provide opportunities for employees on extended parental leave to maintain their connection with Boresight.

3.7 Measurable objectives

The Board may set measurable objectives for achieving gender diversity that are appropriate for Boresight, which if established will be disclosed in the Company's corporate governance statement prepared in accordance with ASX Listing Rule 4.10.3.

If set, these measurable objectives will include appropriate and meaningful benchmarks that are able to be, and are, measured and monitored for effectiveness in addressing any gender imbalance issues in Boresight. These could include achieving specific numerical targets (e.g. a target percentage) for the proportion of women employed by the organisation generally, in senior executive roles and on the Board within a specified timeframe. They may also include achieving specific targets for the "Gender Equality Indicators" in the *Workplace Gender Equality Act 2012* (Cth).

The Board may also set measurable objectives in relation to other aspects of diversity that are appropriate for Boresight. These could include achieving specific numerical targets (e.g. a target percentage) for the proportion of people employed by the organisation generally, in senior executive positions and on the Board, each by reference to age, disability, ethnicity, marital or family status, religious or cultural background, sexual orientation and gender identity as appropriate.

3.8 Key performance indicators

The Board will consider setting key performance indicators for senior executives to measure the achievement of any measurable objectives set by the Board, and consider linking part of their remuneration (either directly or as part of a "balanced scorecard" approach) to the achievement of those objectives.

4 Review

The Board will review this policy at least annually, and update it as required. The Board will also review any measurable objectives it has set in accordance with this policy, and its progress towards achieving them.

Continuous Disclosure Policy

1 Applicability

A reference to Boresight in this policy is a reference to Boresight Ltd ABN 40 642 501 228 (**Company**) and each of its child entities.

This policy applies to each director, officer, employee and contractor of Boresight (**you**).

All directors, officers, employees and contractors of Boresight are provided with access to a copy of this policy via the Company's [website](#). Continuous disclosure training or awareness sessions will be held from time to time, as required.

2 Purpose

The Company is listed on the Australian Securities Exchange (**ASX**). It must disclose certain information under a continuous disclosure regime to keep the market informed of events and developments as they occur.

The purpose of this policy is to set out your obligations as a director, officer, employee or contractor of Boresight to ensure that information about the Company which may be market sensitive and may require disclosure is brought to the attention of those responsible for ensuring that the Company complies with its continuous disclosure obligations in a timely manner, and is kept confidential.

The Company has appointed a Disclosure Officer who is primarily responsible for ensuring that the Company complies with its continuous disclosure obligations. The Disclosure Officer, the Board and the Company Secretary must also comply with the Company's Continuous Disclosure Compliance Procedures, which among other things, are designed to ensure that information about the Company which may be market sensitive, and which may require disclosure under Listing Rule 3.1 is promptly assessed to determine whether it requires disclosure and if it does, is given to ASX promptly and without delay.

The Disclosure Officer is the Company Secretary, and in that person's absence, the Chairman.

3 What is continuous disclosure?

The key disclosure requirement set out in ASX Listing Rule 3.1 is that:

"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."

A reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would be likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities. Information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities is referred to in this policy as **market sensitive information**.

It is not possible to exhaustively list the information that will be market sensitive information. However, information extends beyond matters of fact and includes matters of opinion and intention and may include:

- (a) a transaction that will lead to a significant change in the nature or scale of the Company's activities;
- (b) a material acquisition or disposal;
- (c) the granting or withdrawal of a material licence;
- (d) becoming a plaintiff or defendant in a material lawsuit;
- (e) the fact that the Company's earnings will be materially different from market expectations;
- (f) the appointment of a liquidator, administrator or receiver;
- (g) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- (h) under subscriptions or over subscriptions to an issue of securities;
- (i) giving or receiving a notice of intention to make a takeover;
- (j) any rating applied by a rating agency to the Company or its securities and any change to such a rating;
- (k) any actual or proposed change to the Company's capital structure for example, a share issue.

Market sensitive information is not limited to information that is generated by, or sourced from within, Boresight, nor is it limited to information that is financial in character or that is measurable in financial terms.

ASX Guidance Note 8 suggests the following two questions may be helpful to ask yourself when considering whether information may be market sensitive information:

- (a) "Would this information influence my decision to buy or sell securities in the Company at their current market price?"
- (b) "Would I feel exposed to an action for insider trading if I were to buy or sell securities in the Company at their current market price, knowing this information had not been disclosed to the market?"

4 Your obligations

4.1 Bring information to the attention of the Disclosure Officer

If you become aware of any information that may be market sensitive information you must immediately bring that information to the attention of the Disclosure Officer. You are not required to make a determination yourself as to whether information is market sensitive information – if you think it may be, tell the Disclosure Officer.

4.2 Do not speak on behalf of the Company

The Company has appointed the Chairman (and any other person authorised by the Board from time to time) to speak on its behalf (**Authorised Persons**).

'Listing Rule 12.6 Communications Person – The Board designates the Company Secretary (Ms Kyla Garic) as the person responsible for communications with ASX on Listing Rule matters. The appointee and designated alternates must complete the ASX Listing Rules Compliance Course and maintain currency. The Chair and Managing Director/CEO act as alternates.

Only Authorised Persons are authorised to speak to any external parties (including the media, analysts, brokers, shareholders) on behalf of Boresight.

If you are requested to make a comment or answer a question from any external party, you must advise the person that you are not authorised to speak on behalf of Boresight and refer the matter to an Authorised Person.

4.3 Confidentiality

The Company has a responsibility to disclose market sensitive information as described above, but the Company is entitled to keep information confidential in some circumstances until it is appropriate to release it to ASX. For example, if the information concerns a transaction that is incomplete or a trade secret.

You owe obligations of confidentiality to Boresight – this includes keeping confidential all information about Boresight to which you have access, and which is not already public. This includes, for example, any material transactions or negotiations Boresight is involved in. You should immediately report to the Disclosure Officer any instances where confidentiality of information has been or may be lost for any reason whatsoever.

You are reminded not to read confidential documents about Boresight in public places (e.g. airports, planes, public transport) or have confidential discussions about Boresight in places that you could be overheard by others (e.g. lifts, taxis, airports, planes, public transport).

You are also reminded that if confidential information is market sensitive information, it is "inside information" and you are prohibited from trading in the Company's securities when you are in possession of such information. Reference should also be made to the Company's Securities Trading Policy.

5 Consequences of breach

If there is a breach of this policy, the person who becomes aware of the breach must immediately notify the Disclosure Officer. The Disclosure Officer must then take such steps as are required to remedy the breach as soon as possible.

A person involved in a company's contravention of the continuous disclosure provisions can be held personally liable for the contravention. In addition, other penalties as prescribed under the *Corporations Act 2001* (Cth) may be incurred by the Company. For these reasons, it is important that you take your responsibilities in relation to continuous disclosure seriously. If you have any questions about this policy or your obligations under it, you should talk to the Company Secretary.

6 Review

The Board will review this policy at least annually and update it as required.