

Share Trading Policy

Konekt Limited

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ASX code: KKT
ABN: 79 009 155 971

Share Trading Policy

Konekt Limited

1. Overview

This Share Trading Policy (**Policy**) relates to the Securities in Konekt Limited (**the Company**) and related Securities.

Consistent with Australian law, this Policy does not only apply to the Shares of the Company but has a much broader application, applying to all Securities of the Company as defined below in section 1.1.

1.1 Definitions

In this Policy:

- (a) “**Accounts**” mean the management accounts of the Company lodged with the Australian Securities Exchange, being the quarterly accounts, the half yearly accounts, the Annual Report or the full accounts of the Company.
- (b) “**Corporations Act**” means the Corporations Act 2001 (Cth) as amended or replaced from time to time.
- (c) “**Deal or Dealing in Securities**” includes:
 - (i) applying for, acquiring or disposing of, Securities;
 - (ii) entering into an agreement to apply for, acquire or dispose of, Securities;
 - (iii) granting, accepting, acquiring, disposing, exercising, or discharging an option or other right or obligation to acquire or dispose of Securities; and
 - (iv) includes procuring another person to do any of the actions outlined in paragraphs (i) to (iii) above.
- (d) “**Securities**” includes shares as well as performance rights over Shares by third parties, structured financial products, swaps, futures contracts, contracts for differences, spread bets, options, warrants, depositary receipts or other derivatives over or related to the performance of Shares.
- (e) “**Shares**” mean ordinary shares in the capital of a company;

1.2 Who does this Policy apply to?

(a) Application to Employees

This Policy applies as follows:

- (i) Part 1 contains prohibitions on insider trading, other general prohibitions and trading rules.

Part 1 applies to all Directors of the Company (**Company Directors**), Directors of the Company's controlled entities, executives, employees (including Prescribed Employees), secondees, contractors and consultants of the Company (collectively, **Employees**).

- (ii) Part 2 contains prohibitions and trading rules specifically for Company Directors and Prescribed Employees, and applies only to such parties. For the avoidance of doubt, it is noted that Part 1 also applies to Company Directors and Prescribed Employees.

(b) Application to the Associates of Employees

This Policy also applies to any "associate" of an Employee to whom this Policy applies, including, but not limited to:

- (i) a spouse or partner of an Employee;
- (ii) a immediate family member such as a parent, child, sibling, in-law or other relative living in an Employees home or to whom material support is contributed;
- (iii) a company or trust over which an Employee has influence or control (regardless of who is the beneficiary);
- (iv) a trust of which an Employee is a beneficiary (other than a trust over which an Employee exercises no control i.e. a third person or entity exercises exclusive discretionary authority);
- (v) any entity in which an Employee is a director, secretary or executive officer, unless appropriate arrangements are in place within that company or body to ensure that the Employee:
 - i. takes no part in the decision by that other company or body to purchase or sell the Securities of the Company; and
 - ii. have not induced or encouraged that other company or body to purchase or sell the Securities of the Company; and
- (vi) any other person over whom an Employee has investment control or influence,

(collectively, **Associates**).

The application of this Policy to Associates is based on the fact that where a person related to or closely connected with an Employee undertakes trading in the Securities of the Company which are restricted by this Policy, there is often a presumption that such a person has been privy to information which is held by the Employee. If that presumption is correct, both the Employee and the other person may have engaged in insider trading. Even if that presumption is incorrect, such dealings may create a perception of insider trading. Accordingly, Employees should ensure that any dealing in the Securities of the Company which is prohibited by this Policy is not undertaken by any Associate of the Employee:

1.3 Trading across borders

This policy is based on Australian legislation, which may differ from insider trading legislation in other countries. For dealings with Securities in another country, one should ensure that they also comply with the laws of that other country.

1.4 Review of this Policy

This Policy will be reviewed regularly by the Directors' of the Company having regard to the changing circumstances of the Company, and any changes to this Policy will be notified to affected persons in writing. If Employees have any comments or views concerning the operation or effectiveness of this Policy, they should be communicated to the Company Secretary.

1.5 Breaches of this Policy

Breaches of this Policy will be viewed seriously and will likely constitute a breach of an Employee's conditions of employment with the Company and may lead to dismissal.

Potentially serious civil and criminal liability arises for breaches of insider trading laws. These laws also apply to individuals outside of the Company, such as an Associate of an Employee, should they become aware of information to which this Policy applies. In some circumstances, the Company may be obliged to notify regulatory and/or criminal authorities of a serious breach of this Policy.

Any Employee who becomes aware of a violation of this Policy should immediately report the violation to the Company Secretary.

1.6 Questions

For questions about the operation of this Policy, please contact the Company Secretary.

2. The Purpose and the Reasons for this Policy

2.1 The Purpose of this Policy

This Policy outlines:

- (a) when Employees may deal in the Securities of the Company;
- (b) when Employees may deal in listed Securities of another entity (because they may obtain insider information about another entity's Securities while performing their duties for the Company); and
- (c) procedures to reduce the risk of insider trading.

2.2 Reasons for this Policy

The Company has adopted this Policy to regulate dealings by Employees in the Securities of the Company.

All Employees are required to conduct their personal investment activity in a manner that is lawful and avoids conflicts of interest between the Employee's personal interests and those of the Company and its clients.

The Company is also keen to promote shareholder and general market confidence in the Company.

This Policy is specifically designed to raise awareness and minimise any potential for breach of the prohibitions on insider trading contained in the Corporations Act.

This Policy is also designed to minimise the chance that misunderstandings or suspicions arise regarding Employees trading of the Securities of the Company while in possession of insider information.

PART 1

3. General prohibition from engaging in insider trading

3.1 General prohibition from engaging in insider trading

Consistent with the Corporations Act, all Employees are prohibited **in all circumstances** from:

- (a) dealing in the Securities of the Company **at any time** if they are in possession of insider information regarding the Company and its Securities;
- (b) procuring others to deal in the Securities of the Company when the Employee is precluded from dealing in the Securities of the Company; and
- (c) communicating insider information to someone who might then:
 - (i) deal in the Securities of the Company; or
 - (ii) procure another person to deal in the Securities of the Company.

This general prohibition from engaging in insider trading exists whether or not a Trading Window is open as outlined in section 4 of this Policy.

3.2 Policies in accordance with the general prohibition from engaging in insider trading

Pursuant to the general prohibition from engaging in insider trading, all Employees must not communicate insider information about the Company or any other entity (including a corporate customer) to:

- (a) another Employee, unless it is necessary for business purposes and they have authority to communicate the information;
- (b) any person outside the Company, in particular, external advisers, unless appropriate confidentiality arrangements are in place; and
- (c) industry analysts or business journalists, or confirm any suspicions which a person may have, even if these suspicions are based on the persons own research and analysis.

In addition, Employees should seek to ensure that third parties who come into possession of insider information preserve its confidentiality and do not deal in Securities while in possession of that information. This will usually be achieved by means of a written confidentiality agreement.

3.3 What is insider trading?

'Insider trading' generally refers to dealing in any Securities while that person holds 'insider information', or communicating 'insider information' to others who may use that information to deal in Securities.

That is, if a person has information about Securities and the person knows, or ought reasonably to know, that the information is insider information, it is likely to be illegal for the person to:

- (a) deal in the Securities;
- (b) procure another person to deal in the Securities; or
- (c) give the information to another person who the person knows, or ought reasonably to know, is likely to:
 - (i) deal in the Securities; or
 - (ii) procure another person to deal in the Securities.

3.4 What is insider information?

'Insider information' is information which is not generally available and if it were generally available, would, or a reasonable person would expect to, have a material effect (upwards or downwards) on the price or value of a security.

Information is "generally available" if it:

- (a) is readily observable;
- (b) has been made known in a manner likely to bring it to the attention of persons who commonly invest in Securities of the relevant type and a reasonable period for that information to be disseminated has elapsed since it was made known; or
- (c) consists of deductions, conclusions or inferences made or drawn from information falling under paragraphs (a) and (b) above.

More specifically, while working for, or contracting to, the Company, an Employee may become aware of information not generally available that, if made generally available, would have a material effect on the price or value of Securities in the market. This information is 'insider information'. The insider information may relate to the Company, one of the Company's subsidiaries, a corporate customer or any other company. It does not matter how a person knows the information or where the person obtained the information from.

3.5 Breach of insider trading laws

Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. A company may also be liable if a director engages in insider trading.

Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to persons who suffer loss or damage because of insider trading.

4. Trading Windows

4.1 General rule: all dealings in the Securities of the Company must occur during a Trading Window

Subject to the terms of this Policy, including the general prohibition from engaging in insider trading, all Employees, **except for Company Directors or Prescribed Employees**, are permitted to buy, sell or otherwise deal in the Securities of the Company for a period of 4 weeks commencing:

- (a) 1 trading day after the lodgement by the Company of its Accounts with the Australian Securities Exchange; and
- (b) 1 trading day after the Annual General Meeting of the Company,

(Trading Windows).

For the avoidance of doubt:

- (a) No dealings in the Securities of the Company by Employees may occur outside of the Trading Windows without the prior written approval of the Chairman in accordance with section 6 of this Policy;
- (b) Even during a Trading Window, all dealings in the Securities of the Company by Employees must be in accordance with the procedure outlined in section 4.2 of this Policy; and
- (c) **Trading Windows do not apply to Company Directors and Prescribed Employees.** Company Directors and Prescribed Employees are referred to in Part 2 of this Policy for the regulations of the Company in relation to their dealings in the Securities of the Company.

4.2 Procedure for Employees to deal in the Securities of the Company during a Trading Window

When permitted to deal in the Securities of the Company in accordance with a Trading Window, all Employees dealing in the Securities of the Company must give prior written notice (which can be by email) of any dealing in the Securities of the Company to the Company Secretary.

Once a trade of any Securities has been made by or for an Employee, its completion, including volume, must be reported in writing to the Company Secretary (which can be by email).

4.3 Prohibitions on dealing in the Securities of the Company during a Trading Window

Notwithstanding any other term of this Policy, an Employee is prohibited from dealing in the Securities of the Company in the following circumstances:

- (a) the Employee is possession of insider information affecting Securities. This is because, during a Trading Window, the laws prohibiting insider trading continue to apply to Employees. Refer to section 3 of this Policy for further details.
- (b) a General Blackout Period has been imposed by the Company as detailed in section 5 of this Policy.
- (c) the dealing amounts to:
 - (i) “short-selling” of the Shares of the Company (or an interest in the Shares of the Company);
 - (ii) operates to limit the economic risk of an Employee’s holdings of the Shares of the Company (including options granted by the Company, whether or not vested); or
 - (iii) otherwise enables an Employee to profit from or limit the economic risk of a decrease in the market price of the Shares of the Company.

5. General Blackout Period

Notwithstanding the terms of this Policy in relation to Trading Windows, the Company may declare a Trading Window closed at any time **at its absolute discretion** and without prior notice (**General Blackout Period**).

During a General Blackout Period, a general prohibition from dealing in the Securities of the Company is imposed **in all circumstances** on all Employees until such a time as the Company notifies Employees that the General Blackout Period no longer applies.

The Company will notify Employees before the start and end of a General Blackout Period.

6. Trading during a Closed Period – Exceptional Circumstances

6.1 General Rule

An Employee, who is not in possession of insider information affecting the Securities of the Company, may be given prior written approval by the Company to sell or otherwise dispose of the Securities of the Company outside of a Trading Window (**Closed Periods**) where there are exceptional circumstances.

It is noted that approval given in response to a request to sell or otherwise dispose of Securities of the Company during a Closed Period is a compliance monitoring function only, and is not an endorsement of the proposed dealing.

6.2 Exceptional Circumstances

Permission to sell or otherwise dispose of Securities of the Company during a Closed Period will ordinarily only be granted to Employees in exceptional circumstances (and only in the event that the person involved is not in possession of insider information affecting the Securities of the Company).

“Exceptional circumstances” may include:

- (a) severe financial hardship, which means that an Employee has a pressing financial commitment that cannot be satisfied otherwise than by selling the Securities of the Company;
- (b) if the Employee is required by a court order, or there are court enforceable undertakings to transfer or sell the Securities of the Company or there is some other overriding legal or regulatory requirement for the Employee to do so; or
- (c) a situation determined by the Chairman or, in the case of the Chairman, the - Chairman of the Audit Committee, to be an exceptional circumstance.

6.3 Procedure requesting approval to deal in the Securities of the Company during a Closed Period

When requesting prior written approval to sell or otherwise dispose of the Securities of the Company during a Closed Period, an Employee must submit an application in writing (which can be by email) to the Chairman, generally through the Company Secretary (in the case of the Chairman an application in writing (which can be by email) to the Chairman of the Audit Committee) including the reasons for requesting approval and confirming the Employee is not in possession of insider information.

If the Chairman (or the Chairman of the Audit Committee) possesses inside information about the Company, they must decline the application. Otherwise the Chairman (or the Chairman of the Audit Committee) may approve or decline the application as they consider appropriate and are not required to provide any reasons for that decision.

Approval, if granted by the Company, must be in writing (which can be by email) and may include various conditions being imposed at the absolute discretion of the Chairman (or the Chairman of the Audit Committee).

Upon receipt of written approval to sell or otherwise dispose of the Securities of the Company during a Closed Period, the Employee must undertake the proposed dealing within the timeframe stipulated in the written approval provided by the Company. If the dealing is not undertaken within this time, the approval will lapse and will no longer have effect and new approval will be required in accordance with this Policy before the proposed dealing may be undertaken.

Once a trade of any Securities of the Company has been made by or for an Employee, its completion, including volume, must be reported in writing to the Company Secretary (which can be by email).

6.4 When dealing in the Securities of the Company may be permitted during a Closed Period

Subject to the general prohibition from engaging in insider trading, dealing in the Securities of the Company by Employees will generally be permitted during a Closed Period where it is proposed to acquire the Securities of the Company under for example;

- (a) a bonus issue made to all holders.
- (b) a dividend reinvestment or top-up plan available to all holders, or
- (c) an employee share plan, or executive performance rights plan or similar.

However, in such situations, the procedures outlined in section 6.3 of this Policy in relation to dealing in the Securities of the Company during a Closed Period still apply.

7. Prohibition on short-term speculative trading

Short-term speculative trading in Shares does not promote market confidence in the integrity of the Company.

Employees must not deal in the same Shares of the Company within any 6 month period.

This prohibition does not restrict the vesting of performance rights over Shares in the Company and the subsequent sale of the underlying Shares of the Company within a 6 month period.

8. Dealing in the Securities of other companies

While in general, Employees are free to deal in Securities in other listed companies, the prohibited conduct under the Corporations Act includes dealings not only in the Securities of the Company but also in the Securities of other listed companies with which the Company may be dealing (including the Company's customers, contractors or business partners) where an Employee possesses insider information in relation to that other company.

If an Employee is aware of insider information, the Employee must not deal in the Securities of the companies that it affects.

PART 2

9. Trading Rules for Company Directors and Prescribed Employees

9.1 Who are Prescribed Employees?

'Prescribed Employees' are Employees who, because of their seniority or the nature of their position, are likely to come in contact with key financial, operational and strategic information about the Company, that will, or is likely to have, a material effect on the price or value of the Securities of the Company.

For the avoidance of doubt, the following persons are all automatically Prescribed Employees:

- (a) Executives of the Company;
- (b) Employees of the Company that routinely come in contact with key financial, operational and strategic information about the Company; and
- (c) Assistants of either of the above.

Senior Executives may also nominate selected individuals in their business units to be added to the list of Prescribed Employees.

The Company maintains the Register of Prescribed Employees. The Company will notify Prescribed Employees when they are added to the list. On notification, Prescribed Employees must immediately provide the Company with the HIN/SRN and other personal information relating to their Company holdings for their personal accounts and any other accounts that they control.

9.2 General rule for Company Directors and Prescribed Employees in relation to dealing in the Securities of the Company

Notwithstanding any other term of this Policy, Company Directors and Prescribed Employees are prohibited from dealing in the Securities of the Company without the prior written approval of the Chairman.

In the case of the Chairman, approval must be obtained from the Chairman of the Audit Committee before the Chairman can deal in the Securities of the Company.

9.3 Procedure for Company Directors and Prescribed Employees to deal in the Securities of the Company

When requesting prior written approval to deal in the Securities of the Company, a Company Director or Prescribed Employee, must submit an application in writing (which can be by email) to the Chairman, generally through the Company Secretary (in the case of the Chairman an application in writing (which can be by email) to the Chairman of the Audit Committee) including the reasons for requesting approval and confirming that the Company Director or Prescribed Employee is not in possession of insider information.

Approval, if granted by the Company, must be in writing (which can be by email) and may include various conditions being imposed at the absolute discretion of the Chairman

(or the Chairman of the Audit Committee).

Upon receipt of written approval to deal in the Securities of the Company, the Company Director or Prescribed Employee must undertake the proposed dealing within the timeframe stipulated in the written approval provided by the Company. If the dealing is not undertaken within this time, the approval will lapse and will no longer have effect and new approval will be required in accordance with this Policy before the proposed dealing may be undertaken.

Once a trade of any Securities of the Company has been made by or for a Company Director or Prescribed Employee, its completion, including volume, must be reported in writing to the Company Secretary (which can be by email).

9.4 Company Director and Prescribed Employee Blackout Period

In addition to the general prohibition on dealing in the Securities of the Company at any time while a Company Director or Prescribed Employee has insider information, or dealing in the Securities of the Company during a General Blackout Period, Company Directors and Prescribed Employees are **prohibited from dealing in the Securities of the Company during a Company Director and Prescribed Employee Blackout Period**.

The Company may declare a Company Director and Prescribed Employee Blackout Period at any time **at its absolute discretion** and without prior notice.

During a Company Director and Prescribed Employee Blackout Period, a general prohibition from dealing in the Securities of the Company is imposed on all Company Directors or Prescribed Employees in all circumstances (except as outlined in section 9.5 of this Policy) until such a time as the Company notifies Company Directors and Prescribed Employees that the Company Director and Prescribed Employee Blackout Period no longer applies.

The Company will notify Company Directors and Prescribed Employees before the start and end of a Company Director and Prescribed Employee Blackout Period.

9.5 Exception Circumstances: Dealing in the Securities of the Company during a Company Director and Prescribed Employee Blackout Period

Permission to sell or otherwise dispose of Securities of the Company during a Company Director and Prescribed Employee Blackout Period will ordinarily only be granted to Company Directors and Prescribed Employees in exceptional circumstances (and only in the event that the person involved is not in possession of insider information affecting the Securities of the Company). What constitutes "exceptional circumstances" is set out in greater detail in section 6.2 of this Policy.

When requesting prior written approval to sell or otherwise dispose of the Securities of the Company during a Company Director or Prescribed Employee Blackout Period, a Company Director or Prescribed Employee must submit an application in writing (which can be by email) to the Chairman, generally through the Company Secretary (in the case of the Chairman an application in writing (which can be by email) to the Chairman of the Audit Committee) including the reasons for requesting approval and confirming the Company Director or Prescribed Employee is not in possession of insider information.

If the Chairman (or the Chairman of the Audit Committee) possesses inside information about the Company, they must decline the application. Otherwise the Chairman (or the Chairman of the Audit Committee) may approve or decline the application as they consider appropriate and are not required to provide any reasons for that decision.

Approval, if granted by the Company, must be in writing (which can be by email) and may include various conditions being imposed at the absolute discretion of the Chairman (or the Chairman of the Audit Committee)

Upon receipt of written approval to sell or otherwise dispose of the Securities of the Company during a Company Director or Prescribed Employee Blackout Period, the Company Director or Prescribed Employee must undertake the proposed dealing within the timeframe stipulated in the written approval provided by the Company. If the dealing is not undertaken within this time, the approval will lapse and will no longer have effect and new approval will be required in accordance with this Policy before the proposed dealing may be undertaken.

Once a trade of the Securities of the Company has been made by or for a Company Director or Prescribed Employee, its completion, including volume, must be reported in writing to the Company Secretary (which can be by email).

9.6 Participation in corporate actions and share plans

Company Directors and Prescribed Employees who are eligible, may participate in dividend reinvestment plans, rights issues or bonus issues (**Corporate Actions**) which are offered to all Company Shareholders, even where the Corporate Action is made, or acceptance falls, within a Company Director and Prescribed Employee Blackout Period.

However, Company Directors and Prescribed Employees must not elect to participate in a Corporate Action or change their election while they have inside information about the Company.

Prescribed Employees may accept an invitation to participate in an employee share plan, regardless of when the offer is made, or even if acceptance falls within a Company Directors and Prescribed Employees. Prescribed Employees must then comply with all rules in this policy for dealing in the Securities of the Company acquired under an employee share plan.

However, in such situations, the procedures outlined in section 9.5 of this Policy in relation to obtaining prior written approval to deal in the Securities of the Company during a Closed Period still apply.

9.7 Margin loans

Company Directors and Prescribed Employees may take out margin loans over their holdings in the Securities of the Company. However, Company Directors and Prescribed Employees must not allow a margin call to be met by the sale of Securities of the Company at a time when such would not be able to sell those Securities under this Policy.

If a Company Director or Prescribed Employee has inside information about the Company at the time, they cannot sell their Securities of the Company, including outside a Company Director and Prescribed Employee Blackout Period, to meet a margin call.

If a Company Director's or Prescribed Employee's margin lender sells any of their Securities of the Company during a Company Director or Prescribed Employee Blackout Period, whether on their instructions to do so or not, this will be a breach of this Policy.