



# Synertec Corporation Limited

ARBN: 161 803 032

SYNERTEC

Classification: Level 1 - Public

## Securities Trading Policy

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## 1 Definitions

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“**associate**” includes:

- (a) a related body corporate; and
- (b) a Director or Secretary of a related body corporate.

“**ASX**” means ASX Limited.

“**ASX Listing Rules**” means the official listing rules and requirements from time to time of the ASX.

“**Board**” means the board of Directors of the Company as constituted from time to time.

“**Chairman**” means the Chairman of the Board from time to time.

“**Company Secretary**” means the company secretary of the Company from time to time or delegate.

“**Company**” means Synertec Corporation Limited.

“**dealing**” or “**trading**” (singular use “**deal**” or “**trade**”) includes:

- (a) any acquisition or disposal of any securities of the Company;
- (b) entering into any agreement to acquire or dispose of any securities of the Company; and
- (c) the grant, acceptance, acquisition, disposal, exercise or discharge of any option or other right or obligation to acquire or dispose of any securities of the Company.

“**Designated Officer**” means:

in the case that the Chairman is the person applying to deal in the securities of the Company, the Chair of the Audit and Risk Management Committee or if this is the Chairman, then the Company Secretary;

- (a) in the case of all other Key Management Personnel applying to deal in the securities of the Company, the Chairman; and
- (b) in all other cases where a person is applying to deal in the securities of the Company, the Company Secretary.

“**Directors**” means the directors of the Company from time to time.

“**Drawbridge**” means the software application used by Synertec to support share trading.

“**generally available**”, in relation to information, means any such information which:

- (a) is readily observable;
- (b) has been made known in a manner which is likely to bring it to the attention of persons who commonly invest in securities provided that 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 either paragraphs (a) or (b) above.

**“Key Management Personnel”** (singular use **“Key Management Person”**) has the meaning given to that term in the ASX Listing Rules, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company and any wholly owned subsidiary of the Company and any entity in which the Company holds equity, directly or indirectly, including any Director.

**“Synertec Person”** means all Key Management Personnel, officers and employees of the Company and its related bodies corporate, and also any contractor or consultant engaged by the Company or any of its related bodies corporate.

**“Prohibited Period”** has the meaning given to that term in section 5.1.

**“related party”** includes:

- (a) a spouse or de facto spouse of a Synertec Person;
- (b) a parent, son or daughter of a Synertec Person;
- (c) any company, trust or other entity over which a person referred to in (a) or (b) above has control;  
or
- (d) any company, trust or other entity over which two or more persons referred to in (a) or (b) above together have control.

**“securities”** includes:

- (a) ordinary shares;
- (b) partly paid shares;
- (c) preference shares;
- (d) hybrid securities;
- (e) debentures;
- (f) legal or equitable rights or interests in (a) to (e) above; and
- (g) any derivatives including but not limited to options in respect of any of (a) to (e) above.

## 2 Introduction

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- 2.1 This policy has been approved by the Board. The Board may approve any updates, amendments to and exemptions to this policy from time to time. If this policy conflicts with any other policy concerning this subject matter, this policy prevails to the extent of the inconsistency.
- 2.2 The ordinary shares of the Company will be or are listed on the ASX. The Company aims to achieve the highest possible standards of corporate conduct and governance.
- 2.3 The purpose of this policy is to ensure compliance with the ASX Listing Rules and the *Corporations Act 2001* (Cth), and to ensure that every Synertec Person and their associates are aware of the legal restrictions that exist on dealing in the Company’s securities while such a person is in possession of price sensitive information concerning the Company.
- 2.4 The policy recognises that it is illegal for a person to deal in the Company’s securities when he or she is in possession of price sensitive information concerning the Company. This is regardless of whether the terms of this policy have been complied with.

- 2.5 This policy shall be distributed to every Synertec Person and it is the responsibility of each Synertec Person to comply with this policy. Any non-compliance with this policy will be considered as serious misconduct. If a Synertec Person does not understand any part of this policy, the summary of the law, or how it applies to them, he or she should raise the matter with the Company Secretary before dealing with any securities covered by this policy.
- 2.6 The restrictions set out in this policy are additional to any provisions governing or restricting the trading of securities set out in any agreement between the Company and a Synertec Person or a person holding securities in the Company or any provisions in the Company's employee incentive plans (if any). Where the provisions of an agreement between the Company and a Synertec Person or a person holding securities in the Company conflict with the provisions of this policy, the most restrictive provisions will prevail.

### 3 Insider Trading

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- 3.1 A person engages in insider trading if that person deals in securities of a relevant entity while possessing information that:

- (a) is not *generally available*; and
- (b) if it were available, may have a material effect on the price or value of the relevant entity's securities (i.e. would be likely to influence an investor's decision about whether to buy or sell the securities), and

the person knows, or ought reasonably to know, that the information is not generally available and, if it were, it might have a material effect on the price or value of the entity's securities. This type of information is commonly referred to as "price sensitive information" or "inside information". It does not matter how or where the Synertec Person obtains the inside information – it does not have to be obtained from the Company to constitute inside information.

- 3.2 Examples of information which may be inside information in relation to the Company include:

- (i) the Company's financial performance, particularly if it differs from market expectations;
- (ii) pending ASX announcements;
- (iii) an actual or proposed takeover, merger or demerger;
- (iv) any pending material acquisitions or divestments;
- (v) a proposed dividend or a change in dividend policy;
- (vi) proposed changes to the Company's capital structure, including issues of securities;
- (vii) entry into or termination of a material contract, licence or joint venture arrangement;
- (viii) a material claim or litigation against the Company or other unexpected liability;
- (ix) decisions on significant issues affecting the Company by regulatory bodies, debt facilities and borrowings; and
- (x) senior management or Board changes.

- 3.3 Information is considered to have a *material effect* on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

- 3.4 The prohibition against insider trading applies to:

- (a) direct trading in the Company's securities;
  - (b) advising or procuring another person to trade in the Company's securities (or securities of the other relevant entity); or
  - (c) communicating price sensitive information to another person (including colleagues, family or friends) knowing (or where it should have been reasonably known) that the other person will, or is likely to trade in, or procure someone else to trade in, the Company's securities (or securities of the other relevant entity).
- 3.5 Insider trading is a criminal offence, punishable by substantial fines and/or imprisonment. The Company may, in certain circumstances, also be liable if a Synertec Person or their associate engages in insider trading. Insider trading may also attract civil liability, including liability to pay compensation to those who suffer loss or damage as a result of the insider trading. Synertec Persons and the Company may also suffer reputational damage, even where a breach of insider trading laws is not proven.
- 3.6 The requirements imposed by this policy are separate from, and in addition to, the legal prohibitions on insider trading in Australia. Accordingly, under insider trading laws a person who possesses price sensitive information may be prohibited from trading even where the trading is permitted by this policy.
- 3.7 Related to the above, Synertec Persons also have a duty of confidentiality to the Company. Synertec Persons must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for themselves.

## 4 Scope of this Policy

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- 4.1 This policy extends to dealing in the securities of the Company by a Synertec Person, any associate or related party of any Synertec Person and any company, trust or other entity in which any Synertec Person have a relevant interest. Accordingly, references to dealings in the securities of the Company by a Synertec Person in this policy apply equally to dealings in the securities of the Company by any associate or related party of that Synertec Person and any company, trust or other entity in which any Synertec Person have a relevant interest.
- 4.2 This policy does not apply to the following trading in the securities of the Company:
- (a) transfers of securities of the Company which result in no change to the beneficial interest in the securities;
  - (b) transfers of securities of the Company between a Synertec Person and a related party of the Synertec Person;
  - (c) transfers of securities of the Company by a Synertec Person to his or her superannuation fund;
  - (d) where a Synertec Person is a trustee, trading in the securities of the Company by that trust provided the Synertec Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Synertec Person;
  - (e) undertakings to accept or the acceptance of, or a disposal of securities of the Company arising from, a takeover offer, scheme of arrangement or equal access buy-back;
  - (f) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

- (g) a disposal of securities of the Company that is the result of a secured lender or financier exercising their rights under a loan agreement;
- (h) an acquisition or disposal of securities of the Company under a pre-determined investment or divestment plan for which prior written approval has been provided by the Designated Officer and where:
  - (i) the Synertec Person did not enter into or amend the plan during a Prohibited Period; and
  - (ii) the plan does not permit the Synertec Person to exercise any discretion over how, when or whether to acquire or dispose of securities of the Company; and
- (i) an acquisition of securities of the Company under an employee share scheme.

## 5 Periods During Which Dealings May Take Place

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- 5.1 Subject to compliance with the procedure set out in section 6, dealing by a Synertec Person in the Company's security may take place at any time, except during the following periods:
- (a) the period 1 January of each year until the release of the Company's half year end results to the ASX and ending 48 hours after such release;
  - (b) the period 1 July of each year until the release of the Company's full year results to the ASX and ending 48 hours after such release; and
  - (c) the period commencing 2 weeks prior to the Company's Annual General Meeting and ending at the beginning of the next trading day after the Annual General Meeting; and
  - (d) any other time imposed by the Board from time to time when it is considering matters which are subject to the exceptions to the continuous disclosure requirements set out in ASX Listing Rule 3.1A,
- (collectively the "**Prohibited Periods**").
- 5.2 Notwithstanding the above, no dealing in the Company's securities will be permitted at any time if that Synertec Person possesses (or is deemed to possess) any price sensitive information which is not generally available or if the Company has notified Synertec Persons that they must not deal in securities (either for a specified period, or until the Company gives further notice).

## 6 Pre-Dealing Procedure - trading outside Prohibited Periods

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- 6.1 For all periods during which dealing in the Company's securities is permitted in accordance with this policy, a Synertec Person must apply to the Company Secretary on behalf of the Designated Officer to deal in the securities of the Company. The application must be via Drawbridge (refer separate procedure for employees to download and use Drawbridge) and submitted to the Company Secretary on behalf of the Designated Officer.
- 6.2 On receipt of an application under section 6.1, the Company Secretary shall procure that the Designated Officer considers the application. No dealing in the Company's securities may be undertaken before the Synertec Person receives the approval of the Designated Officer (which may be refused or given subject to any conditions the Designated Officer determines necessary to comply with this policy).
- 6.3 Any dealing in the Company's securities by a Synertec Person approved by the Designated Officer in accordance with section 6 must be completed within 14 days (or such earlier time as determined by the Designated Officer) from the date that the Synertec Person receives approval from the Designated

Officer, and the Synertec Person must advise the Company Secretary on behalf of the Designated Officer promptly following completion of any such trade. In the case of Directors, such persons must provide sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

- 6.4 Any approval to deal in the Company's securities by a Synertec Person in accordance with section 6 is automatically deemed to be withdrawn if the Synertec Person becomes aware of any price sensitive information prior to or during any approved dealing in the Company's securities.

## **7 Dealing during Prohibited Periods in Exceptional Circumstances**

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- 7.1 Synertec Person may in exceptional circumstances apply to the Company Secretary on behalf of the Designated Officer for approval to deal in the Company's securities during a Prohibited Period, provided that the Synertec Person is not in possession of any price sensitive information. The application must be via Drawbridge and submitted to the Company Secretary on behalf of the Designated Officer. The application must include confirmation that the Synertec Person does not hold any inside information.
- 7.2 On receipt of an application under section 7.1, the Company Secretary shall procure that the Designated Officer considers the application. No dealing in the Company's securities may be undertaken before the Synertec Person receives the approval of the Designated Officer (which may be refused or given subject to any conditions the Designated Officer determines necessary to comply with this policy).
- 7.3 The Designated Officer may grant the Synertec Person permission to deal in the Company's securities during the Prohibited Period if the Designated Officer is satisfied (in its absolute discretion) that the Synertec Person's circumstances amount to exceptional circumstances.
- 7.4 Without limiting the discretion of the Designated Officer under this section 7, the following factors may be considered by the Designated Officer in determining whether the Synertec Person is to be granted permission to deal in the Company's securities during a Prohibited Period:
- (a) whether the Synertec Person is suffering severe financial hardship;
  - (b) whether the Synertec Person is required by a court order or a court enforceable undertaking or other legal or regulatory requirement to transfer, or accept a transfer of, securities of the Company; and
  - (c) whether the Synertec Person's circumstances are otherwise exceptional that warrant the granting of approval of the Synertec Person to deal in the Company's securities during the Prohibited Period.
- 7.5 Any dealing in the Company's securities by a Synertec Person approved by the Designated Officer in accordance with section 7 must be completed within 7 days (or such earlier time as determined by the Designated Officer) from the date that the Synertec Person receives approval from the Designated Officer, and the Synertec Person must advise the Company Secretary on behalf of the Designated Officer promptly following completion of any such trade.
- 7.6 Any approval to deal in the Company's securities by a Synertec Person in accordance with section 7 is automatically deemed to be withdrawn if the Synertec Person becomes aware of any price sensitive information prior to or during any approved dealing in the Company's securities.

## **8 Margin Loans and Security Arrangements**

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- 8.1 A Synertec Person may not, [and must ensure their associates do not], enter into a margin loan or other similar security arrangement in respect of the Company's securities.

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## 9 Securities in other companies

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- 9.1 Synertec Persons, in the course of performing their duties for the Company, may come into possession of inside information about other companies. The insider trading rules outlined above also apply to dealings with securities in other companies. Synertec Persons are also bound by duties of confidentiality in relation to the inside information obtained about third parties in the course of performing their duties in or their position in the Company.

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## 10 Prohibition on short selling and short term dealing

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- 10.1 Short selling occurs when a person borrows securities and later sells them with a view to repurchasing them later at a lower price. Synertec Persons must not, [and must ensure their associates] do not, engage in short selling of Company securities.
- 10.2 Trading in Company securities for short term gains or speculating on market fluctuations may be perceived to be insider trading, does not promote investor and market confidence, and does not support the Company's long term objectives. Synertec Persons must not, [and must ensure their associates do not], buy and sell Company securities on a short term basis (that is, within a [six] month period of acquisition), except in exceptional circumstances and where prior written approval is sought and obtained in accordance with this policy.

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## 11 Prohibition on hedging and derivatives

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- 11.1 Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities.
- 11.2 A Synertec Person participating in any of the Company's employee or executive equity or incentive plans are prohibited from hedging the value of restricted shares and unvested performance options or rights and must not enter into a derivative arrangement in respect of restricted shares and unvested performance options or rights granted under these plans.

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## 12 Breach of Policy

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In addition to any action required under law or stipulated in the terms of an employment or other agreement, the Board may take such action as it deems necessary to enforce this policy or remedy any breach of this policy. [Breaches of this policy will also be subject to disciplinary action, which may include termination of employment.]

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## 13 Compliance monitoring

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- 13.1 The Company Secretary will maintain a register of all applications for approval to deal in securities under this policy and decisions on such applications.
- 13.2 The Company will also maintain monitoring and reporting practices to assist in managing compliance with this policy. The Company may require team members to periodically declare that they have complied with this policy.]

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**14 Further assistance**

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Any Synertec Person who is unsure of the nature of the information that they have in their possession and whether they may deal in the Company's securities should contact the Company Secretary before dealing in any securities of the Company.