

## Pacific Current Group Limited

ACN 006 708 792

### Securities Trading Policy

#### Purpose

The objectives of this policy are to:

- comply with the Australian Securities Exchange (**ASX**) Listing Rules;
- provide for orderly dealings in Pacific Current Group Limited (**PAC**) Securities;
- provide for orderly dealings in all other Securities; and
- ensure that, as far as is reasonably practicable, the insider trading provisions in Chapter 7 of the Corporations Act 2001 (Cth) (**Act**) are complied with at all times.

#### Application

This policy applies to all employees, officers and directors of PAC and PAC subsidiaries (**PAC Representatives**).

#### Policy

**YOU MUST NOT TRADE IN ANY SECURITIES IF YOU HAVE INSIDE INFORMATION. IT IS YOUR RESPONSIBILITY TO ENSURE THAT YOU ARE NOT INSIDER TRADING.**

1. PAC Representatives may only trade PAC Securities if the procedures set out in Section 3 of this policy are followed.
2. PAC Representatives may only trade in other Securities if they are not in possession of any insider information regarding such trades, but subject to certain qualifications as set out in Section 4 of this policy.
3. PAC Representatives must comply with the semi-annual audit procedure of securities trading detailed in Section 6 of this policy including the declarations.
4. Declarations to be signed by each PAC Representative on commencement of employment with PAC or its subsidiary entity are set out in Attachment 3 to this policy.

#### Obligations

- Insider trading provisions in Chapter 7.10 of the Act.
- ASX Listing Rule 12.9 requires a listed entity to have a trading policy that complies with the requirements of ASX Listing Rule 12.12.
- ASX Listing Rule 12.9 also specifies that an entity must give its trading policy to the ASX for release to the market.
- ASX Listing Rule 12.10 requires a further copy of the trading policy to be provided to the ASX in the event that there is a material change in the policy.
- ASX Guidance Note 27 details the meaning of “exceptional circumstances”
- ASX Listing Rule 3.19A.2 – new format of Appendix 3Y
- ASX Listing Rule 12.12 specifies the minimum content of a trading policy including:
  - a) any exceptional circumstances in which the entity’s key management personnel may be permitted to trade during a prohibited period with prior written clearance (12.12.4); and
  - b) The procedures for obtaining prior written clearance for trading. (12.12.15).

#### Attachments

**Attachment 1:** Notification of trading in PAC Securities

**Attachment 2:** Request for approval of trading in PAC Securities – Outside Trading Windows

**Attachment 3:** PAC Representatives Accounts

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<b>Breaches</b>	Any failure to comply with this policy must be reported immediately to the General Counsel. Adherence to this policy is critical, and any breach will be taken very seriously. A breach may be grounds for summary dismissal.	
<b>Monitoring</b>	<ul style="list-style-type: none"><li>▪ Semi - Annual audit of personal trading for each PAC Representative by the General Counsel.</li></ul>	
<b>Reports</b>	<ul style="list-style-type: none"><li>▪ Annual declaration from each PAC Representative that they have read and understood this policy and complied with this policy during the year.</li><li>▪ Semi - Annual report to by the General Counsel to PAC board with results of audit of each PAC Representative's personal trading.</li></ul>	
<b>Reviews and Amendments</b>	<ul style="list-style-type: none"><li>▪ Responsibility for maintaining this policy:</li><li>▪ Approval of changes:</li><li>▪ Authority to update this policy:</li></ul>	<ul style="list-style-type: none"><li>General Counsel</li><li>PAC Board</li><li>PAC Board</li></ul>

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## Definitions

<b>Associate</b>	<p>means:</p> <ul style="list-style-type: none"> <li>a) A PAC Representative's spouse, de facto partner, dependent children living at home under the age of 18, or parent; or</li> <li>b) an entity which is controlled by the PAC Representative or a person mentioned in paragraph (a); or</li> <li>c) an entity whose decisions are influenced by the PAC Representative.</li> </ul> <p>Paragraphs (b) and (c) could include a company of which the PAC Representative is a director or shareholder, or a family trust or superannuation fund for which the PAC Representative is a trustee or beneficiary.</p>
<b>Authorised Broker</b>	<p>A broker recognised and approved by the PAC CFO, where the list will be maintained by the General Counsel.</p>
<b>Business Day</b>	<p>A day that is not a Saturday, a Sunday or a public holiday.</p>
<b>Generally Available</b>	<p>means, essentially, information:</p> <ul style="list-style-type: none"> <li>a) that is publicly available; or</li> <li>b) where there has been a reasonable period for it to be disseminated to persons who commonly invest in such Securities; or</li> <li>c) which consists of deductions, conclusions or inferences drawn from either (a) or (b) above.</li> </ul>
<b>Group Company</b>	<p>means each of any subsidiary of Pacific Current Group Limited, .</p>
<b>Inside Information</b>	<p>means information in relation to which the following paragraphs are satisfied:</p> <ul style="list-style-type: none"> <li>a) the information is not Generally Available; and</li> <li>b) if the information were Generally Available, a reasonable person would expect it to have a Material Effect on the price or value of a particular security.</li> </ul>

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<b>Margin Lending</b>	An arrangement in which a lender gives money or property to a borrower, and the borrower agrees to return the property or repay the money, usually along with interest, at some future point(s) in time.
<b>Material Effect</b>	If the information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of the Securities.
<b>PAC MD/CEO</b>	Chief Executive Officer or Managing Director of Pacific Current Group Limited or another officer or officers of Pacific Current Group Limited who has/have been delegated authority by the Board to perform part or all of the function of which a Chief Executive Officer or Managing Director would usually perform.
<b>Restricted Person</b>	means all PAC Representatives and persons noted on the list of 'Restricted Persons maintained by the General Counsel.
<b>Security/ Securities</b>	<p>Securities are defined in section 92 of the Corporations Act and include interests in shares, options or debentures in a company or related body corporate, as well as interests in managed investment schemes made available by the company or a related body corporate.</p> <p>Examples of securities covered by this policy include shares, bonds, derivatives, debentures, stocks or bonds issued or proposed to be issued by a government; or interests in managed investment schemes.</p>
<b>Share Purchase Plan</b>	means a PAC share purchase plan that may be available from time to time to certain employees within PAC allowing the relevant employee to salary sacrifice an amount of their salary for the purpose of acquiring shares under such defined plan.
<b>PAC Executive</b>	comprises of the PAC MD/CEO, and PAC Chief Financial Officer
<b>PAC Representatives</b>	All employees, officers and directors of PAC

## **SECTION 1: Circumstances of Prohibited Securities Trading in all securities**

### **1.1 Use of Inside Information**

It is the responsibility of every director, officer and employee of PAC to ensure that they do not do any of the things prohibited under sec 1043 of the Corporations Act when they are in possession of 'inside information'.

If you have 'inside information' relating to PAC or any other entity, which has not been published or which is not otherwise 'generally available', it is illegal for you to:

- Buy, sell or otherwise deal in securities in PAC or any other entity;
- Advise, procure or encourage another person (for example, a family member, a friend, a family company, trust or investment manager) to buy or sell these securities; and
- Pass on information to any other person if you know, or ought reasonably to know, that the person may use the information to buy or sell (or procure another person to buy or sell) these securities

Breach of the 'insider trading' prohibitions by you or family members could expose you or them to criminal and civil liability (penalty up to \$200,000.00 for an individual and \$1,000,000.00 for a company and/or imprisonment for five years or both).

Breach of 'insider trading' laws or this policy will be regarded by PAC as serious misconduct which may lead to disciplinary action and/or dismissal.

### **1.2 Use of Inside Information of other companies (Group Companies)**

If you have inside information relating to a company (e.g. from a Group Company) other than PAC which is not generally available, the same insider trading rules apply to trading in securities in that company.

In the course of performing your duties as a PAC Representative you may obtain inside information relating to another company in a variety of circumstances. Examples include:

- Another company may provide inside information about itself to PAC in the course of a proposed transaction;
- Another company with which PAC is dealing with may provide inside information about a company; or
- Information concerning PAC or actions which may be taken by PAC (e.g. a planned takeover offer) could reasonably be expected to have a material effect on the price of another company's securities.

Apart from the application of the insider trading rules to securities in other companies, employees are also bound by a duty of confidentiality in relation to confidential information obtained in the course of their employment in respect of third parties.

### **1.3 Prohibited Trading in Pacific Current Group Limited Securities ("PAC Securities")**

No PAC Representative may otherwise approve or participate in approving his or her own trades. Such approval is strictly prohibited and will constitute a serious breach of this policy.

A Restricted Person must not enter into a transaction that is designed or intended to hedge his or her exposure to unvested entitlements under any equity based remuneration scheme.

Refer to Section 3: Personal Securities Trading in PAC Securities for the requirements that must be followed by a PAC Representative for personal trading in PAC Securities.

## 1.4 Examples of Inside Information

Examples of possible 'inside information' include:

- The financial performance of PAC.
- Entry into or termination of a material contract (such as a major joint venture).
- A material acquisition or sale of assets by PAC.
- An actual or proposed takeover or merger of PAC.
- An actual or proposed change to PAC's capital structure.
- A proposed dividend or a change in dividend policy of PAC.
- A material claim against PAC or other unexpected liability.

## SECTION 2: Prohibited information to Analysts, Investors and Journalists

PAC directors, senior executives and employees should be aware that selective disclosure of non-public information may result in a breach of insider trading and PAC's continuous disclosure obligations. A person in possession of non-public information who does not engage in a transaction but transmits such information to someone who trades on the basis of that information may be just as liable as the person who made the trade.

Similarly, if a report containing material non-public information were communicated only to select investors, journalists or other third parties, and if full public disclosure of the information were not made at the same time, it is possible that this may give rise to a breach of the Corporations Act.

For further details on the personnel who are authorised to liaise with investors, journalists and other stakeholders, please refer to PAC's *Media and External Communications Policy*.

## SECTION 3: Personal Securities Trading in PAC Securities

### 3.1 PAC Trading Windows for PAC Representatives

A PAC Representative and their Associates may only trade PAC Securities without obtaining prior approval during the following trading windows:

- a) a period of **twenty Business Days** commencing on the Business Day immediately following the announcement of PAC's half-yearly results;
- b) a period of **twenty Business Days** commencing on the Business Day immediately following the announcement of PAC's annual results; or
- c) a period of **twenty Business Days** commencing on the Business Day immediately following the PAC Annual General Meeting, and,
- d) any other period as advised in writing to the PAC Representative.

When PAC Securities are traded within these periods, the form in **Attachment 1** to this policy must be completed and sent to PCS within 5 Business Days of the trade occurring.

### 3.2 General Counsel to maintain list and the PAC company secretary to advise of trading windows

The General Counsel will maintain a list of all PAC Representatives and PAC's company secretary will remind all PAC Representatives when a trading window is open for PAC Securities, and the length of the trading window.

## 3.3 Personal trading in PAC Securities outside trading windows

### 3.3.1 Trading in PAC Securities in a Closed Period in Exceptional Circumstances

A PAC Representative, who is not in possession of inside information in relation to PAC, may be given prior written clearance to sell or otherwise dispose of PAC Securities during a closed period where the PAC Representative is in severe financial hardship, or their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.

A person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant PAC Securities.

PAC considers the following are exceptional circumstances:

- A tax liability would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability.
- A tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a prohibited period.
- If the person is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement or other overriding legal or regulatory requirement, the transfer or sale the securities may be considered an exceptional circumstance.

The determination of whether the person in question is in severe financial hardship or whether a particular set of circumstances falls within the range of exceptional circumstances can only be made by a member of the PAC Executive.

In recognition of the case that exceptional circumstances by their nature, cannot always be specified in advance, it is envisaged that there may be other circumstances other than the ones stipulated above, that may be deemed exceptional by the PAC Chairman or the Chairperson of PAC's Audit & Risk Committee where the PAC Chairman is involved, and whereby prior written clearance is granted to permit trading.

### 3.3.2 Exceptional circumstances outside the above examples.

In the instances where there are other circumstances different from the exceptional circumstances stipulated above, the PAC Chairman or the Chairperson of PAC's Audit & Risk Committee where the PAC Chairman is involved, will need to consider such circumstances before providing authorisation.

If approval has been granted to trade outside of a trading window, trading should be completed by a PAC Representative within two weeks of approval. **Attachment 2** to this policy has to be completed and submitted to either a member of the PAC Executive or the PAC Chairman or Chairperson of PAC's Audit & Risk Committee.

## 3.4 Gaining approval outside a trading window

Provided exceptional circumstances exist as stipulated by this policy a member of the PAC Executive may make a determination to approve a request to trade outside a trading window.

## 3.5 Authorised Broker must be used for all PAC Securities trading

All trading of PAC Securities by a PAC Representative and their Associates must be conducted through an Authorised Broker from the list maintained by the General Counsel.



## 3.6 Other entitlements

This policy does not prevent PAC Representatives and their Associates (from taking up or renouncing an entitlement to PAC Securities or participating in a Share Purchase Plan (Share Plan) or Dividend Reinvestment Plan, if so available, subject to the overriding prohibition against insider trading provided however that in the case of the Share Plan an employee must:

- i) elect to salary sacrifice a fixed amount of his/her salary on a regular basis (on predetermined future dates) under the Share Plan. Where an employee elects to do such salary sacrifice then there is no requirement to complete the approval form in Schedule 1 to this policy; and/or
- ii) where an employee seeks to salary sacrifice an amount in addition to the fixed amount of his/her salary or as a separate one off request under the Share Plan, then this can only occur during trading window period referred to in Section 3.1 above and the approval form as set out in in Schedule 1 to this policy, must be completed.

## 3.7 PAC Securities and Margin Lending Agreements

Any PAC Representative proposing to take out a margin loan in relation to PAC securities, or proposing to amend an existing arrangement, must disclose the existence of, and the terms of, the proposed margin loan arrangement, prior to its commencement, to the General Counsel and must not enter into such arrangement without first receiving authorisation, in writing, from a member of the PAC Executive.

## SECTION 4: Personal Securities Trading in non-PAC Securities

Provided a PAC Representative is not in possession of any insider information there is no prohibition on dealing in any non-PAC Securities subject to the following qualifications:

1. Because the following PAC Representatives are privy to substantial holding information in their day to day roles, then any personal trading by such PAC Representatives in relation to such securities can only take place three days after the receipt of such information:
  - General Counsel.
2. In instances where a PAC Representative has a third party that trades on their behalf under a contract for service (e.g. financial planner, investment consultant), all such third parties are disallowed from trading in PAC Securities unless expressly instructed by the PAC Representative.

## SECTION 5: ASX Reporting Obligations

PAC is required under the ASX Listing Rule 3.19A to notify the ASX within 5 business days of any changes to a director's notifiable interests.

Directors are also required under sec 205G of the Act to notify the ASX of any changes to their notifiable interests within fourteen calendar days of the change. ASIC Regulatory Guide 193 provides a detailed outline of a director's obligation under this section.

Notifiable interests are defined in sec 205G of the Act and include all relevant interests in a security held by a director, including contracts that confer a right to obtain securities in PAC (such as options). A contract does not need to be in writing for it to be notifiable and includes a situation where a director is entitled to be paid a commission when another person subscribes for shares in PAC.

A director has a relevant interest if they are the holder of the security or have the power to control the voting or disposal of the security.

PAC's Company Secretary is responsible for lodging an Appendix 3Y: *Change of Director's Interest Notice* to the ASX no more than 5 business days after the change occurs. The Appendix 3Y includes a requirement to notify whether the change occurred during a closed period where prior written clearance was required and if so whether the prior written clearance was provided.

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An Appendix 3X: Initial Director's Interest Notice and Appendix 3Z: Final Director's Interest Notice must also be lodged on the appointment or resignation of a director. Lodgement of a Director's Interest Notice will satisfy a director's obligation under sec 205G.

## SECTION 6: General Counsel Semi-Annual audit of personal trading undertaken by PAC Representatives

### 6.1 Audit

At the end of each six months, with one six month period ending at the end of financial year, the General Counsel will audit personal trading by the PAC Representatives. Upon commencement with PAC, each PAC Representative provides consent to the General Counsel to contact their broker(s) and request records of all trading conducted with that broker for the relevant audit period (see Attachment 3 to this policy). Accordingly, each PAC Representative must provide the General Counsel with copies of his or her trading history with the broker(s) for the period to be audited at the time of audit.

The General Counsel will review the trading records obtained from the broker(s) against the trading requirements for PAC Securities. The General Counsel will report the results of the audit to the PAC board and its Audit and Risk Committee.

In the case of the PAC Representatives referred to in Section 4 above, the General Counsel will review their trading against all substantial holding notice dates throughout the year to ensure that there has been a minimum three-day delay in any trading relating to those securities, as the case may be.

The General Counsel respects the sensitivity of information regarding personal trading and stores it in a manner appropriate for confidential and sensitive information. The information may be disclosed to the PAC Board and its Audit and Risk Committee if a breach of this policy is discovered.

The PAC Chairman or PAC CEO may make reasonable requests to see personal trading information at any time for the purpose of monitoring compliance with this policy.

### 6.2 Annual declaration by PAC Representative

- a) Each PAC Representative is required to provide an annual certification for the relevant audit period that:
- i) they have read and understood the PAC Securities Trading Policy; and
  - ii) that they have complied with the abovementioned policy,

for the financial year ending 30 June. At the end of each financial year, the General Counsel will contact each PAC Representative to obtain this certification (**see example of certification wording below**).

I, \_\_\_\_\_ [print name] [position] of [insert Company] confirm that I have read, understood and have complied with the PAC Securities Trading Policy and for the period [start of audit period] to [end of audit period]. I confirm that I have not used an Associate to circumvent the abovementioned Policy. I further understand and accept that an act of violation of the Policy may be considered as professional misconduct and may be liable to disciplinary penalties, including immediate dismissal and legal action.

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Name

Signed

Date

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- b) Upon commencement of employment, each PAC Representative is required to provide the following declaration:

I \_\_\_\_\_ (print name) (position) of  
 (insert Company) confirm that I have read, understood and will comply with the PAC Securities  
 Trading Policy.

- c) In the event a PAC Representative has not traded during the audit period, they will be asked to complete the following declaration at the time of the audit (see form of wording below).

I \_\_\_\_\_ (print name) (position) of  
 (insert Company) declare that I have not personally traded in Securities from [start of audit] to [end of  
 audit].

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Name

Signed

Date

## Approved and Adopted

This policy was approved and adopted by the Board on 25 May 2018.

# PACIFIC CURRENT GROUP

## Attachment 1

### Notification of trading in PAC Securities

**PRIVATE & CONFIDENTIAL**

Name of trader	[name]
Account name	[insert account name]
Security	Pacific Current Group Limited
Buy / Sell	[Buy or Sell]
No. of securities	[number of securities traded/expected to be bought sold]
Details of the financial instrument (including any margin lending arrangement) relating to the securities you wish to trade	
Value of trade (\$A)	[\$\$\$]
Date of trade	

#### Declaration

The above securities were traded in accordance with the PAC Securities Trading Policy (Policy). The trade occurred within the permitted trading windows detailed in this Policy.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date received by the General Counsel

## Attachment 2

### Request for approval of trading in PAC Securities Outside Trading Windows

**PRIVATE & CONFIDENTIAL**

To	A member of the PAC Executive
From	[name]
Date	
Subject	Request for approval in trading PAC Securities (including Margin Loans in relation to the PAC Securities) outside the permitted trading windows detailed in the PAC Securities Trading Policy.

I request that you consider my application to trade PAC Securities outside of the permitted trading windows permitted by the PAC Securities Trading Policy.

I would like to [buy/sell] \_\_\_\_\_ (*number of securities*) in PAC.

The personal reasons for this request to trade these Securities outside of the permitted trading windows are detailed below:

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**Note 1: Exceptional circumstances outside the stipulated policy examples.**

In the instances where there are other circumstances outside the stipulated policy examples, the PAC Chairman or the PAC CEO (where the PAC Chairman is involved) will need to consider before providing written clearance.

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## Declaration

I understand that:

- if consent is given to trade PAC Securities outside of the permitted trading windows I must trade within two weeks of consent being provided; and
- this decision is final and no further discussion will be entered into.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name [*of applicant*]

\_\_\_\_\_  
Date

## TRADE APPROVED

**YES    NO**

Signed by PAC CEO and any member of the PAC Executive.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
Date

## Attachment 3

### PRIVATE & CONFIDENTIAL

#### INSERT NAME OF THE PAC REPRESENTATIVE'S ACCOUNTS

Broker	Contact details	Account name	Account number

I, \_\_\_\_\_ [name] confirm that the accounts listed on this document represent all of the accounts registering or likely to register market transactions, which are essentially operated by myself, or in which I have an involvement be that via individual, joint or associated accounts with relatives, associates, corporations or trusts.

During the course of my employment / retainment, I will notify the General Counsel of any changes to these details or the use of any additional brokers which I use to trade in my personal capacity.

#### Broker consent declaration

I, \_\_\_\_\_ [name] authorise Treasury Group Investment Services Limited to request copies of my trading records from the organisations listed above where I have an account to trade. This includes joint accounts and accounts of family members, friends or any entity that I am associated with. I confirm that I have listed details of all my trading accounts.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date