

# GROUP POLICY



THIS DOCUMENT PROVIDES AN EXTRACT OF THE RELEVANT PROVISIONS IN THE GROUP POLICY – PERSONAL TRADING IN NON-PERPETUAL SECURITIES APPLICABLE TO RE SERVICES STAFF UNDER THE RE SERVICES PERSONAL TRADING IN NON-PERPETUAL SECURITIES POLICY (RE POLICY). THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE RE POLICY.

## PERSONAL TRADING IN NON-PERPETUAL SECURITIES

### PURPOSE

The purpose of this policy is to ensure that personal trading in Securities (other than Perpetual Securities) is conducted lawfully and appropriately and that legal, regulatory and reputational risk to Perpetual and its Employees is minimised.

For trading in Perpetual Securities, refer to Group Policy – Personal Trading in Perpetual Securities.

### SCOPE

This policy applies to all Employees when trading in Securities (other than Perpetual Securities) in a Personal Capacity.

This policy does not apply to the non-executive directors of Perpetual, however the prohibition on Insider Trading does apply to them.

### DEFINITIONS

**Employee** includes an employee, director (other than a non-executive director), contractor or representative of Perpetual.

**Inside Information** means information concerning a company's financial position, strategy or operations which if made public would be likely to have a material impact on the price of that company's securities

**Insider Trading** means trading securities based on price sensitive information that is not generally available. Refer to [Attachment A](#) for further information.

**Perpetual** means Perpetual Limited and its related bodies corporate.

**Perpetual Securities** means:

- shares issued by Perpetual Limited (ordinary, preference, contributing, non-voting), and
- options or performance rights granted by Perpetual Limited to acquire its shares.

**Personal Capacity**

An Employee will, for the purposes of this policy, be acting in a personal capacity in respect of trades undertaken:

- in the name of the Employee; or

- in the name of any person (including spouse, partner or financial dependent such as children) or entity (including a corporation, trust or personal superannuation fund) where the Employee can exercise control over the trades or influence the investment decision.

## Securities

For the purposes of the Policy Principles below which apply to all Employees, securities include all financial instruments including:

- listed and unlisted Australian and international securities (including shares, warrants, Exchange Traded Funds (ETFs), listed managed funds and listed investment companies including Perpetual Equity Investment Company Limited);
- fixed income securities (including bonds, debentures and short-term securities);
- exchange traded and OTC derivatives and contracts for difference (CFD); and
- interests in managed investment schemes and superannuation funds.

## POLICY PRINCIPLES

Employees must ensure that their personal investment decisions are made on the basis of generally known information (information which is readily available to other investors), and ensure that they do not use their position as an Employee to gain an advantage for themselves or another person.

The following requirements and restrictions apply to all Employees:

### 1. PROHIBITION ON INSIDER TRADING

Employees must not:

- trade in Securities when they are in possession of Inside Information; or
- use information acquired through being an Employee to gain (directly or indirectly) an advantage for themselves or another, or cause detriment to scheme/trust members or clients.

See Attachment A for further details on Insider Trading.

### 2. PROHIBITION ON FRONT RUNNING

Employees must not knowingly trade ahead of Perpetual (known as 'front running'), that is, trade where the Employee knows that Perpetual has outstanding orders or proposes to trade in that security.

### 3. PROHIBITION ON PROCURING OR ENCOURAGING THIRD PARTIES TO TRADE

Employees must not:

- procure or arrange for a third party to trade in Securities on their behalf to circumvent this policy;
- encourage third parties to trade, if the Employee has Inside Information regarding Securities.

### 4. CONFLICTS OF INTEREST

Employees must avoid situations in which their personal trading will or may conflict with their duty to provide the highest standard of service to Perpetual, its clients and shareholders.

### 5. HIGH VOLUME PERSONAL TRADING

Employees must ensure that their personal trading does not adversely impact their professional reputation (as an Employee of an investment and trustee company) and their ability to perform normal duties. An important factor in determining this is the frequency with which Employees conduct personal trading. For

example, personal trading in securities on a daily basis is considered high volume as it would interfere with an Employees daily work.

## COMPLIANCE

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

Compliance with this policy is mandatory and a wilful breach is considered to be a serious matter that may result in disciplinary action. Disciplinary action will be based on the severity of the matter and may include immediate dismissal.

Employees must comply with both the letter and the spirit of this policy, and at all times consider the risk to both Perpetual's and their own reputation when conducting personal trading activities. Employees must not structure arrangements or procure third parties to trade to circumvent this policy.

## REVIEW CYCLE

This policy will be reviewed in the event of a material change in the law or industry practices.

## ATTACHMENTS

Attachment A – Summary of Prohibition on Insider Trading

# ATTACHMENT A - SUMMARY OF PROHIBITION ON INSIDER TRADING

This description of the prohibition on Insider Trading is provided for information purposes only and is not intended as legal advice. Employees are responsible for ensuring their actions comply with relevant legal and regulatory requirements.

Part 7.10 (Division 3) of the Corporations Act prohibits insider trading. Generally Insider Trading refers to trading of Financial Products that can be traded on a financial market, based on price sensitive information that is not generally available.

## PROHIBITED CONDUCT BY A PERSON IN POSSESSION OF PRICE SENSITIVE INFORMATION

Employees who possess price sensitive information in relation to Financial Products that is not generally available must not:

- subscribe for, purchase or sell (or agree to subscribe for, purchase or sell) those Financial Products;
- procure another person to do so; or
- directly or indirectly, communicate the information or cause the information to be communicated to another person if the Employee knows, or ought reasonably to know, that the other person would or would be likely to:
  - subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such Financial Products; or
  - procure a third person to subscribe for, purchase or sell, or to enter into an agreement to subscribe for, purchase or sell, any such Financial Products.

## DEFINITIONS

**Financial Product** includes a security, a derivative and an interest in a registered managed investment scheme.

**Information** has the meaning given in section 1042A of the Corporations Act. Information may be obtained verbally or in writing and includes:

- matters of supposition and other matters that are insufficiently definite to warrant being made known to the public (that is, inferences or conclusions drawn from potential outcomes); and
- matters relating to the intentions, or likely intentions of a person.

Examples include:

- merger and takeover discussions
- possible profit warnings
- possible departure of key personnel.

**Information which is not generally available** has the meaning given to that expression in section 1042C of the Corporations Act. Information is generally available when:

- it consists of a readily observable matter; or
- it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Financial Products whose price might be affected by the information (and deductions, conclusions or inferences made or drawn as a result of such), and since it has been made known, a reasonable period for it to be disseminated among such persons has elapsed.

Accordingly information will be **not generally available** where it does not satisfy either of the above criteria. Employees are likely to have access to information that is not generally available during the course of their employment.

Examples include:

- details of applications and redemptions
- details of client or fund transactions, including business won or lost
- information regarding a change in a clients' scale of operations or circumstances
- profit announcements and warnings.

**Price sensitive information** has the meaning given to that expression in section 1042D of the Corporations Act. Price sensitive information is information that a reasonable person would expect to have a 'material effect' on the price or value of the Financial Product. Information will be regarded as price sensitive if it would be likely to influence people who commonly acquire Financial Products in deciding whether or not to subscribe for, buy or sell the Financial Product.