



Healthscope

Trading in Healthscope Securities Policy

Introduction and Purpose

The purpose of this Policy is to ensure that the Healthscope Group's directors and employees do not trade in Healthscope Notes Limited ("Company") securities:

- In breach of the Corporations Act prohibitions on 'insider trading'; or
- In a manner which compromises confidence in the Company's practices in relation to securities dealings.

This Policy applies to all directors and employees of the Healthscope Group. Directors and employees must not engage in conduct known as 'insider trading'. Subject to the prohibitions described below, this Policy sets out when trading in the Company's securities may take place.

This Policy imposes additional trading restrictions on all directors, as well as all executives who report directly to either of the Executive Chairman and Managing Director of the Healthscope Group or the Finance Director as well as all employees involved with the Healthscope Group's consolidated monthly financial reports (described as 'Senior Executives').

This Policy applies to the listed securities of the Company, options issued by the Company and any derivatives (such as exchange-traded options and warrants) and other financial products issued by third parties in relation to securities issued by the Company ("Company Securities").

Prohibited Conduct

If a director or employee of the Healthscope Group possesses 'inside information', that director or employee must comply with the Corporations Act, which means that he or she must not:

1. Buy, sell or otherwise deal in Company Securities;
2. Procure someone else to buy, sell or otherwise deal in Company Securities; or
3. Pass on 'inside information' to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy, sell or otherwise deal in Company Securities or procure someone else to buy, sell or otherwise deal in Company Securities.

Inside information is information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of Company Securities (i.e. information which is 'price sensitive'). If a director or Senior Executive is in any doubt as to the legal position they should consult with the Company Secretary.

Directors and Senior Executives are not entitled to engage in short term or speculative trading in Company Securities.

Information is generally available where the information is:

- Readily observable; or
- Made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in Company Securities or securities of a kind similar to Company Securities and a reasonable period has elapsed to allow the information to be disseminated; or
- Able to be deduced, concluded or inferred from those types of information.

Information will have a material effect on the price or value of Company Securities if a reasonable person would be taken to expect the information to, or be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of the securities.

In addition to these restrictions, directors and Senior Executives are not permitted to buy or sell Company Securities within the following periods, other than in exceptional circumstances as set out below:

- From 1 December until announcement of the Healthscope Group's aggregated half yearly results to the ASX;
- From 1 June until announcement of the Healthscope Group's aggregated full year results to the ASX; and
- any other period determined by the Board from time to time, each a "Closed Period".

In exceptional circumstances, a director or Senior Executive who is not in possession of inside information, may be granted prior approval to sell or otherwise dispose of Company Securities during a Closed Period where the director or Senior Executive is in severe financial hardship or there are other exceptional circumstances. A director or Senior Executive will be considered in severe financial hardship if they cannot satisfy a pressing financial commitment otherwise than by selling or disposing of the relevant Company Securities.

A director or Senior Executive seeking prior approval under exceptional circumstances must do so in accordance with the procedure set out below. The determination as to whether a director or Senior Executive qualifies for approval under exceptional circumstances can only be made by the Executive Chairman and Managing Director or if the relevant director is the Executive Chairman and Managing Director, the determination will be made by the Board of the Company.

Margin Lending

Directors and all executives reporting directly to the Executive Chairman and Managing Director must receive prior consent from the Executive Chairman and Managing Director before entering into margin loans or other financing arrangements involving Company Securities. In the case of the Executive Chairman and Managing Director, approval must be obtained from the Board of the Company.

If required by the Company, directors and all executives reporting directly to the Executive Chairman and Managing Director must provide the Company Secretary with information relevant to their margin loans or financing arrangements.

Directors and all executives reporting directly to the Executive Chairman and Managing Director should avoid financial arrangements involving Company Securities which may lead to the ownership and rights of the securities being transferred to a third party.

This Policy continues to apply to all directors and employees, regardless of commitments which such individuals may enter into in relation to margin lending contracts or other financing arrangements.

Permitted Trades Dealing by Employees

If you are not a Company Director or a Senior Executive:

- You can buy or sell Company Securities at any time provided you do not have inside information and are not involved in short term or speculative dealing;
- You should review this Policy prior to dealing; and
- You are not required to notify the Company if you intend to deal in Company Securities or after you have dealt in such securities.

Dealing by Directors and Senior Executives

If you are a Director or Senior Executive the following additional rules apply:

- If you are a Director and you intend to deal in Company Securities, you must first request (in writing) approval from the Executive Chairman and Managing Director (with a copy to the Company Secretary) and confirm that you are not aware of any inside information. If you are the Executive Chairman and Managing Director you must first request (in writing) approval from the Board of the Company (with a copy to the Company Secretary);

- If you are a Senior Executive and you intend to deal in Company Securities, you must first request (in writing) approval from the Company Secretary and confirm that you are not aware of any inside information;
- Directors and Senior Executives must not deal in Company Securities until approval has been given by the Executive Chairman and Managing Director, Board of the Company or the Company Secretary, as the case may be. Such approval, if granted, shall be effective for a period of 48 hours from the time of grant;
- Directors and Senior Executives must provide details of any permitted trade (price and quantity) to the Company Secretary within 3 business days after such trade.
- Such requests may be provided by email.

Trades Excluded

This Policy does not apply to trading in Company Securities which relates to:

- An offer concerning Company Securities made to all eligible holders of securities of the same class (for example a bonus issue, rights issue or buy-back);
- An allocation of Company Securities under a dividend reinvestment plan that is available to all eligible holders of securities of the same class;
- An allocation of, or agreement to acquire, securities under any employee incentive scheme or security plan. However, this Policy will apply to any subsequent disposal of Company Securities acquired under an employee incentive scheme or security plan;
- A transfer of Company Securities as part of a takeover offer or scheme of arrangement; or
- An off-market transfer of Company Securities resulting in no change in the underlying beneficial interest (for example, transfer from one personal shareholding to another personal shareholding).

Responsibilities

The Company Secretary is responsible for:

- Establishing and reviewing the Trading In Healthscope Securities Policy;
- Communication of the Policy to employees;
- Providing advice as to compliance with the Policy;
- Maintaining guidelines for establishing compliance with this Policy and the law relating to dealing in securities; and
- Reviewing this Policy, at least annually, to ensure continued compliance with the Corporations Act, ASX Listing Rules and corporate governance best practice.

Confidentiality of Inside Information

Persons covered by this Policy must ensure that contractors, advisers, consultants and other outside parties retained by the Healthscope Group who may come into possession of inside information are bound by appropriate assurances of confidentiality.

Dealing in Shares of Other Entities

If directors and employees have inside information relating to other entities, including information gained through dealings between such entity and the Healthscope Group, the same insider trading prohibition applies.

Breaches of this Policy

All directors and employees of the Healthscope Group are required to comply strictly with this Policy.

Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

Directors and employees are reminded that retirement/resignation does not impact on 'insider trading' prohibitions under the Corporations Act.

Last reviewed: 15 December 2010