

# Securities trading policy

VGI Partners Asian Investments Limited ACN 635 219 484

## 1. Background

- 1.1 The principal insider trading prohibition is section 1043A of the Corporations Act. Subject to limited exceptions, it prohibits a person (**insider**) who has Inside Information relating to Company Securities or the quoted Securities of another entity from:
  - (a) dealing in relevant Securities;
  - (b) procuring another person to do so; or
  - (c) communicating, directly or not, Inside Information to someone else when the insider knows, or ought reasonably to know, that the other person would or is likely to:
    - (i) Deal in relevant Securities; or
    - (ii) procure another person to do so.
- 1.2 It does not matter how the insider received the information.
- 1.3 Insider trading is a criminal offence, punishable by substantial fines, imprisonment or both. The Company may also be liable if a Designated Officer or Relevant Person engages in insider trading.
- 1.4 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties, and order compensation be paid to persons suffering related loss or damage.

## 2. Interpretation

Capitalised words and phrases are defined terms. For definitions, see clause 19.

## 3. Introduction

- 3.1 The Securities of the Company will be or are quoted on ASX.
- 3.2 This policy applies in conjunction with the Group's other policies regarding trading in Securities and outlines:
  - (a) when Designated Officers, Relevant Persons and Associates must **not** Deal in Company Securities;
  - (b) when Designated Officers, Relevant Persons and Associates must **not** Deal in quoted Securities of another entity; and
  - (c) certain limited exceptions to the restrictions in dealing in Company Securities which are contained in this policy.
- 3.3 The purpose of this policy is to ensure compliance with all applicable laws and to minimise the scope for misunderstandings or suspicions regarding Designated Officers, Relevant Persons and Associates trading in Securities while in possession of non-public price sensitive information.

## 4. What is Inside Information?

- (a) Inside Information is information that:
  - (i) is not generally available; and

- (ii) if it were generally available, would, or would be likely to, influence persons who normally invest in securities in deciding whether to acquire or dispose of the relevant securities.
- (b) Information is generally available if it:
  - (i) is readily observable;
  - (ii) has been made known in a way that is likely to bring it to the attention of persons who normally invest in the relevant type of securities, and a reasonable time for the information to be circulated has since passed; or
  - (iii) consists of deductions, conclusions or inferences drawn from information that has been made known in that way or is readily observable.
- (c) Inside Information is also called 'material price-sensitive information'. It need not relate only to the Company. It could also be information about a customer, or supplier of the Company, or a party with whom the Company is discussing future opportunities or negotiating a significant transaction.
- (d) In order to minimise the risk of insider trading, the Company must immediately disclose to the market material price-sensitive information not otherwise excluded from the disclosure, as set out in the Company's continuous disclosure policy.
- (e) Material price-sensitive information is Inside Information even if it does not trigger a disclosure obligation under the continuous disclosure regime.
- (f) The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Any perception of improper conduct by Designated Officers also has the potential to substantially damage the Company's reputation.

## 5. What is Dealing in Securities?

### 5.1 Dealing in Securities includes:

- (a) applying for, acquiring or disposing of, Securities;
- (b) entering into an agreement to do so; or
- (c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of Securities.

### 5.2 Dealing in Company Securities can include, but is not limited to:

- (a) buying or selling Company Securities by way of an on-market or off-market transaction;
- (b) granting, acquiring or disposing of a beneficial interest in Company Securities, such as through a trust that holds Company Securities;
- (c) applying for, acquiring or exercising options or rights over Company Securities;
- (d) acquiring Company Securities (or an interest in them) under any equity incentive plan operated by the Company;
- (e) accepting, or taking up entitlements under, a dividend reinvestment plan, rights issue, bonus issue, share purchase plan or any other offer of Securities made by the Company;
- (f) accepting an offer under a takeover bid for Company Securities;
- (g) entering into a Derivative; and
- (h) agreeing to do any of the above things.

## 6. When Relevant Persons or their Associates must not Deal

- 6.1 A Relevant Person (who is not a Designated Officer) or their Associate must not, in any circumstances Deal or procure another person to Deal in Company Securities or quoted Securities of another entity if they have Inside Information in relation to Company Securities or Securities relating to that other entity.

- 6.2 Relevant Persons (who are not Designated Officers) must take appropriate steps to ensure that their Associates do not breach this policy.

## 7. When a Designated Officer or their Associates must not Deal

- 7.1 A Designated Officer or his or her Associate must not, in any circumstances, Deal or procure another person to Deal in Company Securities if he or she has Inside Information in relation to Company Securities.
- 7.2 A Designated Officer or his or her Associate must not, in any circumstances, Deal or procure another person to Deal in Securities relating to another entity if they have Inside Information in relation to those Securities.

## 8. "Front page" test

- 8.1 Each Relevant Person and his or her Associate, and each Designated Officer and his or her Associate should use the "front page" test as a general rule before Dealing with Company Securities or quoted Securities relating to another entity. The "front page" test requires each person to ask:

*'If the market was aware of all the current circumstances surrounding the Company, could the proposed dealing be perceived by the market as the Relevant Person or his or her Associate, or Designated Officer or his or her Associate taking advantage of his or her position in an inappropriate way? What will the public perception be if it were reported on the front page of the newspaper?'*

- 8.2 Any Dealing in Company Securities or quoted Securities of another entity under this policy must not be made if that Dealing would fail the "front page" test.

## 9. Notification of periods when trading is permissible

The Company Secretary will endeavour to notify each Designated Officer of times when he or she is permitted to buy or sell Company Securities.

## 10. Trading windows for Designated Officers, Relevant Persons and Associates to deal in Securities

- 10.1 As the Company is a listed investment company which will announce its investment updates and NTA at least monthly on the ASX, the Board believes the shareholders are generally fully informed.
- 10.2 In addition to the overriding prohibition on dealing when a person is in possession of Inside Information in accordance with this Policy, Designated Officers, Relevant Persons and Associates are only permitted to deal in Securities with the prior approval of the Clearance Officer (see section 12) and during the following periods:
- (a) the period commencing on the date that the Company releases its monthly NTA to ASX and ending 5 business days after such release.
  - (b) the period commencing 24 hours after the release of the Company's half-year results to ASX and ending 5 business days after such release;
  - (c) the period commencing 24 hours after the release of the Company's full year financial results to ASX and ending 5 business days after such release;
  - (d) the period commencing 24 hours after each of the Company's annual general meetings and ending 5 business days after the relevant annual general meeting, and
  - (e) any additional periods determined by the Board from time to time;
- 10.3 The Company may from time to time designate further periods of time as a trading window period under this Policy.

## 11. Exceptions

- 11.1 A Designated Officer, Relevant Person or an Associate may Deal or procure another person to Deal in Company Securities within the trading window periods if he or she does **not** have Inside Information in relation to Company Securities and notification has been provided notification in accordance with clause 12.
- 11.2 A Designated Officer, Relevant Person or an Associate may Deal in Company Securities if he or she has obtained Clearance in accordance with clause 12.2.
- 11.3 Clauses 6 and 7 does not apply to Dealing by a Designated Officer, Relevant Person or Associate that involves or results directly from any of the following, provided that the Designated Officer, Relevant Person or Associate has provided notification in accordance with clause 12:
- (a) any dealings conducted for the purpose of, and in accordance with, the Management Agreement;
  - (b) Dealing in Company Securities under an offer or invitation made by the Company to all or most of its ordinary shareholders – such as an offer or invitation under a rights issue, bonus issue, equal access buy-back or in lieu of a cash dividend (and including, without limitation, decisions relating to whether or not to take up entitlements, and the sale of entitlements required to provide for the take-up of the balance of entitlements, under a renounceable rights issue) – or under an equal reduction of capital undertaken by the Company;
  - (c) an acquisition of securities under a security purchase plan or a dividend reinvestment plan where the Designated Officer, Relevant Person or his or her Associate:
    - (i) did not commence or amend their participation in the plan during a prohibited period; and
    - (ii) did not withdraw from the plan during a prohibited period other than in exceptional circumstances;
  - (d) undertaking to accept, or accepting, an offer for Company Securities made under a takeover bid or disposing of Company Securities under a court-approved compromise or arrangement under Part 5.1 of the Corporations Act;
  - (e) Dealing in units of or interests in, a fund or other scheme (other than a scheme investing primarily in Company Securities) whereby the assets of that fund or scheme are invested at a third party's sole discretion;
  - (f) disposal of Company Securities effected by a change in the trustee of a trust;
  - (g) accepting an offer to acquire Company Securities, or acquiring Company Securities, under any equity incentive plan that the Board from time to time determines is a plan to which this clause 11.3 applies;
  - (h) the exercise (but not the sale of Company Securities following exercise) of an option or right under an equity incentive plan, or the conversion of a convertible security, where the final date for exercise or conversion falls during a prohibited period, and the Company has been in an exceptionally long prohibited period or has had a number of consecutive prohibited periods and exercise or conversion could not reasonably have occurred outside a prohibited period and provided that the Clearance Officer has confirmed that the exercise is permitted;
  - (i) the forfeiture, lapse, cancellation or surrender of Company Securities under an equity incentive plan;
  - (j) an off-market transaction involving the transfer or other disposal of Company Securities between a Designated Officer, Relevant or Associate and any of the following:
    - (i) an Associate of the relevant Designated Officer or Relevant Person (or, in the case of an Associate, the Designated Officer or Relevant Person (as applicable));
    - (ii) a company, trust or other entity over which the relevant Designated Officer, Relevant Person or Associate of that Designated Officer or Relevant Person (as applicable) has control or significant influence (whether alone or jointly with any of their close Associates); or

- (iii) a superannuation fund or other pension or saving scheme in which the relevant Designated Officer, Relevant Person or an Associate of that Designated Officer or Relevant Person is a beneficiary;
  - (k) the purchase of Company Securities or the communication of information pursuant to a requirement imposed by law; or
  - (l) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party.
- 11.4 All Dealings referred to in clauses 11.2 and 11.3 are subject to the overriding inside trading prohibition - that is, a Designated Officer, Relevant Person or their Associate must not Deal if he or she has Inside Information in relation to Company Securities.
- 11.5 A Designated Officer or Relevant Person may Deal in the quoted Securities relating to another entity if he or she does not have Inside Information in relation to those Securities.
- 11.6 Before a Relevant Person, Designated Officer or Associate Deals or procures another person to Deal in Company Securities or quoted Securities of another entity, they should consider carefully whether they are in possession of any Inside Information that might preclude them from Dealing or procuring another person to Deal in the relevant Securities. If a Relevant Person, Designated Officer or Associate is in doubt as to whether they are in possession of Inside Information, they should not Deal or procure another person to Deal in Company Securities or quoted Securities of another entity.

## 12. Providing notification and obtaining Clearance

- 12.1 If a Designated Officer, Relevant Person or Associate proposes to Deal in Company Securities at any time, he or she must, prior to such Dealing, provide:
- (a) written notice of his or her intention to the Clearance Officer; and
  - (b) confirmation that he or she is not in possession of Inside Information,
- in the form of the template in Appendix A. After such Dealing, the Designated Officer, Relevant Person or Associate must provide the Clearance Officer with a transaction confirmation.
- 12.2 The Clearance Officer may give a Clearance in exceptional circumstances. Exceptional circumstances may include:
- (a) if a person is required by court order, or enforceable undertaking (eg in a bona fide family settlement) to transfer or sell Company Securities or there is another overriding legal requirement to do so; or
  - (b) if a person has a pressing financial commitment that cannot otherwise be satisfied and all reasonable alternatives have been investigated.
- 12.3 A tax liability will not generally constitute a pressing financial commitment unless it fits the definition in clause 12.2(b).
- 12.4 A Clearance Officer may delegate his or her authority in writing to an appropriate person in the event of illness or absence, provided that person is not a member of the class for which he or she is the Clearance Officer.
- 12.5 The Clearance Officer has discretion to determine that circumstances other than in clause 12.2 nevertheless warrant Clearance.
- 12.6 Clearance will not be given:
- (a) retrospectively;
  - (b) if there is a matter about which there is Inside Information in relation to Company Securities (regardless of whether the applicant is aware of it) when Clearance is requested;
  - (c) if there is reason to believe that the proposed Dealing will fail the "front page" test in clause 8; or
  - (d) if there is other reason to believe that the proposed Dealing breaches this policy.

- 12.7 A request for Clearance must:
- (a) be in writing and given by hand or email to the Clearance Officer at least five business days prior to the Dealing in Company Securities;
  - (b) set out the number of Company Securities proposed to be dealt in, and whether the proposed transaction will be on-market or off-market; and
  - (c) include:
    - (i) sufficient information to demonstrate exceptional circumstances and that the proposed disposal is the only reasonable course of action available to the applicant; and
    - (ii) a declaration that the applicant does not have any Inside Information.

A template request is included in Appendix A.

- 12.8 The Clearance Officer must:
- (a) keep a written record of:
    - (i) any information or request received in connection with this policy; and
    - (ii) any Clearance given; and
  - (b) if they are not the Company Secretary, send a copy of that record to the Company Secretary for keeping.

12.9 The Company Secretary must keep a file of materials received under clauses 12.1 and 12.8.

12.10 A Clearance:

- (a) must be in writing and may be given by hand or emailed;
- (b) will only be given if the Clearance Officer is satisfied that the applicant has no Inside Information and the circumstances are exceptional;
- (c) cannot extend for more than 5 business days (with the effect that the relevant sale or disposal must be commenced within that period);
- (d) lapses immediately if the applicant acquires Inside Information;
- (e) can be given or refused by the Clearance Officer in its absolute discretion without providing any reasons; and
- (f) may be withdrawn if new information comes to light or there is a change in circumstances.

12.11 A Clearance Officer's refusal to provide Clearance is final and binding on the person seeking the Clearance. If Clearance is refused by the Clearance Officer, the person who sought the Clearance must keep that information confidential and not disclose it to anyone.

12.12 A Clearance is not an endorsement. Designated Officers, Relevant Persons and Associates remain responsible for their compliance with this policy and the Corporations Act.

## 13. Dealings by an Associate

13.1 If a Designated Officer or Relevant Person may not Deal in Company Securities, he or she must also prevent such Dealing by his or her Associate.

13.2 A Designated Officer or Relevant Person (as the case may be) must:

- (a) inform any Associate of the periods during which the Designated Officer or Relevant Person (as the case may be) must not Deal in Company Securities;
- (b) inform any Associate that he or she must not Deal in Company Securities on a speculative basis; and
- (c) request any Associate to inform the Designated Officer or Relevant Person (as the case may be) immediately after Dealing in Company Securities.

- 13.3 A Designated Officer or Relevant Person does not have to comply with clauses 13.1 and 13.2 to the extent that compliance would breach his or her obligation of confidence to the Group.

## 14. Communicating Inside Information

- 14.1 A Designated Officer, Relevant Person or Associate must not directly or indirectly communicate Inside Information in relation to Company Securities or quoted Securities relating to another entity, if he or she knows, or ought reasonably to know, that the other person would be likely to:
- (a) Deal in relevant Securities; or
  - (b) procure another person to so Deal.
- 14.2 The provisions of clause 14 do not limit, and are additional to, other duties of confidentiality.

## 15. Notice of change in director's interest

- 15.1 If a Designated Officer is a director, he or she must ensure that an Appendix 3Y Change of Directors' Interest Notice is completed (including the disclosures required by Part 3 of that document titled: 'Closed period') and provided to the Company Secretary within two business days after the commencement of any Dealing in Company Securities. This is to ensure that the Company can comply with its continuous disclosure obligations under the ASX Listing Rules.
- 15.2 The Company Secretary must provide the Appendix 3Y notice to ASX within five business days after the transaction's commencement.

## 16. Speculative dealing

A Designated Officer must not Deal in Company Securities on considerations of a short-term nature. Short-term trading includes buying and selling securities on market within a 3 month period and entering into other short-term dealings.

## 17. Derivatives

- 17.1 The Company may grant securities, options or performance rights to its employees or those individuals engaged in the management of the Company's business as part of their remuneration entitlements. These grants will usually be subject to the satisfaction of performance hurdles before they vest in the Relevant Person or Designated Officer. The use of Derivatives over unvested Company Securities may allow value to be realised from those Securities even if performance hurdles have not been met. This would break the intended connection between staff performance and shareholder best interests.
- 17.2 Accordingly, Relevant Persons and Designated Officers are not permitted to use Derivatives in relation to any unvested Company Securities.
- 17.3 Relevant Persons and Designated Officers may use Derivatives in relation to vested Company Securities, provided any Dealing complies with the balance of this policy.

## 18. Margin loans

- 18.1 Margin loans to support an investment in Company Securities (and other types of margin lending arrangements such as selling securities in the Company to satisfy a call in connection with a margin loan) can compromise compliance with this policy, as the loan's terms may compel the sale of Company Securities during a prohibited period or when the Relevant Person or Designated Officer has relevant Inside Information.
- 18.2 Save where expressly permitted by the Board, Relevant Person and Designated Officers are prohibited from entering into margin loan arrangements to fund the acquisition of Company Securities or in relation to which Company Securities may be used as security against loan repayment.

## 19. Defined terms

**Associate** means someone that a Designated Officer or Relevant Person (the **Principal**) can be regarded as having investment control or influence over, including:

- (a) a family member of the Principal (including a child);
- (b) a nominee of the Principal (including an investment manager managing funds on the Principal's behalf);
- (c) a trust of which the Principal, or any family member, or any family-controlled company is the trustee or beneficiary;
- (d) a person in partnership with the Principal or a connected person mentioned above; and
- (e) a company that the Principal controls.

**ASX** means ASX Limited or the financial market operated by it, as the context requires.

**Board** means the directors of the Company from time to time, acting as a board.

**Clearance** means permission given to a Designated Officer, Relevant Person, or Associate to sell or otherwise dispose of, or buy, Company Securities in circumstances otherwise prohibited by this policy.

**Clearance Officer** means:

- (a) for a Relevant Person, the Company Secretary;
- (b) for a Designated Officer who is not a director, the Chairman of the Board;
- (c) for the Company Secretary, the Chairman of the Board;
- (d) for the Chairman of the Board, the chairman of the Board's audit and risk committee; and
- (e) for an Associate, the Clearance Officer of his or her Principal.

**Company** means VGI Partners Asian Investments Limited ACN 635 219 484.

**Company Securities** includes Securities and Derivatives of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth), as amended or modified from time to time.

**Dealing** has the meaning given in clause 5, and **Deal** has a corresponding meaning.

**Derivatives** has the meaning given in the Corporations Act, and includes the following if they relate to or derive their value from Company Securities; put or call options, forward contracts, futures, warrants, depositary receipts, structured financial products, swaps, contracts for difference, spread bets, caps and collars, and any other hedging or investment arrangement.

**Designated Officer** means any director and company secretary of the Group, and each other person with authority and responsibility, whether direct or not, for the planning, direction and control of the Company's activities (ie key management personnel) or any other person determined by the Board to be a 'Designated Officer' from time to time.

**Group** means the Company and its controlled entities.

**Inside Information** has the meaning given in clause 4.

**Investment Manager** means VGI Partners Asian Investments Management Pty Limited ACN 635 179 538.

**Management Agreement** means the management agreement between the Company and the Investment Manager dated 2 September 2019.

**NTA** means net tangible assets.

**Relevant Person** includes, in addition to Group employees (if any) and employees and personnel providing services to the Investment Manager, any contractor or consultant whose terms of engagement incorporate this policy, including any person who is entitled to receive equity performance rights and/or options as part of any equity incentive based scheme of the Company.

**Securities** include shares (including, but not limited to, ordinary and preference shares), debentures, any legal or equitable right or interest in shares or debentures, options, convertible

notes, a renounceable or non-renounceable right to subscribe for a share or debenture, Derivatives, interests in managed investment schemes and other financial products.

## 20. Breach

A breach of this policy is serious and may lead to disciplinary action, up to and including dismissal.

## 21. Assistance and additional information

Anyone who has information that he or she considers might be Inside Information and is unsure whether he or she can Deal in Company Securities or Securities of another quoted entity should contact his or her Clearance Officer for assistance and additional information.

## 22. Distribution

This policy must be distributed to all Relevant Persons and Designated Officers.

## 23. Amendment

23.1 Amendments to this policy not of a purely administrative nature must be approved by the Board.

23.2 Amendments to this policy that relate to:

- (a) trading window periods;
- (b) exclusions from its operation;
- (c) exceptional circumstances in which trading may be permitted during a prohibited period;  
or
- (d) are otherwise material,

must be given to ASX by the Company Secretary for release to the market.

## 24. Approved and adopted

This policy was approved and adopted by the Board on 31 August 2019.

# Appendix A – Request for clearance

[date]

The Chairman/Clearance Officer  
VGI Partners Asian Investments Limited ACN 635 219 484  
39 Phillip Street  
Sydney NSW 2000

## TRADING OF COMPANY SECURITIES

In accordance with clause 12 of VGI Partners Asian Investments Limited ACN 635 219 484 securities trading policy, I give notice to you that I am proposing to Deal with Company Securities in the following manner:

- buy Company Securities
- sell Company Securities
- transfer Company Securities vested under an equity incentive plan to me
- transfer Company Securities to a related party (eg family company, trust or superannuation fund)
- exercise options over Company Securities
- utilise derivatives and enter into a hedging transaction

The number of securities that I propose to Deal with is [●].

The transaction will be carried out [**~on-market/~off-market**].

I confirm that I have no insider information and will comply with the balance of the VGI Partners Asian Investments Limited ACN 635 219 484 securities trading policy in relation to my Dealing.

I agree to notify the Company Secretary of the results of this action for the purposes of disclosure in the annual report or to ASX.

Please confirm that I am cleared to Deal in Company Securities.

.....  
[Designated Officer/Employee/Associate]

Date:

I confirm that unless you gain any Inside Information, you are authorised to Deal in Company Securities within a 5 business day window starting on [●] and ending on [●] as outlined above.

.....  
Clearance Officer

Date: