



1 September 2021

The Manager – Listings
Australian Securities Exchange Limited
Exchange Centre, 20 Bridge Street
Sydney NSW 2000

Updated Share Trading Policy

COG Financial Services Limited (COG) attaches its updated Share Trading Policy.

Announcement authorised by: Andrew Bennett, Chief Executive Officer

For further information please contact:
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Who we are:

COG Financial Services Limited (COG) has two complementary businesses:

1. Finance Broking & Aggregation (FB&A). Through its membership group of independent and equity owned brokers (brokers in which COG has invested), COG is Australia's largest asset finance group, representing over \$5.1 billion per annum of Net Asset Finance (NAF). Further growth is being achieved through organic growth in equipment finance and insurance broking and through equity investment in brokers.
2. Lending. Through broker distribution, COG provides equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited.

In both businesses our market share is small relative to the size of the markets we operate in, and there are significant growth opportunities through consolidation and organic growth.



Share Trading Policy

**COG Financial Services Limited (ACN 100 854 788) (the
“Company”) and its controlled entities (together, the “Group”)**

Share Trading Policy

1. Introduction

1.1 The shares of COG Financial Services Limited ACN 100 854 788 (Company) are listed on the Australian Securities Exchange, ASX Limited (ASX).

1.2 This policy outlines:

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

2. Defined terms

In this policy:

Company Securities includes shares in the Company, options over those shares and any other financial products of the Company whether traded on ASX or unlisted.

Closed Period means the period between:

- (a) 1 January and the commencement of trading on the next business day after the date of release of the Appendix 4D Half Year Report to the ASX;
- (b) 1 July and the commencement of trading on the next business day after the date of release of the Appendix 4E Full Year Report to the ASX; or
- (c) Any other periods from time to time when the Company is considering matters which are subject to Listing Rule 3.1A as resolved by the Board of the Company.

Designated Officer means a director or person engaged in the management of the Company, whether as an employee or consultant, including all individuals defined as "key management personnel", in AASB 124 *Related Party Disclosures*.

Disclosure Officer means the person appointed to act as Disclosure Officer under the Company's market disclosure policy or the Chairman.

Employee means a person under the employ of the Company, whether as an employee or consultant and may include a Designated Officer.

Excluded Trading means trading in the following circumstances which are considered excluded from the Share Trading Policy:

- (a) transfers of Company Securities already held into a superannuation fund or other saving scheme in which the Designated Officer or Employee is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in Company Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Designated Officer or Employee is a trustee, trading in Company Securities by that trust provided the Designated Officer or Employee is not a beneficiary of the trust and any decision to trade during a Closed Period is

- taken by the other trustees or by the investment managers independently of the Designated Officer or Employee;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
 - (e) 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 rate issue;
 - (f) a disposal of Company Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement. In this circumstance, the Designated Officer or Employee must have informed the Board of the Company prior to entering into such an arrangement over the securities;
 - (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period or the Company has had a number of consecutive Closed Periods and the Designated Officer or Employee could not reasonably have been expected to exercise it at a time when free to do so; and
 - (h) trading under a non-discretionary trading plan for which prior Written Clearance has been provided by the Board of the Company and where:
 - the Designated Officer or Employee did not enter into the plan or amend the plan during a Closed Period;
 - the trading plan does not permit the Designated Officer or Employee to exercise any influence or discretion over how, when or whether to trade; and
 - the Company's Share Trading Policy does not allow for cancellation of a trading plan during a Closed Period other than in exceptional circumstances.

Written Clearance means any form of writing, including any typed electronic form.

3. Insider trading

3.1 If a person has information about securities and the person knows, or ought reasonably to know, that the information is inside 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 someone else to deal in the securities.

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

3.3 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. What is inside information?

4.1 Inside information is information that:

- (a) is not generally available; and
- (b) if it were generally available, would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the relevant securities.

4.2 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 4.2(a) or 4.2(b).

Importantly, you need not be an "insider" to come across inside information. That is, it does not matter how you come to know the inside information (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

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 apply for, acquire or dispose of, securities; and
- (c) granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of securities.

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

6. When Employees may deal

6.1 An Employee (who is not a Designated Officer) may deal in Company Securities or the listed securities of another entity if he or she does not have information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or those securities of the other entity.

7. When Employees may not deal

7.1 An Employee (who is not a Designated Officer) may not deal or procure another person to deal in Company Securities or the listed securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or those securities of the other entity.

7.2 Any employees participating in equity based remuneration schemes are prohibited from entering into transactions in products which would limit the economic risk of holding unvested entitlements under those schemes.

8. Additional restrictions applicable to Designated Officers

8.1 Designated Officers are in positions where it may be assumed that they come into possession of inside information and, as a result, trading by Designated Persons in Closed Periods may embarrass or reflect badly on them or on the Company (even if a Designated Officer has no actual inside information at the time). Accordingly, the additional restrictions and trading procedures in paragraphs 9 to 15 of this policy apply to Designated Officers.

9. When a Designated Officer may deal

9.1 Subject to paragraph 10.2, a Designated Officer may only deal in Company Securities outside of a Closed Period unless Written Clearance has been obtained under Paragraph 11.

9.2 A Designated Officer may deal in the listed securities of another entity if he or she does not have information that he or she knows, or ought reasonably to know, is inside information in relation to those securities.

10. When a Designated Officer may not deal

10.1 A Designated Officer may not deal in Company Securities in a Closed Period unless Written Clearance has been obtained under Paragraph 11.

10.2 A Designated Officer may not deal or procure another person to deal in Company Securities if he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities; or

10.3 A Designated Officer may not deal or procure another person to deal in the listed securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is inside information in relation to those securities.

11. Clearance from the Disclosure Officer

11.1 Before dealing in Company Securities in a Closed Period, a Designated Officer must first inform the Disclosure Officer and obtain Written Clearance.

11.2 The Disclosure Officer may only give Written Clearance during a Closed Period if:

- (a) there is no matter about which there is inside information in relation to Company Securities (whether or not the Designated Officer knows about the matter) when the Designated Officer requests clearance or proposes to deal in Company Securities;
- (b) the Disclosure Officer has no other reason to believe that the proposed dealing breaches this policy; and
- (c) the request is considered an exception circumstance under Paragraph 12.

11.3 The Disclosure Officer will not grant Written Clearance if they are aware that the Company is likely in the short term to:

- (a) release a periodic financial report or other financial data that might come as a surprise to the market; or
 - (b) make an announcement of market sensitive information under its continuous disclosure requirements.
- 11.4 If the Disclosure Officer refuses to provide Written Clearance:
- (a) the decision is final and binding on the person seeking the Written Clearance; and
 - (b) the person seeking the Written Clearance must keep that information confidential.
- 11.5 The Disclosure Officer may seek appropriate legal advice to discharge its responsibilities under this policy, and the cost of such advice shall be borne by the Company.
- 11.6 The Disclosure Officer must keep a written record of:
- (a) any information received from a Designated Officer in connection with this policy; and
 - (b) any Written Clearance given under this policy.
- 11.7 Any Written Clearance granted under this policy is not an endorsement of the proposed trade. The Designated Officer is individually responsible for their investment decisions and their compliance with insider trading laws.

12. Exceptional circumstances

12.1 The Disclosure Officer may give clearance for a Designated Officer to buy or sell Company Securities in exceptional circumstances where the Designated Officer would otherwise not be able to do so under this policy.

12.2 The Disclosure Officer may not give clearance under the exception in paragraph 12.1 if there is a matter about which there is inside information in relation to Company Securities (whether or not the Designated Officer knows about the matter) when the Designated Officer requests clearance or proposes to deal in Company Securities.

11.3 The Disclosure Officer will decide if circumstances are exceptional.

11.4 Exceptional circumstances include:

- (a) financial hardship;
- (b) requirements under a court order or court enforceable undertakings; or
- (c) other exceptional circumstances as determined by the Chairman or Chief Executive Officer (if Chairman is involved).

11.5 If the Disclosure Officer has any doubt in making a determination under this clause such discretion should be exercised with caution.

13. Requirements after trading

13.1 Once a Designated Officer has completed a trade in Company Securities, the Designated Officer must:

- (a) notify the Company Secretary that the trade has been completed;
- (b) keep a register of their trading and make a copy of that register available upon request; and
- (c) in the case of Directors, provide sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

14. Dealings by associated persons and investment managers

14.1 If a Designated Officer may not deal in the Company Securities, he or she must prohibit any dealing in the Company Securities by:

- (a) any associated person (including family or nominee companies and family trusts); or
- (b) any investment manager on their behalf or on behalf of any associated person.

unless such dealing is Excluded Trading.

14.2 For the purposes of paragraph 14.1, a Designated Officer must:

- (a) inform any investment manager or associated person of the periods during which the Designated Officer may and may not deal in Company Securities; and
- (b) request any investment manager or associated person to inform the Designated Officer immediately after they have dealt in Company Securities.

14.3 A Designated Officer does not have to comply with paragraphs 14.1 and 14.2 to the extent that to do so would breach their obligations of confidence to the Company.

15. Speculative dealing

15.1 A Designated Officer may not deal in Company Securities on a short term nature or for speculative trading gain.

16. Communicating inside information

16.1 If an Employee (including a Designated Officer) has information that he or she knows, or ought reasonably to know, is inside information in relation to Company Securities or the listed securities of another entity, the Employee must not directly or indirectly communicate that information to another person if he or she knows, or ought reasonably to know, that the other person would or would be likely to:

- (a) deal in Company Securities or those securities of the other entity; or
- (b) procure another person to deal in Company Securities or the securities of the other entity.

16.2 An Employee must not inform colleagues (except the Disclosure Officer) about inside information or its details.

17. Use of brokers

17.1 An Employee who deals in the company's securities should use only one broker. Employees may not use broker credit unless written approval has been obtained from the Board of the Company prior to execution of such credit.

18. Breach of policy

18.1 A breach of this policy by an Employee is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law.

19. Distribution of policy

19.1 This policy must be distributed to all Designated Officers.

20. Assistance and additional information

20.1 Employees who are unsure about any information they may have in their possession, and whether they can use that information for dealing in securities, should contact the Disclosure Officer.

21. Review of policy

21.1 The Board is responsible for reviewing this policy to determine its appropriateness to the needs of the Company from time to time. This policy may be amended by resolution of the Board.

Policy History

Last review:	30 June 2021 (effective)
Review frequency	As required