

# Securities Trading Policy

## Service Stream



## 1. Preliminary

### 1.1. Policy objectives

The purpose of this Policy is to:

1. establish procedures for dealing in securities that provide protection to both Service Stream and its people against inadvertently breaching the law; and
2. manage reputational risk associated with insider trading.

### 1.2. Terms used in this policy

For the purposes of this Policy:

- **Chairman** means the Chairman of the Service Stream Limited Board;
- **Deal or Dealing in securities** is a broad concept and covers more than simply buying or selling securities on the Australian Securities Exchange (**ASX**). It extends to applying for, acquiring or disposing of securities, or entering into an agreement to do any of those things;
- a **Designated Person** is any Officer; the Managing Director; an Employee who reports directly to the Managing Director; any other Key Management Personnel; or an Employee who, as a consequence of their role at Service Stream, permanently has access to confidential or Market Sensitive Information regarding Service Stream's outlook or prospects;
- an **Employee** is each full-time, part-time or casual employee of Service Stream and each of its subsidiaries);
- **Key Management Personnel** has the meaning given to that term in the *Corporations Act 2001* (Cth) (**Corporations Act**);
- an **Officer** is each director and Company Secretary of Service Stream and each of its subsidiaries;
- **Market Sensitive Information** is any information:
  - (i) of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and/or
  - (ii) that might influence someone who commonly invests in shares to buy or sell Service Stream shares.

Examples of such information are set out in **Annexure A**.

- **securities** include shares, options, rights, debentures (including convertible notes) and other securities (including financial products);
- **Service Stream** means Service Stream Limited and all its subsidiaries; and

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- **Service Stream Group** means Service Stream and each of its subsidiaries.

## 1.3. Application

Section 2 of this Policy applies to all Officers and Employees of Service Stream and each other member of the Service Stream Group.

This Policy also sets out additional obligations that apply if you are a Designated Person (or an associate of a Designated Person) as per sections 3 and 4.

This Policy is given to all Officers and Employees. It is your responsibility to read, and comply with, this Policy. Any non-compliance will be regarded as serious misconduct which may result in the termination of your employment or other engagement.

## 1.4. Who to contact

If you are in any doubt regarding your proposed Dealing in securities, you should contact the Company Secretary on [companysecretary@servicestream.com.au](mailto:companysecretary@servicestream.com.au).

Breaches, or possible breaches of this Policy, should be immediately notified to the Company Secretary.

## 2. The insider trading prohibitions

### 2.1. Persons to whom this section applies

This section applies to all Officers and Employees and reflects the insider trading prohibitions set out in the Corporations Act.

### 2.2. Prohibition against insider trading

The Corporations Act prohibits insider trading. If you are aware of any Market Sensitive Information:

- a) you must not Deal in any securities which are affected by the Market Sensitive Information; and
- b) you must not procure (or agree to procure) another person to Deal in those securities; and
- c) you must not directly or indirectly communicate the Market Sensitive Information, or cause the Market Sensitive Information to be communicated, to any other person who would be likely to do any of the things referred to in paragraphs (1) or (2) above.

Market Sensitive Information need not relate to Service Stream. This means that you are also prohibited from dealing in the securities of an outside company if you are in possession of Market Sensitive Information concerning that outside company.

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A breach of the insider trading laws would have serious consequences for you personally and for the Service Stream Group.

No permission from anyone in the Service Stream Group can absolve you of these prohibitions.

### 2.3. Relationship to the continuous disclosure regime

The continuous disclosure regime under the ASX Listing Rules requires Service Stream to immediately notify the ASX about any Market Sensitive Information concerning Service Stream once it becomes aware of the information, subject to limited exceptions.

Given the exceptions, there are circumstances in which disclosure of Market Sensitive Information concerning Service Stream will not be required, however people who are aware of the information would still breach the insider trading prohibition if they dealt in Service Stream securities before the information had been released to the ASX. If you are in any doubt about what constitutes Market Sensitive Information you should contact the Company Secretary.

Employees are required to familiarise themselves with the Company's Continuous Disclosure Policy.

## 3. When may a Designated Person Deal in Service Stream securities?

Designated Persons may only Deal in Service Stream securities if:

- a) the Dealing is outside a Closed Period (refer section 4.2), or is an exempt transaction in accordance with section 4.6, or you have obtained clearance for the Dealing in accordance with section 4.7;
- b) you have obtained the relevant permission to trade in accordance with section 4.8; and
- c) you do not possess any Market Sensitive Information affecting the relevant securities (refer section 2.2).

## 4. Additional restrictions that apply to Designated Persons

### 4.1. Persons to whom this section applies

If you are a Designated Person, you must comply with the specific restrictions set out in this section 4 in addition to the obligations above.

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### 4.2. Closed Periods

There are certain fixed periods (**Closed Periods**) when information about the financial position or performance of Service Stream is being finalised for release to ASX, during which Dealing in Service Stream securities by Designated Persons will generally be prohibited.

A Closed Period is each period starting on **15 December** or **15 June** and ending 24 hours after the financial results of Service Stream for the half-year or full-year (as the case may be) are released to ASX.

In addition, the Board via the Company Secretary may notify Designated Persons that any additional period is also a Closed Period. This may occur, for example, because Service Stream is considering matters which are subject to an exception to the continuous disclosure rules.

Designated Persons and their associates are prohibited from Dealing in Service Stream securities during a Closed Period.

### 4.3. Associates

Designated Persons must take reasonable steps to also ensure that their associates do not Deal in any Service Stream securities when the Designated Person is prohibited from doing so (e.g., during Closed Periods). Designated Persons must also take reasonable steps to ensure that their associates are aware of the requirements under this Policy.

Your **associates** include:

- a) immediate family members (e.g. spouse, de facto partner, dependent children or parents); and
- b) companies, trusts, superannuation funds and other entities you control.

**Reasonable steps** means the efforts or actions that a reasonable person in the Designated Persons position would use to comply with its obligation under this Policy.

### 4.4. Margin loans

Designated Persons are prohibited from entering into or maintaining margin loan arrangements over Service Stream securities due to the risk of forced sale of those securities, in breach of this Policy.

### 4.5. No short selling, stock lending or hedging

Designated Persons are prohibited from entering into agreements or other arrangements:

- a) to speculative trade or buy and sell shares on a short-term basis;
- b) to short sell Service Stream securities;

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- c) for stock lending in relation to Service Stream securities; or
- d) to hedge their existing holdings of or entitlements to Service Stream securities.

These prohibitions also include derivatives on the Service Stream securities.

### 4.6. Exempt transactions

There may be instances of transactions being allowed under this section even if they occur during a Closed Period. Where this is the case, the Chairman will notify the relevant Officers and Employees.

### 4.7. Clearance

A Designated Person may request a clearance to allow the Designated Person (or their associate) to Deal in Service Stream securities when they would otherwise be prohibited from doing so. A clearance will only be granted where:

- a) the Designated Person is experiencing severe personal hardship or another exceptional circumstance; and
- b) the Designated Person is not in possession of any Market Sensitive Information affecting the relevant Service Stream securities.

A request for clearance must:

- a) be in writing and signed by the Designated Person;
- b) set out details of the circumstance warranting the clearance;
- c) set out details of the proposed Dealing in Service Stream securities, including its type (e.g. whether sale or purchase), the number and class of Service Stream securities, the circumstances of the proposed Dealing (e.g. whether by the Designated Person on ASX or between associates) and the likely date or dates of the proposed Dealing; and
- d) confirm that the Designated Person does not possess any Market Sensitive Information affecting the relevant securities.

The written request for clearance must be submitted to the Chairman, unless the Chairman is seeking the clearance in which case it must be submitted to the Chair of the Audit and Risk Committee, through the Company Secretary. Once all relevant information has been received, the request will be considered, and the clearance may be granted (with or without conditions) or refused in the absolute discretion of the person considering it.

### 4.8. Permission to trade

Without limiting section 4.7, before Dealing in any Service Stream securities:

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- a) the Chairman must obtain permission from the Chair of the Audit and Risk Committee;
- b) a Director, the Managing Director, and the Company Secretary must obtain permission from the Chairman;
- c) each other Designated Person must obtain permission from the Managing Director and Company Secretary.

If an Officer or Designated Person obtains approval to Deal, that Dealing must be completed within 14 calendar days from the date of the approval, or such earlier time as determined.

An application to Deal in Service Stream securities by a Designated Person (or his or her associate) must:

- a) be in writing and set out details of the proposed dealing in securities, including its type (e.g. whether sale or purchase), the number and class of securities, the circumstances (e.g. whether by the Designated Person on ASX or between associates) and the likely date or dates of the proposed dealing; and
- b) confirm that the Designated Person does not possess any Market Sensitive Information affecting the relevant securities.

Notification of permission to Deal in Service Stream securities must similarly be in writing.

Designated Persons must notify the Company Secretary promptly after dealing in any Service Stream securities.



## Annexure A – Examples of information that Service Stream must disclose

### What information does Service Stream have to disclose?

Listing Rule 3.1 requires “immediate” disclosure of any information concerning Service Stream (**SSM**) which a reasonable person would expect to have a material effect on the price or value of shares and/or other securities of SSM. This is typically referred to as “market sensitive information”.

There are civil and criminal penalties for non-compliance.

It is not possible to exhaustively list the information which must be disclosed. However, information extends beyond pure matters of fact and includes matters of opinion and intention and may include:

- a transaction that will lead to a significant change in the nature or scale of SSM’s activities
- a material acquisition or disposal
- the entry into, variation, or termination of a material agreement
- the fact that SSM’s earnings will be materially different from market expectations
- the appointment of a liquidator, administrator or receiver to SSM
- the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility
- giving or receiving a notice of intention to make a takeover

There are some exceptions that apply to ASX Listing Rule 3.1 (for example, if the matter is confidential and concerns an incomplete proposal or negotiation). The Committee will determine if these exceptions apply.

### When is information market sensitive?

Information is “market sensitive” if a reasonable person would expect that information to have a material effect on the price or value of the securities of SSM.

A reasonable person is taken to expect information to have such an effect if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to buy or sell those securities.

Neither the Listing Rules nor the Corporations Act define when information will be taken to have such an effect. ASX Guidance Note 8 suggests two questions to consider:

- *Would this information influence my decision to buy or sell securities in the entity at their current market price?*
- *Would I feel exposed to an action for insider trading if I were to buy or sell securities in the entity at their current market price, knowing this information had not been disclosed to the market?*

If SSM has provided earnings or other guidance to the market, a material difference between actual or projected outcomes and that guidance may constitute a “market sensitive” earnings surprise.

Other matters to consider in determining materiality also include whether a matter:

- will significantly damage SSM’s image or reputation
- will significantly affect SSM’s ability to carry on business in the ordinary course
- involves a serious breach of any law or regulation.