

Securities Trading Policy

Netwealth Group Limited (Netwealth)

a company listed on the Australian Securities Exchange
ACN: 620 145 404

Adopted by the Board on 20 October 2017 (for effect on successful listing of Netwealth)

Netwealth Group Limited

ACN: 620 145 404

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Custodian

Company Secretary

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October 2018 (unless required earlier)

Regulator

ASIC, ASX

Regulatory Compliance requirement

ASX Guidance Note 27
ASX Listing Rules

Related Policies

Group Insider Trading and Market Manipulation Policy

1.0 Document overview

1.1 Purpose

The purpose of this Securities Trading Policy (Policy) is to ensure that public confidence is maintained in the reputation of Netwealth and its related bodies corporate (together, the Group), the directors and employees of the Group and in the trading of Netwealth's securities.

The Policy sets out the procedures and obligations for employees and directors of the Group when buying and selling Netwealth securities. This Policy forms part of Netwealth's Code of Conduct and failure by employees and directors of the Group to comply with the Policy could lead to disciplinary action.

The Policy recognises that some types of trading in securities are prohibited by Australian law.

This Policy applies to Employees of Netwealth (Employees includes all employees of the Group and its directors). Certain aspects of this Policy also apply to 'Connected Persons' of Employees.

1.2 Definitions

Term	Definition
Connected Persons	<p>Include:</p> <ul style="list-style-type: none">• a family member who may be expected to influence, or be influenced by, the Employee in his or her dealings with Netwealth or Netwealth securities (this may include the Employee's spouse, partner and children, the children of the Employee's partner, or dependants of the Employee or the Employee's partner);• any trustee of a trust or other fiduciary arrangement under which the Employee, the Employee's spouse or partner or the Employee's dependent children, is or may be a beneficiary – including self managed superannuation funds;• any company in which an Employee holds (directly or indirectly) a majority of the shares or otherwise control (directly or indirectly); and• any other entity in which an Employee is a director, secretary, executive officer or have the ability to control.
Employee	<ul style="list-style-type: none">• any person employed by, contracted by or appointed by the Group for the provision of services to the Company or a related entity; and• any director of the Group or its subsidiaries.
Financial Product	<p>Includes:</p> <ul style="list-style-type: none">• Securities;• Derivatives;• Options;• Debentures, stocks or bonds issued or proposed to be issued by a government;• Interests in a managed investment scheme;• Superannuation products, other than those prescribed by regulations; and



Term	Definition
	<ul style="list-style-type: none"> Other financial products that can be traded on a financial market.
Generally Available	Information is considered to be generally available if it consists of readily observable matter, or it has been made known in a manner that would likely bring it to the attention of people who trade Financial Products. Information is also generally available if it consists of deductions, conclusions and inferences drawn from readily observable or other published information.
Restricted Persons	<p>Additional trading restrictions (set out in section 4 of this Policy) apply to the following Restricted Persons:</p> <ul style="list-style-type: none"> directors of Netwealth; officers and other direct reports of the Joint Managing Directors (Senior Executives); and/or other persons who regularly possess Inside Information and who have been advised by the Company Secretary that they are subject to special restrictions under this Policy (Nominated Employees).

1.3 Roles and Responsibilities

The following table sets out the roles and responsibilities for those involved in implementing, complying with and monitoring the Policy.

Role	Responsibilities
Netwealth entity Board(s)	<ul style="list-style-type: none"> Approve the Policy; and Abide by the Policy
Netwealth Audit and Risk Committee	<ul style="list-style-type: none"> Assess breaches of the Policy in accordance with the Incident & Breach Handling Policy.
Legal, Risk and Compliance (R&C)	<ul style="list-style-type: none"> Notify the Audit and Risk Committee and Human Resources of any Policy breaches; Provide training on the Policy; Monitoring of the trading@netwealth.com.au email address, Trading Registers and annual declarations; and Conduct annual investigations.
Human Resources	<ul style="list-style-type: none"> Manage any disciplinary action associated with breaches of the Policy.
Netwealth Executive (Management)	<ul style="list-style-type: none"> Support and promote awareness of the Policy, including ensuring Employees understand ramifications of non-compliance; and Report any suspected incidents or breaches of the Policy to R&C.
Employees	<ul style="list-style-type: none"> Comply with the Policy; Provide required forms and reports as required; Ensure that your Connected Persons are aware of their responsibilities in accordance with this Policy and take appropriate steps to ensure that their Connected Persons do not breach this Policy; and REPORT ANY BREACH OR LIKELY BREACH OF THE POLICY to R&C



Role	Responsibilities
	IMMEDIATELY.

2.0 What is the Insider Trading restriction?

2.1 Inside Information

Inside Information is information that is not Generally Available to the public (also referred to as non-public information) and if it were Generally Available, a reasonable person would expect it to have material effect (upwards or downwards) on the price or value of a Financial Product. Employees or their Connected Persons may come into possession of Inside Information where they are directly involved in client relationship management or negotiating contracts. For example, where a person is aware that Netwealth or Group is about to sign a major agreement with another company, that person should not buy or sell securities in either the Company or the other company.

Inside Information may include:

- matters of supposition and other matters that are insufficiently definite to warrant being made known to the public;
- matters that are not yet certain; and
- matters relating to a person's intentions or likely intentions.

If the information may influence a person's decision to buy or sell a Financial Product, and is not Generally Available it should be considered as Inside Information.

2.2 No trading while in possession of Inside Information

Insider Trading refers to buying or selling a security while in the possession of Inside Information about that security or sharing Inside Information about a security with others.

Employees and their Connected Persons must not deal in Netwealth's securities if:

- they are aware of Inside Information; or
- Netwealth has notified Employees that they (or their Connected Persons) must not deal in securities (either for a specified period, or until the Company gives further notice).

2.3 The Front Page Test

It is important that public confidence in the Group is maintained. It would be damaging to the Group's reputation if the market or the general public perceived that Employees might be taking advantage of their position in the Group to make financial gains (by trading in Netwealth Securities on the basis of Inside Information).

As a guiding principle, Employees should ask themselves:



If the market was aware of all the current circumstances, could the proposed trading be perceived by the market as taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper? (The Front Page Test).

If the Employee is unsure, he or she should email trading@netwealth.com.au which is the email address utilised by the Company Secretary to manage trading queries.

Where any approval is required for a trading under this Policy, approval will not be granted where the trading would not satisfy the Front Page Test.

3.0 When can Restricted Persons trade in Netwealth's securities?

3.1 No trading in blackout periods

Restricted Persons and their Connected Persons must not trade in Netwealth's securities during any of the following blackout periods:

- the period from the close of trading on the ASX on 30 June each year, or if that date is not a trading day, the last trading day before that day, until the day following the announcement to ASX of the full-year results;
- the period from the close of trading on the ASX on 31 December each year, or if that date is not a trading day, the last trading day before that day, until the day following the announcement to ASX of the half-year results; and
- any other period that the Board specifies from time to time.

3.2 Exceptional circumstances

If a Restricted Person or their Connected Person need to trade in securities during a blackout period due to exceptional circumstances and is not in possession of any Inside Information, then the Restricted Person may apply in writing to trading@netwealth.com.au. The trading team will then present the case to:

- either of the Joint Managing Directors (in the case of Senior Executives, Nominated Employees, or their Connected Persons);
- the Chair of the Board (in the case of directors or their Connected Persons);
- the Chair of the Group's Audit and Risk Committee (in the case of the Chair of the Board or his/her Connected Persons).

Approval to trade will only be granted if the Restricted Person's or their Connected Person's application is accompanied by sufficient evidence (in the opinion of the person providing clearance) that the trading is the most reasonable course of action available in the circumstances. The person providing clearance should consult with members of management where appropriate to determine if there is any reason (legal or reputational) why approval to trade should not be granted.

Exceptional circumstances are likely to include severe financial hardship or compulsion by court order.



If approval to trade is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the approval will be within five business days. A record of the approval will be provided to the trading@netwealth.com.au email address and kept on file.

Unless otherwise specified in the notice, any trading permitted under this section 3.2 must comply with the other sections of this Policy.

3.3 Prior approval required for any trading outside blackout periods

- (a) During any period that is not a trading blackout period, Restricted Persons must, prior to any proposed trading, notify trading@netwealth.com.au and seek approval for the proposed trading in Netwealth's securities (including any proposed trading by one of their Connected Persons). The trading@netwealth.com.au mail box is monitored by the Company Secretary (or their delegate) and the request will be handled as follows:
 - 1) For any Senior Executive or Nominated Employee, the Joint Managing Directors must be informed and have provided approval before a trade is undertaken;
 - 2) For the Chair of the Board the Chair of the Group's Audit and Risk Committee must be informed and have provided approval before a trade is undertaken; and
 - 3) For any other director, the Chair of the Board must be informed and have provided approval before a trade is undertaken.
- (b) A request for approval to trade will be answered as soon as practicable.
- (c) The Company Secretary (or their delegate) may direct the person who is proposing to trade in the Company's securities not to trade, or impose conditions on the trading in their discretion, and is not obliged to provide reasons for any direction or condition. These instructions would have been provided by the relevant approver.
- (d) Following receipt of approval to trade, the approved trading must occur within five business days following approval, otherwise the approval is no longer effective and fresh approval must be sought.

3.4 Confirmation of trade required

Following any trade, Restricted Persons must promptly notify trading@netwealth.com.au, ideally by close of business on the day of the trade. This is to assist the Company to comply with its disclosure obligations under the ASX Listing Rules.

4.0 What other restrictions on trading apply and additional requirements for Employees

4.1 Trading Register

All Employees must keep an up to date register containing information relating to all trading of Financial Products (Trading Register).



The Trading Register must be supplied to trading@netwealth.com.au on request and annually with the declaration described in the Group Insider Trading and Market Manipulation Policy

4.2 No short-term trading in Netwealth's securities

Employees and their Connected Persons must not deal in Netwealth's securities on a short-term trading basis. Short-term trading includes buying and selling securities on market within a 3 month period, and entering into other short-term dealings (for example, forward contracts).

4.3 Margin lending arrangements

- (a) Employees and their Connected Persons must obtain approval in accordance with the procedure set out within this Policy for any proposed dealing in the Netwealth's securities in connection with a margin lending arrangement.
- (b) Examples of such dealings include:
 - 1) entering into a margin lending arrangement in respect of the Netwealth's securities;
 - 2) transferring securities in Netwealth into an existing margin loan account; and
 - 3) selling securities in Netwealth to satisfy a call pursuant to a margin loan.
- (c) The relevant approver may, at its discretion, make any approval granted in accordance with this Policy conditional upon such terms and conditions as Netwealth sees fit (for example, with regard to the circumstances in which Netwealth's securities may be sold to satisfy a margin call).

4.4 Hedging of Company securities

Hedging includes entering into transactions in Financial Products that operate to limit the economic risk associated with holding Company securities.

Under this Policy, hedging of the Company's securities is subject to the following rules:

- (a) any Employee or their Connected Persons must not enter into, renew, alter or close out a hedge transaction when they are in possession of Inside Information;
- (b) Company securities acquired under an Employee share plan operated by the Company must never be hedged prior to vesting;
- (c) Company securities that are subject to a holding lock or restriction on dealing under the terms of an Employee share plan operated by the Company must never be hedged; and
- (d) Restricted Persons and their Connected Persons are permitted to hedge their vested and unrestricted Company securities provided that the hedge transaction is treated as a dealing in Company securities for the purposes of this Policy, and the relevant approvals and notifications required under section 4 are made on that basis.

5.0 Are any dealings excluded from this Policy?

Sections 3.1, 3.3 and 4.2 of this Policy do not apply to:



- (a) participation in an Employee share plan operated by Netwealth. However, where securities in Netwealth granted under an Employee share plan cease to be held under the terms of that plan, any dealings in Netwealth securities must only occur in accordance with this Policy;
- (b) the following categories of trades:
 - acquisition of Netwealth securities through a dividend reinvestment plan;
 - acquisition of Netwealth securities through a share purchase plan available to all retail shareholders;
 - acquisition of Netwealth securities through a rights issue; and
 - the disposal of Netwealth securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) dealings that result in no effective change to the beneficial interest in the securities (for example, transfers of Netwealth securities already held into a superannuation fund or trust of which the Employee or their Connected Person is a beneficiary);
- (d) trading under a pre-approved non-discretionary trading plan, where the Employee or their Connected Person did not enter into the plan or amend the plan during a blackout period, the plan does not permit the Employee or their Connected Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a blackout period, other than in exceptional circumstances; and
- (e) a disposal of securities of Netwealth that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.

However, such dealings remain subject to the Insider Trading rules in the Corporations Act. Please refer to the Group Insider Trading and Market Manipulation Policy for more information.

6.0 Breaches of the Policy

Breaches of the Australian Insider Trading laws have serious consequences for the Employee or Connected Person concerned as well as Netwealth. Penalties under the Corporations Act include financial penalties and imprisonment.

Independently, breaches of this Policy will be regarded by Netwealth as serious and will be subject to appropriate sanctions.

Any person who is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach.

Any person who breaches this Policy could face disciplinary action (including forfeiture of securities and/or suspension or termination of employment).

We will take a substance over form approach and will have regard to the intent and spirit of this Policy when applying and enforcing it.



7.0 Whistleblowing

If an Employee suspects or has evidence of a contravention to the Policy and the person wishes to remain anonymous, the Employee must raise their concerns in accordance with the Netwealth Whistleblowing Policy.

8.0 Who should I contact?

Employees should contact the trading@netwealth.com.au if they are unsure about whether it is acceptable to deal or communicate with others in relation to Netwealth's securities or other securities; or they have any other queries about this Policy.

