

Securities Trading policy

Comms Group Limited
(Company)

ABN 64 619 196 539

Securities Trading policy

1. Introduction

1.1 This policy outlines:

- (a) when a director, officer, employee or associate (**Designated Person**) may not Deal in Company Securities (refer to clause 8);
- (b) when a Designated Person may not Deal in quoted Securities of another entity (refer to clause 7); and
- (c) limited exceptions (refer to clause 9).

2. Background

Section 1043A (of Part 7.10, Division 3) of the *Corporations Act 2001* (Cth) makes it an offence for a Designated Person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of Comms Group securities (**price sensitive information**) to:

- (a) Deal (i.e. buy, sell or otherwise trade) in Comms Group Securities (or enter into an agreement to do so);
- (b) advise, procure or encourage another person to Deal in Comms Group Securities (or procure the other person to enter into an agreement to do so); and
- (c) pass on information to any other person, if they know or should reasonably know that the person may use the information to Deal in Comms Group Securities.

3. Interpretation

Words and phrases in initial capitals are defined terms. For definitions, see clause 17.

4. What is Inside Information?

- (a) Inside Information is known as 'price sensitive information'
- (b) 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 relevant securities.
- (c) 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 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.

- (d) Inside Information need not relate only to the Company. It could be information about a franchisee, customer, or supplier of the Company, or a party with whom the Company is discussing future opportunities or negotiating a significant transaction.
- (e) The Company must immediately disclose to the market price sensitive information not otherwise excepted from the continuous disclosure regime, as set out in Company continuous disclosure policy.
- (f) Price sensitive information is Inside Information even if it is excepted from the continuous disclosure obligation.
- (g) Insider trading is a criminal offence, punishable by substantial fines or imprisonment or both. The Company may also be liable if a Designated Person engages in insider trading.
- (h) Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties, and order compensation paid to persons suffering related loss or damage.

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; and
- (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 includes, but is not limited to:

- (a) buying or selling Company shares through an on-market or off-market transaction;
- (b) granting, acquiring or disposing of a beneficial interest in Company shares, such as through a trust that holds Company shares;
- (c) applying for, acquiring or exercising options or rights over Company shares;
- (d) acquiring shares (or an interest in shares) under any employee share 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 shares made by the Company;
- (f) accepting an offer under a takeover bid for Company shares;
- (g) entering into a Derivative; and
- (h) agreeing to do any of the above things.

A decision to join, or subscribe for shares under, any dividend reinvestment plan is not Dealing in Company Securities.

6. When Employees or their Associates may not Deal

An Employee (who is not a Designated Person) or their Associate may not 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.

7. Exception

An Employee (who is not a Designated Person) or their Associate, may Deal in Company Securities if they do not have Inside Information in relation to Company Securities, and may deal in quoted Securities of another entity if they do not have Inside Information in relation to that other entity.

8. Specific Prohibited Periods

- 8.1 a Designated Person **MAY NOT DEAL** in Company Securities during the following periods:
- (a) the period from the end of the Company's financial year-end balance date until 24 hours after the announcement of the full year financial results (Appendix 4E) are announced to the market by the ASX;
 - (b) the period from the end of the Company's half year-end balance date until 24 hours after the announcement of the half year financial results (Appendix 4D) are announced to the market by the ASX; and
 - (c) the period of 24 hours following a General Meeting of Shareholders;
 - (d) the period of 24 hours after the issue of any material release to the ASX or disclosure document offering securities in the Company; and
 - (e) at any other time for a specified period as determined by the Board of the Company.

The above period for a Designated Person in which they may not Deal is referred to as the "**Closed Window**"; all other periods are referred to as the "**Dealing Window**".

- 8.2 a Designated Person may not, in any circumstances, Deal or procure another person to Deal in Company Securities if they have Inside Information in relation to Company Securities.

9. Limited Exceptions

- 9.1 A Designated Person may Deal or procure another person to Deal in Company Securities if they do not have Inside Information and have complied with clause 8.
- 9.2 The availability of any Dealing Window may be varied, suspended or terminated by the Board at any time.
- 9.3 Periods other than those designated under clause 8 are a Dealing Window.
- 9.4 Clause 8 does not apply to Dealing by a Designated Person that involves or results directly from any of the following:
- (a) Dealing in Company Securities under an offer or invitation made by the Company to all or most Company ordinary shareholders – such as an offer or invitation under a rights issue, bonus issue, share purchase plan, dividend reinvestment plan, an 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;
 - (b) 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;

- (c) Dealing in units of or interests in, a fund or other scheme (other than a scheme investing primarily in Company Securities) where the assets of that fund or scheme are invested at a third party's discretion;
- (d) where the Designated Person is the trustee of a trust, Dealing in Company Securities by that trust provided that neither the Designated Person nor any Associate is a beneficiary of the trust and any decision to trade during a prohibited period is taken independently of the Designated Person;
- (e) disposal of Company Securities effected by a change in the trustee of a trust;
- (f) accepting an offer to acquire Company Securities, or acquiring Company Securities, under any employee share plan that the Board from time to time determines is a plan to which this clause applies;
- (g) the exercise (but not the sale of Securities following exercise) of an option or right under an employee share 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;
- (h) the forfeiture, lapse, cancellation or surrender of Company Securities under an employee share plan;
- (i) an off-market transaction involving the transfer or other disposal of Company Securities between a Designated Person or Associate and any of the following:
 - (i) an Associate of the relevant Designated Person (or, in the case of an Associate, the Designated Person);
 - (ii) a company, trust or other entity over which the relevant Designated Person or Associate of that Designated Person 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 Person or an Associate of that Designated Person is a beneficiary; and

9.5 All such Dealing is subject to the overriding inside trading prohibition – that is, a Designated Person or Associate must not Deal if they have Inside Information in relation to Company Securities.

9.6 A Designated Person may Deal in the quoted Securities relating to another entity if they do not have Inside Information in relation to those Securities.

10. Obtaining Clearance

10.1 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 (e.g. 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.

- 10.2 A tax liability will not generally constitute a pressing financial commitment unless it fits the definition in 10.1(b).
- 10.3 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 they are the Clearance Officer.
- 10.4 The Clearance Officer has discretion to determine that circumstances other than in clause 10.1 nevertheless warrant Clearance.
- 10.5 Clearance will not be given:
- (a) retrospectively, or
 - (b) if there is a matter about which there is Inside Information in relation to Company Securities (regardless of if the applicant is aware of it) when Clearance is requested; or
 - (c) if there is other reason to believe that the proposed Dealing breaches this policy.
- 10.6 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 proposed disposal of Company Securities;
 - (b) set out the number of Company Securities proposed to be disposed of, 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 believe they have any Inside Information.
- A template request is in Appendix A.
- 10.7 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) send a copy of that record to the Company Secretary for keeping.
- 10.8 The Company Secretary must keep a file of material received under clause 10.7.
- 10.9 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 10 business days (with the effect that the relevant sale or disposal must be commenced within that period); and
 - (d) lapses immediately if the applicant acquires Inside Information.
- 10.10 A Clearance is not an endorsement. a Designated Person remain responsible for their compliance with this policy and the Corporations Act.

11. Dealings by an Associate

- 11.1 If a Designated Person is restricted from Dealing in Company Securities, they must prevent such Dealing by their Associate.
- 11.2 A Designated Person must:
- (a) inform any Associate of the periods during which the Designated Person may not Deal in Company Securities;
 - (b) inform any Associate that they may not Deal in Company Securities on a speculative basis; and
 - (c) request any Associate to inform the Designated Person immediately after Dealing in Company Securities.
- 11.3 A Designated Person does not have to comply with clauses 11.1 and 11.2 to the extent that compliance would breach their obligation of confidence to the Company.

12. Communicating Inside Information

- 12.1 A Designated Person, Employee or Associate must not directly or indirectly communicate Inside Information in relation to Company Securities or quoted Securities relating to another entity, if they know, 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.
- 12.2 The provisions of clause 12 do not limit, and are additional to, other duties of confidentiality.

13. Notice of change in director's interest

- 13.1 If a Designated Person is a director, they must ensure that an Appendix 3Y Change of Directors' Interest Notice is completed and provided to the Company Secretary within 2 business days after the completion of any Dealing in Company Securities or the Securities of a related body corporate.
- 13.2 The Company Secretary must provide the Appendix 3Y notice to ASX within 5 business days after the transaction's completion.

14. Speculative dealing

A Designated Person may not Deal in Company Securities on considerations of a short-term nature.

15. Derivatives

- 15.1 The Company may grant shares, options or performance rights to its employees as part of their remuneration entitlements. These grants will usually be subject to the satisfaction of performance hurdles before they vest in the Employee or Designated Person. 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.
- 15.2 Employees and Designated Persons are not permitted to use Derivatives in relation to any unvested Company Securities in a way which would have the effect of providing greater benefit

than would otherwise have been realised by the Employee or Designated Person in respect of the unvested Company Securities.

- 15.3 Employees and Designated Persons may use Derivatives in relation to vested Company Securities, provided any Dealing complies with the balance of this policy.

16. Margin loans

- 16.1 Designated Persons 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.
- 16.2 Margin loans to support an investment in Securities can compromise compliance with this policy, as the loan's terms may compel the sale of Securities during a prohibited period or when the Designated Person has relevant Inside Information.

17. Defined terms

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

- (a) family members of the Principal (including children);
- (b) nominees 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 which the Principal controls.

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

Clearance means permission given to a Designated Person to sell or otherwise dispose of, but not buy, Company Securities in circumstances otherwise prohibited by this policy.

Clearance Officer means:

- (a) for an Employee - the chief executive officer or the company secretary;
- (b) for a Designated Person who is not a director - the chief executive officer;
- (c) for a director (except the chairperson of the board) - the chairperson of the Board;
- (d) for the general counsel or company secretary - the chairperson of the Board;
- (e) for the chairperson of the board - the chairperson of the Audit Committee

Company Securities include Securities and Derivatives of Comms Group Limited ABN 64 619 196 539 (Company).

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 Person means any director of the Company, employee or associate and each other person with authority and responsibility, whether direct or not, for the planning, direction and control of the Company's activities (i.e. key management personnel).

Employee includes, in addition to Group employees, any contractor or consultant whose terms of engagement incorporate this policy.

Group means the Company and each of its controlled entities.

Inside Information has the meaning given in clause 4.

Securities include shares, debentures, any legal or equitable right or interest in shares or debentures, options, convertible notes, Derivatives, interests in managed investment schemes and other financial products as defined by the Corporations Act.

18. Breach

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

19. Assistance and additional information

If you have information that you think might be Inside Information and are unsure whether you can Deal in Company Securities or Securities of another quoted entity, you should contact your Clearance Officer for assistance and additional information.

20. Distribution

This policy must be distributed to all Designated Persons.

21. Amendment

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

21.2 Amendments to this policy that relate to:

- (a) prohibited periods; or
- (b) exclusions from its operation; or
- (c) exceptional circumstances in which trading may be permitted during a prohibited period, must be given to ASX by the Company Secretary for release to the market.

22. Approved and adopted

This policy was approved and adopted by the Board on 27 October 2017

This policy was reviewed, updated and approved by the Board on 30 June 2020

This policy was reviewed, updated and approved by the Board on 25 August 2022

Appendix A - Request for Clearance

[date]

The Chairman/[insert]
Comms Group Ltd

TRADING OF COMPANY SECURITIES

In accordance with Comms Group Ltd's Securities Trading policy clause 10, I give notice to you that I am proposing to Deal with Company Securities in the following manner:

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

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

The transaction will be carried out [select from the following two options~on-market~off-market].

I confirm that have no insider information and will be comply with the balance of the Comms Group Ltd's Securities Trading policy in 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.

Signed by:

.....
[Designated Person]

Date:

I confirm that subject to you gaining any Inside Information, you are authorised to Deal in Company Securities within a 10-business day window starting on..... and ending on as outlined above.

.....
Clearance Officer

Date: