



ASX ANNOUNCEMENT

30 July 2015

SECURITIES TRADING POLICY

In accordance with ASX Listing Rule 12.10, attached is a new Securities Trading Policy adopted by the GDI Property Group Board of Directors on 24 July 2015.

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Securities Trading Policy

GDI Property Group ("Group")

Dated 24 July 2015

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1. Securities Trading Policy – ASX Listed Companies

This policy sets out the procedures:

- for all directors, officers, employees, contractors, consultants and other persons that act on behalf of GDI Property Group (collectively, **Personnel**) in dealing in securities in GDI Property Group, and in some circumstances, other entities; and
- to reduce the risk of insider trading.

This policy applies to:

- all Personnel; and
- in relation to Closed Periods (see clause 1.3.3):
 - directors;
 - nominated executives (nominated executives being key management personnel i.e. direct reports to the Managing Director, and those persons' direct reports);
 - employees (generally, those employees who may be privy to inside information) placed on the Restricted Persons Register;
 - any person registered as an Authorised Representative of GDI Property Group under its Australian Financial Services Licence; and
 - any associate (as that term is defined in section 92 of the Corporations Act) of any of the above persons including a person's spouse, de facto, family members, controlled trusts and companies or other third parties contemplating the acquisition or sales of securities on behalf of the person,

(collectively, **Restricted Persons**) of GDI Property Group.

Personnel of GDI Property Group are encouraged to be long term holders of GDI Property Group Securities. It is, however, important that care is taken in the timing of any acquisition or disposal of securities because any perception of 'insider' trading could seriously damage GDI Property Group's reputation.

1.1 What is a security?

- 1.1.1 Securities are defined in section 92 of the Corporations Act and include interests in shares, options or debentures in a company or related body corporate, as well as interests in managed investment schemes made available by the company or a related body corporate.
- 1.1.2 For the purposes of this Policy, **GDI Property Group Securities** include the stapled securities comprising a share in GDI Property Group Limited and a unit in GDI Property Group Trust trading on the ASX under the code "GDI" and any performance rights issued pursuant to GDI Property Group Performance Rights Plan.

1.2 Insider Trading – the Law

- 1.2.1 It is the responsibility of all Personnel to ensure that they do not carry out any of the acts prohibited under section 1043A of the Corporations Act when they are in possession of 'inside information'.

1.2.2 'Inside information' means information which:

- a) is not generally available to the market; and
- b) if the information was generally available, a reasonable person would expect it to have a material effect on the price of a security.

1.2.3 Information will have a material effect when a reasonable person would expect the information to influence an investor's investment decision to buy or sell securities. For further guidance with respect to materiality, please refer to the **Continuous Disclosure Policy**.

1.2.4 If any Personnel has 'inside information' relating to GDI Property Group or any other entity, which has not been published or which is not otherwise 'generally available', it is illegal for that person to:

- buy, sell or otherwise deal in securities in GDI Property Group or any other entity;
- advise, procure or encourage another person (for example, a family member, a friend, a family company, trust or investment manager) to buy or sell these securities; or
- pass on information to any other person if it is known, or ought reasonably to be known, that the person may use the information to buy or sell (or procure another person to buy or sell) these securities.

1.2.5 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.

1.2.6 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.

1.2.7 Information is generally available if it:

- a) is readily observable; and
- b) has been made known in a manner (e.g. released to the ASX) likely to bring it to the attention of persons who commonly invest in securities and a reasonable period for that information to be disseminated has elapsed since it was made known.

1.2.8 Outside a Closed Period (see clause 1.3), the laws prohibiting insider trading continue to apply to Personnel. The fact that a company is not in a closed period does not mean a person is not in possession of inside information. A person may possess inside information notwithstanding that dealing by employees is generally permitted, and if this is the case, a person should not deal in the company's securities.

1.2.9 Similarly, Personnel should be aware that the insider trading laws apply even where a person has been given clearance to deal under this policy, and a clearance to trade will not absolve a person from a breach of the insider trading laws. If a person is in

possession of inside information, any dealing in the relevant securities will be a breach of the insider trading provisions.

1.3 When can Personnel trade in GDI Property Group Securities?

1.3.1 Trading in GDI Property Group's Securities includes but is not limited to buying, selling and transferring GDI Property Group's Securities.

1.3.2 Subject to the Corporations Act, Personnel (who are not Restricted Persons) may deal in GDI Property Group Securities or the securities of another entity if he/she does not have information that he/she knows, or ought to reasonably know, is inside information in relation to GDI Property Group Securities or those securities of the other entity, without seeking prior approval under clause 1.4.

1.3.3 Closed Periods

Circumstance	Closed Period
Release of Full Year results to ASX	From the end of the relevant financial year (30 June) until 24 hours following release
Release of Half Year results to ASX	From the end of the relevant half year (31 December) until 24 hours following release

1.3.4 GDI Group Property may also determine that certain additional periods are Closed Periods for the purposes of this policy, including when the GDI Property Group is considering matters subject to ASX Listing Rule 3.1A (**Additional Closed Periods**). The GDI Group Property may also determine that a Closed Period will apply in the period prior to a corporate event such as the Annual General Meeting or the issue of a disclosure document. Additional Closed Periods will be notified to Restricted Persons, and to Personnel if applicable. Any communication in this regard will be carefully managed to ensure GDI Group Property maintains confidentiality.

1.3.5 In exceptional circumstances, permission to trade may be granted during a Closed Period (see clauses 1.4 and 1.6).

1.4 Trading Approval Requirements for Restricted Persons

1.4.1 At any time, a Restricted Person must not trade in any GDI Property Group Securities without:

- a) completing the GDI Property Group Securities Trading Form located in the Company Secretary's office (**Request**); and
- b) obtaining written authority to trade.

1.4.2 The following persons are authorised to approve securities trading requests from a Restricted Person:

- a) Chairman – for the directors;
- b) Chairman of the Audit and Risk Compliance Committee – for the Chairman;
- c) Managing Director or Company Secretary – for employees,

(each an **Authoriser**).

1.4.3 The following procedures apply to Restricted Persons who wish to deal in GDI Property Group Securities:

- a Restricted Person (or a family member or associate over whom they have influence) must provide his/her Authoriser with a Request (which may be by email), requesting permission to deal in GDI Property Group Securities, including any reasons for the request (see clause 1.6);
- a Restricted Person must not deal in GDI Property Group Securities unless they have received permission in writing (which may be by email) from the his/her Authoriser;
- a Restricted Person must effect the instructions to deal within 2 days of receiving permission, and the dealing must be executed within that period;
- permission to deal may be withdrawn if new information arises, or if there is a change in circumstances. The Restricted Person will be notified of any withdrawal in writing (which may be by email); and
- if the trading is not executed within the 2 day period, the permission to deal lapses, and the Restricted Person must submit a further request to his/her Authoriser for permission to deal.

1.4.4 Permission to deal is at the discretion of the Authoriser, and may be given or refused without providing any reasons.

1.4.5 When considering a request from a Restricted Person for permission to deal in accordance with clause 1.4.4, the Authoriser will take into account a range of factors to determine if the risk of insider trading, or the appearance of insider trading is not a concern. These factors include but are not limited to whether:

- GDI Property Group is about to release a periodic report or other financial information that the market may not expect;
- GDI Property Group will shortly release market sensitive information under ASX Listing Rule 3.1;
- GDI Property Group is considering a matter that is subject to ASX Listing Rule 3.1A; and
- the Restricted Person has access to or is likely to have access to other material information that has not been released to the market.

More generally, the Authoriser will consider the specific circumstances of a request as a whole, in light of the underlying purpose of this policy, to both minimise the risk of insider trading and avoid any appearance of insider trading and possible reputational damage. The Authoriser may seek professional advice to assist in making any decision. In most circumstances if GDI Property Group is about to release information that falls into the categories set out above, the Authoriser will not grant permission to deal.

1.4.6 A refusal to grant permission to deal is final and binding on the person seeking the permission. If permission is refused, the person must keep that information confidential and not disclose it to anyone, to ensure that GDI Property Group

manages its disclosure obligations in accordance with its policies, the ASX Listing Rules and the Law.

1.5 Excluded trading

1.5.1 Trading that is excluded from the restrictions in this policy includes:

- transfers of GDI Property Group Securities already held into a superannuation fund or other saving scheme in which the member of Personnel is a beneficiary;
- an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in GDI Property Group's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a Restricted Person is a trustee, trading in GDI Property Group Securities by that trust, provided the Restricted Person 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 Restricted Person;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all shareholders, such as, a rights issue or share purchase plan, where the plan that determines the timing and structure of the offer has been approved by the Board; and
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this policy and where:
 - the Restricted Person did not enter into the plan or amend the plan during a Closed Period; and
 - the trading plan does not permit Restricted Persons to exercise any influence or discretion over how, when, or whether to trade.

1.6 Trading in a Closed Period in exceptional circumstances

1.6.1 A Restricted Person, who is not in possession of inside information in relation to GDI Property Group, may be given prior written clearance to sell or otherwise dispose of GDI Property Group Securities during a Closed Period where the Restricted Person is in severe financial hardship, or their circumstances are otherwise exceptional and the proposed sale or disposal of the relevant securities is the only reasonable course of action available.

1.6.2 A person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the entity.

By way of example:

- a tax liability would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability;

- a tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a Closed Period;
- if the person is required by a court order, or there are court enforceable undertakings, for example, bona fide family settlement or other overriding legal or regulatory requirements, the transfer or sale of the securities may be considered an exceptional circumstance.

1.6.3 The determination of whether the person in question is in severe financial hardship or whether a particular set of circumstances falls within the range of exceptional circumstances can only be made by the Authoriser.

1.7 Restricted trading and transactions

1.7.1 Margin lending arrangements

Margin lending poses special risks to the compliance by Restricted Persons with this policy, particularly where the terms of the margin lending arrangements may place the Restricted Person in a position of conflict with their obligations under this policy and/or with the insider trading laws (for example, if a call is made under the arrangements, which results in GDI Property Group Securities being sold while the Restricted Person possesses inside information).

Without prior approval in the manner set out in section 1.4, Restricted Persons must not enter into agreements that provide lenders with rights over their interests in GDI Property Group Securities (e.g. for the disposal of GDI Property Group Securities that is the result of a secured lender exercising their rights under a margin lending agreement).

Any Restricted Person proposing to take out a margin loan in relation to GDI Property Group Securities, or proposing to amend an existing arrangement, must disclose the existence of, and the terms of, the proposed margin loan arrangement, prior to its commencement, to the Company Secretary, and must not enter into such arrangement without first receiving authorisation, in writing, from the Managing Director or the Company Secretary.

1.7.2 Anti-hedging

Restricted Persons are not permitted to enter into transactions with GDI Property Group Securities (or any derivative thereof) in associated products which limit the economic risk of any unvested entitlements under any equity-based remuneration schemes awarded under any equity-based remuneration scheme currently in operation or which will be offered by the Company in the future. However, Restricted Persons will consult with the Chairman if they are considering, or if they are not sure, as to whether entering into transactions may limit the economic risk of unvested entitlements they may have.

1.8 Prohibited trading and transactions

1.8.1 Personnel are prohibited from participating in or entering into any of the following under this policy:

- trading in derivative products over GDI Property Group Securities, including warrants, exchange-traded and over-the-counter options, and contracts for difference; and
- short-selling – the borrowing and sale of GDI Property Group Securities with the intention of purchasing the securities at a later date at a lower price, thus closing out the short position at a profit.

1.9 Legal obligation to notify trading by directors

- 1.9.1 GDI Property Group is required under the ASX Listing Rule 3.19A to notify the ASX within 5 business days of any changes to a Director's notifiable interests.
- 1.9.2 Notifiable interests are defined in section 205G of the Corporations Act and include all relevant interests in a security held by a director, including contracts that confer a right to obtain GDI Property Group Securities (including rights). A director has a relevant interest if they are the holder of the security or have the power to control the voting or disposal of the security.
- 1.9.3 The Company Secretary is responsible for lodging a Change of Director's Interest Notice (Appendix 3Y of the ASX Listing Rules) with the ASX no more than 5 business days after the change occurs.
- 1.9.4 An Initial and Final Director's Interest Notice (Appendix 3Y and 3Z of the ASX Listing Rules) must also be lodged on the appointment or resignation of a Director. Lodgement of a Director's Interest Notice will satisfy a director's obligation under section 205G of the Corporations Act.

1.10 Breaches of this policy

- 1.10.1 GDI Property Group has established processes to ensure Personnel are aware of, and understand their obligations under this policy, and to monitor and enforce compliance with the policy. The Company Secretary is responsible for maintaining a register of all requests for permission to deal under this policy, decisions relating to those requests, and any relevant trades.
- 1.10.2 Measures in addition to these described in clause 1.10.1 include:
- Personnel are provided with a copy of this policy and any amendments to the policy;
 - sending email reminders of the start and finish dates for Closed Periods, one week before commencement of the period and immediately before commencement; and
 - Restricted Persons are required to provide annual written confirmation that they are aware of and understand this policy and are in compliance with the policy.
- 1.10.3 All Personnel must comply with the principles and requirements of this policy. Failure to comply may result in the relevant staff member being subject to disciplinary action, including possible dismissal. GDI Property Group may require any person who has

acquired securities in breach of this policy to sell those securities as soon as possible within the requirements of the law, and donate any profit from the sale to charity.

- 1.10.4 As described in clauses 1.2.5 and 1.2.6, a breach of this policy may also result in exposure to potential civil or criminal liability under applicable laws and regulations.

1.11 Review and disclosure to the ASX

- 1.11.1 This policy will be reviewed regularly by the directors having regard to the changing circumstances of GDI Property Group and any changes to this policy will be notified to affected persons in writing. If directors and senior executives have any comments or views concerning the operation or effectiveness of this policy, they should be communicated to the Company Secretary.

- 1.11.2 ASX Listing Rule 12.9 requires this policy to be disclosed to the ASX. Where GDI Property Group makes a material change to this policy, the amended policy must be provided to ASX within 5 business days of the material changes taking effect, in accordance with ASX Listing Rule 12.10.