



GBST Holdings Limited

ABN: 85 010 488 874

Securities Trading Policy

## 1. Important Information

**This is an important Policy, and it is imperative that you read this Policy and understand its terms. If you are uncertain about any aspect of this Policy, or the law relating to insider trading, please obtain independent legal advice before dealing in GBST Securities. Alternatively, please contact the Company Secretary for more information.**

**If a GBST Person is aware of inside information, as set out in this Policy and GBST's Continuous Disclosure Policy, then any trading in GBST Securities may constitute insider trading. Any GBST Person learning of such trading should inform the Company Secretary immediately of all circumstances known to them.**

**It is your responsibility to decide if it is proper for you to trade in GBST Securities and you should take into consideration:**

- a) **The law relating to insider trading;**
- b) **The position you hold within GBST; and**
- c) **This Policy.**

## 2. Background

The Board encourages its Directors and Employees to hold securities in the Company to align interest with those of other shareholders. It is necessary for the Company to maintain a policy that details restrictions on trading in securities of the Company under legal and regulatory requirements and to clearly articulate the issues and risks to those individuals who have access to inside information, relating directly or indirectly to the Company.

## 3. Definitions

**Associated Entities** has the meaning given to that term by section 50AAA of the Corporations Act and includes any international entities.

**ASX** means ASX Limited ACN 008 624 691 and the Australian Securities Exchange.

**Board** means the GBST Holdings Limited Board of Directors.

**Chair** means the appointed chair of the Board.

**Closed Period** has the meaning given to that term under section 9 of this Policy.

**Company** means GBST Holdings Limited ACN 010 488 874 and/or any of its Associated Entities.

**Company Secretary** means the company secretary of the Company.

**Contractors** means all contractors, secondees and consultants of or to the Company.

**Corporations Act** means the *Corporations Act 2001 (Cth)*.

**Director** means a director of the Company.

**Employee** means any employee of the Company.

**GBST Person** means a person defined under section 4 of this Policy.

**GBST Securities** means securities defined under section 7 of this Policy.

**General Prohibition** has the meaning given to that term under section 5 of this Policy

**Group CEO** means the Group Chief Executive Officer and Managing Director of the Company.

**Inside information** has the meaning given to that term by section 1042A of the Corporations Act.

**Open Period** means any time other than a Closed Period or Prohibited Period.

**Policy** means this document or any amendment or replacement document.

**Prohibited Period** has the meaning given to that term under section 10 of this Policy.

**Written Clearance** means the approval obtained in accordance with section 12 of this Policy.

#### 4. Policy Application

- 4.1 This policy applies to all Directors, Employees and Contractors (each a “**GBST Person**”).
- 4.2 Furthermore, the insider trading provisions of the Corporations Act apply to all persons acting on behalf of a GBST Person in relation to trading in GBST Securities (including family members, any Associated Entities and any other acquaintances or persons).

#### 5. Trading and Dealing Restrictions

- 5.1 All GBST Persons are prohibited from trading in GBST Securities whilst in possession of unpublished price sensitive or Inside Information (the “**General Prohibition**”). Section 6 below sets out further details on what constitutes Inside Information. This General Prohibition overrides all other rules set out in this Policy. It applies at **ALL** times.
- 5.2 In addition to the General Prohibition, all GBST Persons are prohibited from trading in GBST Securities in the following circumstances:
- during Closed Periods or Prohibited Periods (refer to sections 9 & 10); or
  - where it is for speculative and/or short term gain (i.e. a GBST Person must not buy and sell GBST Securities within a 30 day period under any circumstance).
- 5.3 Furthermore, a GBST Person must not use GBST Securities in connection with a margin loan or similar financing arrangement or product which may be subject to a margin call or loan to value ratio (**LVR**) breach.
- 5.4 Additionally, a GBST Person is not permitted to enter into transactions in products associated with GBST Securities which operate to limit the economic risk of their security holding in the Company, including hedging arrangements or other such arrangements in respect of options or rights under an employee share ownership plan.

#### 6. Insider Trading and Inside information

- 6.1 Trading with Inside Information is prohibited at all times under this Policy and is illegal under the Corporations Act. Insider trading involves trading in all types of GBST Securities by a person who possesses non-public, ‘price-sensitive’ information (or Inside Information) concerning the Company’s affairs.
- 6.2 Inside Information is information relating to GBST which is not generally available, and if the information was known:
- a reasonable person would expect it to have a material effect on the price or value of GBST Securities; or
  - it would likely influence persons who commonly invest in securities in deciding whether or not to buy, sell or deal in GBST Securities.
- 6.3 It does not matter how or in what capacity a GBST Person became aware of the Inside Information and it does not have to be obtained from within the Company to constitute Inside Information.

Practical examples of Inside Information include:

- financial performance against budget or forecast;
- change in strategic direction of the Company;
- possible acquisition or disposal of significant assets;
- possible change in capital structure (including capital raisings or borrowings);
- proposed changes to dividends or dividend policy;
- entry into or termination of important agreements;
- an unexpected liability; or
- changes to the Board or key management personnel.

6.4 If a person possesses Inside Information, and ought reasonably to know that it is Inside Information, they must not:

- apply for or acquire or dispose of GBST Securities, or enter into an agreement to do so;
- procure another person to do so; or
- directly or indirectly communicate the Inside Information to another person who they believe is likely to deal in, or procure another person to deal in GBST Securities, (commonly known as 'Tipping').

## 7. Securities Covered Under Policy

7.1 This Policy applies to all securities of the Company of any type or kind, and includes (but is not limited to) ordinary shares, preference shares, options, performance rights, hedging or derivative instruments and convertible notes and other debentures.

7.2 Furthermore, this Policy applies to securities of other companies in situations where Inside Information of those other companies is in possession of a GBST Person. These circumstances include where:

- the Company has made (or is contemplating) a takeover offer;
- the Company has (or is known to be acquiring) a shareholding of 5% or more; or
- where the other company is a party to a joint venture or other third party dealing with the Company.

7.3 For the purposes of this Policy, all securities noted above will be referred to as '**GBST Securities**'.

## 8. Exemptions Under the Policy

8.1 Subject to the overriding General Prohibition set out above, the following are dealings that are exempt under this Policy:

- change in the legal ownership of GBST Securities held by a GBST Person provided that there is no material change in beneficial ownership (though it is preferred that such movements occur outside of Prohibited Periods);
- investments in funds or other schemes that may include GBST Securities where investment decisions are not made by a GBST Person;

- trading by a trust of which the GBST Person is a trustee, but not a beneficiary, and where the GBST Person does not make decisions with regard to the trading of GBST Securities;
- disposal of GBST Securities through undertakings to accept, or the acceptance of a takeover offer or a scheme of arrangement;
- taking up an offer made to shareholders generally such as a share purchase plan, dividend reinvestment plan or equal access buy-back; and
- acquisition of GBST Securities through an employee share ownership plan in accordance with the rules of the relevant plan.

Please note that any subsequent trading in GBST Securities acquired through a share purchase plan, dividend reinvestment plan or the employee share or option plan is covered by this Policy.

## 9. Closed Period Prohibition

- 9.1 Even if the General Prohibition set out in clause 5 above does not apply, a GBST Person is not permitted to trade in GBST Securities in the following periods (each a '**Closed Period**')
- the period from (and including) the 15<sup>th</sup> of December until the next trading day after the day the Company releases its results for half financial year ended 31 December to the ASX; and
  - the period from (and including) the 15<sup>th</sup> of June until the next trading after the day the Company releases its audited results for the financial year ended 30 June to the ASX.

## 10. Prohibition in other Circumstances

- 10.1 From time to time outside of a Closed Period referred in section 9, it may be necessary to prohibit the dealing of GBST Securities by a GBST Person due to activity or knowledge within the Company at the time (a '**Prohibited Period**'). An example of this, is the period during which an ASX release is being considered up to the release of that announcement to the ASX. **A Prohibited Period may be imposed by the Company at any time without explanation.**

## 11. Trading Application Process

- 11.1 To assist in protecting the interests of all shareholders of GBST, a GBST Person may only trade in GBST Securities in an Open Period.
- 11.2 For all trades during an Open Period, each GBST Person must first:
1. Complete a standard trading application in the form set out in Appendix A to this Policy ("**Trading Application**"); and
  2. Seek and obtain prior approval from their manager (acknowledged by signing the Trading Application where indicated), or in the case of the Group CEO or a Director, seek and obtain prior approval as follows:
    - a. for a Director (other than the Chair) or Group CEO – written approval is required from the Chair of the Board; and
    - b. for the Chair of the Board – written approval is required from the Deputy Chair and one other Non-Executive Director.

3. Provide the completed Trading Application to the Company Secretary and await confirmation that there is no current Prohibited Period imposed and the application is approved.
- 11.3 Only after confirmation is received from the Company Secretary that the Trading Application has been approved, can a GBST Person proceed to trade in GBST Securities.
- 11.4 Trading of the GBST Securities approved under a Trading Application must be completed within 5 (five) business days.
- 11.5 Following a trade of GBST Securities by a Director, confirmation of price and quantity must be provided to the Company Secretary to ensure that relevant notification obligations under the ASX Listing Rules and the Corporations Act are satisfied.

## **12. Exceptional Circumstances for trading during a Closed Period and Prohibited Periods**

- 12.1 The Company cannot definitively state what may constitute exceptional circumstances, however the types of circumstances where a GBST Person may need to dispose of GBST Securities during a Closed Period or other Prohibited Period include:
  - where the GBST Person is experiencing severe financial hardship and GBST Securities are the only asset that may be reasonably sold in order to alleviate the hardship; or
  - the GBST Person is required by a court order or undertaking or other legal process to dispose of GBST Securities.
- 12.2 A decision by the Company to approve trading in exceptional circumstances will be communicated in accordance with the Written Clearance procedures detailed below and will specify the conditions of the trade, which may include confidentiality requirements in respect of the application, and the Company's rights to exercise autonomous discretion in respect of granting Written Clearance to trade.
- 12.3 Exceptional circumstances must exist before a GBST Person may be given permission to trade during a Closed Period or Prohibited Periods.

### **A. Written Clearance procedure during a Closed or Prohibited Period – a GBST Person (excluding Directors):**

1. A GBST Person (excluding a Director) must first follow the same application process as set out in section 11 above.
2. The Company Secretary will then submit the Trading Application to the Group CEO for approval. The Board delegates its responsibility to the Group CEO to make such approvals, and in the absence of the Group CEO, approval must be obtained from the Chair or another Director (in the absence of the Chair).
3. Only after confirmation is received from the Group CEO that the Trading Application has been approved, can a GBST Person proceed to trade in GBST Securities during a Closed Period or Prohibited Period.

4. Trading of the GBST Securities approved for exceptional circumstances must be completed within 5 (five) business days.

**B. Written Clearance procedure during a Closed Period or Prohibited Period – Company Directors:**

1. All Directors must follow the same application process as set out in section 11 above prior to any trading in GBST Securities at any time during a Closed Period or Prohibited Period.
2. Trading of the GBST Securities approved for exceptional circumstances must be completed within 5 (five) business days.

**13. Breach of Policy**

- 13.1 Irrespective of any approval obtained under this Policy, no GBST Person may trade in GBST Securities whilst in possession of Inside Information.
- 13.2 A breach of the insider trading provisions of the Corporations Act is a serious criminal offence, punishable by a substantial fine and/or imprisonment. Any person involved in Insider Trading may also be exposed to significant civil penalties and/or liability to pay compensation to anyone who suffers loss or damage because of the transaction.
- 13.3 A breach of this Policy will be regarded as serious misconduct and may result in disciplinary action, or termination of:
  - the appointment of a Director;
  - employment of an Employee; or
  - an arrangement with a Contractor.

## APPENDIX A

**GBST Securities - Trading Application**

To: Company Secretary

From: \_\_\_\_\_

Relative or Entity name:  
*(if applicable)* \_\_\_\_\_Notification: I or my relative/entity\* request permission to buy/sell/deal\*  
\_\_\_\_\_(insert number/value & type of securities)

Reason for trade: \_\_\_\_\_

Proposed date to trade: \_\_\_\_\_

*\* Delete as appropriate*

I hereby declare that this dealing is not a result of access to, or receipt of, inside information as defined in the GBST Securities Trading Policy and confirm that neither I, my relative or any entity I control, is in possession of inside information.

Job title: \_\_\_\_\_

Signed - Applicant: \_\_\_\_\_

Signed - Manager: \_\_\_\_\_

Date: \_\_\_\_\_

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**GBST ADMINISTRATION SECTION ONLY**

Approval: \_\_\_\_\_

Date: \_\_\_\_\_



<b>References</b>	GBST Corporate Governance Charter GBST Corporate Governance Statement (updated from time to time) Australian Stock Exchange (' <b>ASX</b> ') Listing Rules (' <b>LR</b> ') (specifically LR 12.9 to 12.12) ASX Listing Rules Guidance Note 27 Corporations Act 2001 (Cth)	
<b>Scope</b>	This policy sets out when Directors and Employees, along with any other person covered by this policy, can trade in the securities of GBST, as well as other companies which may have dealings with GBST. It also provides an outline of the law relating to insider trading.	
<b>Definitions</b>	Refer to section 3 in this Policy.	
<b>Personnel Involved</b>	Refer to the definition of a "GBST Person" in section 4.	
<b>Review of this Policy</b>	The GBST Board of Directors, or their delegate, shall review this Policy annually.	
<b>Authorisation</b>	GBST Board of Directors	<b>Date:</b> December 2016
<b>History</b>	September 2005: Version 1 November 2010: Version 2: Changes in Response to amendments to the ASX Listing Rules July 2013: Version 3: Changes resulting from annual review September 2015: Version 4: Changes resulting from the updated ASX LR and Guidance Note 27 December 2016: Version 5: Annual review – effective 1 January 2017	