



## CODE OF CONDUCT

BOARD OF DIRECTORS

### Introduction

This is the Directors' Code of Conduct ("Code") for Associated Pigments Limited ("Company"). The Code sets out the standards that each Director will adhere to whilst conducting their duties.

The members of the Board of Directors of the Company acknowledge and accept the scope and extent of our duties as Directors. We are entrusted with and responsible for the oversight of the assets and business affairs of the Company in an honest, fair, diligent and ethical manner. As Directors, we must act within the bounds of the authority conferred upon us and with the duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders. The Board of Directors has adopted the following Code of Conduct and our Directors are expected to adhere to the standards of loyalty, good faith and the avoidance of conflict of interest that follow.

### Directors' Code of Conduct

A Director must act honestly, in good faith and in the best interests of the Company as a whole.

A Director has a duty to perform the functions of office and exercise the powers attached to that office with a degree of care and diligence that a reasonable person would exercise if they were a Director in the same circumstances.

A Director should consider matters before the Board having regard to:

- Any possible material personal interest he or she may have in the subject matter
- The amount of information appropriate to properly consider the subject matter; and
- What is in the best interests of the Company

A Director must recognize that, in acting as a Director of the Company his or her dominant purpose or object must be to serve the interests of the members of the Company as a whole, not the interests of any particular group of Directors or stakeholders or the Director's personal or commercial interests. In circumstances of insolvency or near insolvency, the duty to act in the best interests of members is overridden by a duty to act in the best interests of creditors.

A Director must not make improper use of information acquired as a Director to gain a personal advantage or to cause detriment to the Company.

A Director must not take improper advantage of the position of Director to gain a personal advantage or to cause detriment to the Company.

A Director must not place himself or herself in a position where there is a reasonable possibility to conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or his or her duties to the Company, on the other hand. The action which a Director will be required to take if he or she is faced with an actual or potential conflict of interest or duties in relation to a particular matter being considered by the Board will depend on the nature and circumstances of the conflict and may include any of the following:

Fully and frankly informing the Board about the circumstances giving rise to the conflict.

Abstaining from voting on any motion relating to the matter and absenting himself or herself from all board deliberations relating to the matter; or

Resigning from the Board

If a Director believes that he may have a conflict of interest or duty in relation to a particular matter, the Director should consult with the Chairman.

A Director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, to be in the best interests of the Company as a whole.

An opportunity must be provided for a Director to put his or her views on issues before the Board or a Committee on which he or she sits. While Directors must treat each other with courtesy and observe the other rules in this Code, Directors should be able to engage in vigorous debate on matters of principle.

A Director must not disclose the content of discussion at Board meetings or Committee meetings outside appropriate and reasonable circles within the Company with a legitimate interest in the subject of the disclosures, unless that disclosure has been authorized by the Company, or is required by law.

A Director generally must not engage in conduct, or make any public statement likely to prejudice the Company's business or likely to harm, defame or otherwise bring discredit upon or denigrate the Company, fellow Directors or staff. A Director may make such a statement only if the Director believes in good faith that it is in the best interests of the Company as a whole to make such a statement.

A Director shall not disclose or allow disclosure to other of any confidential information that are either provided or made available to the Directors by the Company nor shall use such confidential information for any purpose detrimental to the Company.

A Director has an obligation, at all times, to comply with the spirit, as well as the letter, or the law and of the principles of this Code of Conduct and the Code of Conduct and Integrity policies framed by the Company from time to time.

A Director has to comply with the Company's Insider Trading Code while trading in the Company's securities at any time.

A Director who has concerns regarding compliance with this Code should raise those concerns with the Chairman, who will determine what action shall be taken to deal with the concern. In the extremely unlikely event that a waiver of this Code for a Director would be in the best interest of the Company, it must be approved by the Chairman.

Directors will annually affirm compliance with this Code. The Annual Report of the Company will contain a declaration to this effect signed by the CEO.