

PERPETUAL
EQUITY
INVESTMENT
COMPANY
LIMITED

ACN 601 406 419

SECURITIES TRADING POLICY

Perpetual 

PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

SECURITIES TRADING POLICY

PURPOSE

- 1 This Policy aims to:
 - (i) minimise the risk of a Restricted Person engaging in dealings in securities which breach, or have the potential to breach or be perceived to breach, the prohibitions on insider trading contained in the Corporations Act 2001 (Cth);
 - (ii) increase transparency with respect to dealings in securities of the Company by Restricted Persons; and
 - (iii) protect the reputation of the Company and Restricted Persons.
- 2 Each Restricted Person is required to conduct their personal investment activity in a lawful way which promotes shareholder and general market confidence in the Company and in the trading of the Company's securities. Restricted Persons will often be perceived to be in possession of Material Non-Public Information ('MNPI'), and any suggestion that they have breached the insider trading obligations could have a significant impact on their personal reputation and the reputation of the Company.
- 3 Each Restricted Person should manage (including, where necessary avoid) possible, actual or perceived conflicts of interest between their personal interests and the interests of the Company. When they are in possession of MNPI, Restricted Persons must not deal in securities of the Company and must also take reasonable steps to ensure that their Associates do not deal in securities in breach of this Policy.

SCOPE

- 4 This Policy applies to dealing in securities of the Company by each Restricted Person and requires each Restricted Person to take reasonable steps in relation to dealing in securities by their Associates. This Policy will be applied according to its intent and spirit. The Company will take a substance over form approach and will have regard to the purpose of this Policy when applying and enforcing it.

5 DEFINITIONS

Associates means close family members of a Restricted Person, including but not limited to a spouse/partner and minor children and any family trust or family company that the Restricted Person or their Associates may control or in which they may have an interest.

ASX means Australian Securities Exchange.

Board means the board of Directors of the Company.

Company means Perpetual Equity Investment Company Limited ACN 601 406 419.

deal or dealing in securities means buy, sell or enter into transactions in relation to shares, options or other securities in the Company or financial products issued or created over or in respect of securities in the Company. It includes procuring another person (directly or indirectly)

to do any of these things.

generally available information means information which is:

- (a) readily observable;
- (b) made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in the Company's securities or securities of a kind similar to the Company's securities, and a reasonable period has elapsed to allow the information to be disseminated; or
- (c) able to be deduced, concluded or inferred from those types of information.

MNPI means material non-public information that is not generally available information and which is information that a reasonable person would expect it to have a material effect on the price or value of securities of the Company such as to influence a person to deal in securities of the Company. Examples of potentially MNPI include information about the Company's financial position, strategy, operations, merger and acquisitions activity and significant management changes.

Prohibited Period means all times outside of the periods mentioned in paragraph 7.1, and any other period that the Board specifies from time to time.

Restricted Person means the Directors of the Company, key management personnel of the Company and the Company Secretary from time to time, and any other person who has been advised by the Company Secretary that they are a Restricted Person for the purposes of this Policy.

severe financial hardship means a pressing financial commitment that cannot be satisfied other than by selling securities of the Company.

WHAT IS INSIDER TRADING?

- 6 Dealings in securities by a Restricted Person who is in possession of MNPI could contravene the Corporations Act 2001 (Cth) and expose the person to civil and criminal liability if convicted. All Restricted Persons are prohibited in all circumstances from dealing in securities if they are in possession of MNPI regarding the Company and its securities. Restricted Persons are also prohibited from dealing in the securities of another listed company when they are in possession of MNPI about that company and its securities.
- 7 Restricted Persons must not communicate MNPI to a person who may deal in securities of the Company. In addition, a Restricted Person in possession of MNPI must not recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) that they should deal in securities of the Company. All Restricted Persons should also seek to ensure that any third parties who come into possession of MNPI preserve the confidentiality of the MNPI and do not deal in securities of the Company while in possession of such information.
- 8 It is important that public confidence in the Company is maintained. It would be damaging to the Company's reputation if the market or the general public perceived that Restricted Persons might be taking advantage of their position in the Company to make financial gains (by dealing in securities on the basis of MNPI).

As a guiding principle, before seeking approval to deal, all Restricted Persons should apply the following 'Front Page Test':

If the market was aware of all the current circumstances, could the proposed dealing be perceived as inappropriate for someone in my position? How would it look if the dealing was reported on the front page of the newspaper?

Where any approval is required for a dealing under this Policy, approval will not be granted where the approver does not consider that the dealing would satisfy the Front Page Test.

WHEN CAN I DEAL IN SECURITIES OF THE COMPANY?

9 GENERAL TRADING RESTRICTIONS

A Restricted Person must not deal in securities of the Company unless:

- (i) they have satisfied themselves that they are not in possession of any MNPI;
- (ii) they consider that the dealing would satisfy the Front Page Test (see paragraph 6 above);
- (iii) they have advised the Company Secretary (in the case of a Restricted Person who is not the Company Secretary) or the Chair (in the case of a Restricted Person who is the Company Secretary) of their intention to deal in securities; and
- (iv) they have obtained prior written clearance to trade from the relevant approver below:

Restricted Person intending to trade	Person to provide written clearance
Chair of the Board	Nominated Director
Other Directors or Company Secretary	Chair of the Board
Other Restricted Persons	Company Secretary or Chair of the Board

The Nominated Director will be appointed by the Board from time to time.

The relevant approver will generally allow a Restricted Person to deal in securities of the Company as a matter of course (unless, in their view, the dealing should be embargoed in order to manage a potential insider trading risk or due to the Front Page Test) in the following periods:

- (i) within the period of six weeks after the release of the annual or half yearly results of the Company;
- (ii) within the period of six weeks after the issue of a prospectus or offer document;
- (iii) within the period of six weeks commencing one day after the holding of the Annual General Meeting of the Company; and
- (iv) any other period as the Board may decide,

but a Restricted Person who has received prior written clearance to deal in securities during such times should wait at least two hours after the relevant release of results or other information or issue of prospectus so that the market has had time to absorb the information.

10 PROHIBITED PERIODS

A Restricted Person generally cannot deal in securities during a Prohibited Period (i.e. at any time outside the periods mentioned in paragraph 7.1).

However, the relevant approver may provide written clearance to allow a Restricted Person to trade during a Prohibited Period if the relevant approver is satisfied that, in their discretion, exceptional circumstances exist which would warrant approval to deal in securities of the Company.

Ordinarily, such exceptional circumstances would be limited to:

- i. situations of severe financial hardship; or
- ii. as required by law, an order of Court or Court enforceable undertakings; or
- iii. any other circumstances the relevant approver is satisfied that, in their discretion, exceptional circumstances exist;

and only in the event that the person involved is not in possession of MNPI affecting securities of the Company. In such circumstances the relevant approver will only give their approval after making reasonable enquiries.

11 PROCEDURE FOR OBTAINING PRIOR WRITTEN CLEARANCE

In order to obtain prior written clearance to deal in securities of the Company in accordance with sections 7.1 or 7.2 of this Policy, the Restricted Person must give the Company Secretary prior written notice (which may be given by email) at least two trading days before the proposed dealing. The Company Secretary will give notice to the Chair or Nominated Director (as applicable).

The Restricted Person must receive written clearance (which may be provided by email) from the relevant approver before dealing in securities the subject of the written clearance. The written clearance will be valid for a period of 5 trading days from the date that the written clearance was provided unless the relevant approver specifies otherwise.

Approval to deal is not an endorsement of the proposed dealing and the Restricted Person is responsible for their compliance with insider trading laws.

In all cases where approval is sought under this Policy, the person seeking approval must provide any details about the dealing that the relevant approver requests.

Approval to deal may be denied at the absolute discretion of the relevant approver. The relevant approver may take into account any matter they consider reasonable when deciding whether to provide approval, including whether the proposed dealing could give rise to the appearance of insider trading, and any reputational risk to the Company and the Restricted Person. The relevant approver has discretion to impose conditions on their approval or revoke their approval.

The Restricted Person is not entitled to receive any reasons for why the dealing request has been denied. If approval is denied, the Restricted Person must keep that information confidential and not disclose it to anyone.

12 NO SHORT-TERM DEALINGS

Restricted Persons must not deal in securities of the Company on a speculative or short term trading basis. Short term trading includes buying and selling securities on market within a 6 month period, and entering into other short term dealings (for example, forward contracts). Securities acquired as a result of vesting under an equity incentive or share plan operated by the Company are excluded from this rule.

13 OBLIGATIONS IN RELATION TO ASSOCIATES

Restricted Persons must take reasonable steps to ensure that their Associates only deal in securities of the Company in circumstances where the Restricted Person would be permitted to deal.

14 DEALINGS IN SECURITIES WHICH ARE NOT SUBJECT TO THIS POLICY

The only dealings in securities which are not subject to this Policy are acquisitions under a dividend reinvestment plan, equity incentive or share plan, or as otherwise notified by the Chair of the Company. However, a Restricted Person must only elect to participate in the dividend reinvestment plan if they are not in possession of MNPI and, if they subsequently become in possession of MNPI, may not change that election until they are no longer in possession of MNPI.

15 REPORTING COMPLETED TRADES

Completed dealings in securities by Restricted Persons which have been permitted in accordance with this Policy must be reported as soon as practicable to the Company Secretary (which may occur via email).

In the case of a Director of the Company and Company Secretary, the Company Secretary will also report completed dealings in securities to the Chair of the Company. Directors are required to enter into an agreement with the Company under which they are obliged to notify the Company of changes in interests in securities and other relevant matters.

The report must include the date, price and volume of the dealing and details of prior written clearance with respect to the dealing received from the Company so that the Company can comply with its ASX reporting obligations.

16 NO MARGIN LOANS

A Restricted Person must not be party to a margin loan facility that gives the lender the right in specified circumstances to dispose of shares in the Company held by or on behalf of the Restricted Person.

17 COMPLIANCE

Breaches of this Policy may result in disciplinary action against the relevant Restricted Person including dismissal in serious cases.

A breach of insider trading laws is a serious offence that may attract both civil and criminal penalties under the Corporations Act 2001.

Restricted Persons must comply not only with the letter of this Policy but also with a reasonable interpretation of the spirit of this Policy, and at all times consider the risk to both the Company and their own reputation when dealing in securities. They must not structure arrangements or procure third parties to deal in securities of the Company to circumvent the operation of this Policy.

18 NEED MORE INFORMATION?

Restricted Persons who have any questions about this Policy should contact the Company Secretary.