

## **IDT Australia Limited - Security Trading Policy**

### **1. Securities Trading Policy**

#### **1.1 Definitions**

In this Securities Trading Policy:

**ASIC** means the Australian Securities and Investments Commission;

**ASX** means ASX Limited ACN 008 624 691;

**Closed Period** means a fixed period specified in section 1.5 of this Securities Trading Policy;

**Family Company** has the meaning given to that term in the ASX Market Rules;

**Family Trust** means a trust defined in the ASX Market Rules;

**Inside Information** means any information that is not generally available but which, if it were generally available, a reasonable person would expect the knowledge of that information to have a material effect on the price or value of the Company's Securities;

**Insider Trading** means buying or selling, or procuring or encouraging another person to buy or sell Securities whilst in the possession of Inside Information;

**KMP or Key Management Personnel** means any person who has authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise), the CEO of the Company and other relevant senior executives who report to the CEO;

**Market-Sensitive Information** means 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;

**Material Changes** has the meaning given in the ASX Listing Rules, including any changes:

- (a) to the fixed periods when the Company's KMP, directors, senior executives are prohibited from trading in the Company's securities;
- (b) with respect to the trading that is excluded from the operation of the Company's Securities Trading Policy; and
- (c) with respect to the exceptional circumstances in which the Company's KMP, directors, senior executives may be permitted to trade during a prohibited period;

**Security** means:

- (a) a share in the Company;
- (b) a debenture of the Company;
- (c) a right or interest in a share or debenture of the Company;
- (d) a renounceable or non-renounceable right to subscribe for a share in or debenture of the Company;
- (e) a right to acquire an issued or unissued share or debenture; or
- (f) an option over an issued or unissued share or debenture of the Company;

**Standing Notice** means a notice as defined under section 192 of the Corporations Act (relating to the extent of a director's interest in a matter); and

**Trading Notice** means a notice given in writing as defined under section 1.7 of this Securities Trading Policy.

## 1.2 Background

The Board has adopted this Securities Trading Policy to regulate when and how:

- » Key Management Personnel (**KMP**)

may trade (that is, buy and sell) in the Company's Securities.

This Securities Trading Policy is also designed to regulate the communication of Market-Sensitive Information and Inside Information by KMP with the intention of minimising the risk or appearance of Insider Trading and the significant reputational damage to the Company that may result.

In this Securities Trading Policy it is important to understand:

- » the Company's Closed Periods for trading;
- » the trading restrictions that apply to KMP;
- » the types of trading that are **excluded** from this Securities Trading Policy; and
- » what constitutes an **exceptional circumstance** in which KMP, directors, senior executives may be permitted to trade during a **prohibited period** and the procedures for obtaining written clearance to do so.

This Securities Trading Policy outlines the laws prohibiting Insider Trading, the obligations on KMP, in relation to the use of Inside Information in order to gain an improper advantage for themselves or someone else, and the consequences for the Company and its KMP in the event of a breach of these laws.

This Securities Trading Policy applies to all KMP of the Company at all times, even during trading periods permitted under this Securities Trading Policy. The Company requires strict compliance with this Securities Trading Policy.

To promote compliance with the Insider Trading prohibitions under the Corporations Act as well as this Securities Trading Policy, a copy of this Securities Trading Policy will be distributed to all employees and directors upon induction.

If any Material Changes are to be made to this Securities Trading Policy, the Company **must** give the amended Securities Trading Policy to the ASX company announcements office for release to the market **within 5 days of making the Material Changes**.

Under ASX Listing Rule 12.11, the Company **must** provide a copy of this Securities Trading Policy to the ASX.

### **1.3 Obligations relating to Inside Information**

Care must be taken to ensure that the confidentiality of Inside Information is not unintentionally breached due to the information being in another person's possession.

Any KMP in possession of Inside Information concerning the Company has a duty to:

- (a) keep that information confidential;
- (b) take all reasonable steps to secure and keep secure that information in their possession; and
- (c) not disclose or communicate that information to any person without the prior written consent of the Board, except:
  - (i) where necessary to comply with any court order, applicable law or the rules of any applicable securities exchange, provided that written notice is first given to the Board of the proposed disclosure and, to the extent practicable, reasonable endeavours are made to comply with any request by the Board concerning the proposed disclosure; or
  - (ii) to any fellow employee, professional adviser, banker, auditor or other consultant of the Company (**Receiving Party**) strictly on a "need to know basis", provided that prior to disclosure, the Receiving Party is notified of the confidential nature of the information to be disclosed and gives a signed undertaking (for the benefit of the Company) agreeing to be bound by the confidentiality and other obligations in this Securities Trading Policy in relation to that information.

### **1.4 Who is restricted from trading?**

Any person who possesses Inside Information about the Company's Securities is generally prohibited from trading, even where:

- (a) the trading occurs within a permitted trading window or outside of a Closed Period as specified in this Securities Trading Policy;
- (b) the trading falls within an exclusion in section 1.6(a) of this Securities Trading Policy; or
- (c) the person has been given clearance under section 1.7 of this Securities Trading Policy to trade.

Except as provided in sections 1.6 and 1.7 of this Trading Policy, the following persons are generally restricted from trading:

» **Key Management Personnel.**

Under ASX Listing Rule 12.12.2, KMP are restricted from trading in the Company's Securities as they are required to meet high ethical standards and investors place high levels of trust and confidence in KMP. In holding an executive position, such as a director or senior executive, in the Company, KMP are most likely to be in possession of Inside Information and Market-Sensitive Information about the Company and are therefore more likely to be vulnerable to allegations of Insider Trading.

## **1.5 Restrictions on trading**

### **(a) Closed periods**

Trading in the Securities is not permitted in the period leading up to the publication of yearly and half-yearly results (**Closed Periods**). No KMP may buy or sell any Securities at any time during the following Closed Periods:

- (i) from 1 July until 1 week after the release of the Company's full year results;
- (ii) from 1 January until 1 week after the release of the Company's half year results; and
- (iii) any other period as determined by the Board from time to time.

### **(b) General prohibition**

Trading in the Securities by all KMP of the Company is prohibited when the relevant person is aware of any Inside Information. Without limiting the application of this general prohibition, the Chairperson of the Board may from time to time declare a Closed Period where there is the possibility of any person possessing Inside Information. During a Closed Period all KMP of the Company are prohibited from trading in the Securities.

## **1.6 What types of trading are permitted?**

ASX Listing Rule 12.12.3 permits trading in certain circumstances, namely if the trading falls within an exclusion, or the trading occurs within a permitted trading window, or if there are exceptional circumstances which enable the trading to occur. However, if a KMP is in possession of Inside Information about the Company's Securities prior to or while trading, no exception applies and the trading is prohibited under relevant insider trading laws.

### **(a) Excluded trades**

Where persons otherwise prohibited from dealing in the Company's securities pursuant to this policy, namely Directors and KMP (Restricted Personnel), the following dealings are specifically excluded from the application of this policy:

- (i) Where securities are held in a non self-managed superannuation fund or other saving scheme in which the Restricted Person is a beneficiary and investment decisions are made at the discretion of a third party independent of any influence by the Restricted Person
- (ii) An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party independent of any influence by the Restricted Person
- (iii) Where the Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted Person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Restricted Person
- (iv) Undertakings to accept, or the acceptance of, a takeover offer
- (v) Trading under an offer or invitation made to all or most of the security holders, including 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 rata issue
- (vi) A disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement
- (vii) 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 at a time prohibited under this policy and the Restricted Person could not reasonably have been expected to exercise it at a time when free to do so
- (viii) Transactions conducted between a Restricted Person and their spouse, civil partner, non-adult child or step-child
- (ix) Bona fide gifts to the Restricted Person by a third party
- (x) Decisions relating to whether or not to take up the entitlements under a renounceable pro rata issue.

(b) **Trading during a Closed Period in exceptional circumstances**

The Company recognises that KMP may need to trade in the Company's Securities in exceptional circumstances (even during a Closed Period).

Securities may be traded due to exceptional circumstances if:

- (i) the exceptional circumstances relate to severe financial hardship that cannot be remedied in any way other than by selling the Securities;
- (ii) the KMP is not in possession of Inside Information; and
- (iii) the KMP has complied with the procedures to clear trade contained in section 1.7 of this Securities Trading Policy.

## 1.7 Procedures to clear trade

### (a) Trading notice

Subject to any ad hoc restrictions imposed under section 1.5(a)(iii) of this Trading Policy, if a KMP wishes to trade in Securities of the Company in exceptional circumstances or during a Closed Period, they must give written notice (including via email) to the Company Secretary. In the case of the Company Secretary or Chief Executive Officer applying for clearance to trade they must seek approval from the Chairperson. In the case of the Chairperson applying for clearance to trade, they must seek approval from the head of the Audit and Risk Committee to trade. Written notice (**Trading Notice**) must be given no less than 7 business days before the proposed trade in order to determine whether such a transaction might be sensitive or infringe the general prohibition on Insider Trading (see above section 1.5 in relation to the general prohibition).

The Trading Notice must set out:

- (i) the number of Securities to be traded;
- (ii) the proposed date(s) for the trade(s);
- (iii) the exceptional circumstances involved; and
- (iv) a statement confirming they are not in possession of any Inside Information.

The Trading Notice may be a Standing Notice that the relevant person intends to buy or sell the Securities:

- (i) over a specified period, up to a maximum of 5 business days after expiry of the notice to the Chairperson (or in the case of the Chairperson applying for clearance to trade, to the head of the Audit and Risk Committee; or
- (ii) up to a maximum amount as specified in the notice to the Chairperson (or in the case of the Chairperson applying for clearance to trade, to the head of the Audit and Risk Committee).

### (b) Notifiable interests of directors

Despite the provisions of section 205G, the Company requires all directors to provide in a timely manner (and in any event not more than 3 business days after any change in their notifiable interests in the Securities) details of any change. Under ASX Listing Rule 3.19A.2, the Company is required to complete and lodge with ASX an Appendix 3Y (Change of Director's Interest Notice) within 5 business days after the change in the relevant director's notifiable interest. In lodging an Appendix 3Y Form, the following information must be included:

- (i) whether the interests that are the subject of the notification were traded during a closed period where prior written clearance under the Securities Trading Policy was required;

- (ii) if so, whether prior written clearance was obtained; and
- (iii) the date on which the prior written clearance was obtained (if available).

Details of purchases or sales of Securities by officers and employees must also be notified as soon as possible in writing to the Company Secretary to be recorded in the register kept for that purpose.

(c) **Register of Dealings**

Any director of the Company selling any of their Securities or securities of a related body corporate must submit a section 205G notice to the Company Secretary who will keep a register of all such dealings. The register will be tabled at each Board meeting and will be available for inspection by directors at any time. The Company Secretary will prepare and circulate to directors in advance of each Board meeting a summary of transactions notified since the previous Board meeting.

(d) **Clearance to trade**

- (i) The KMP must not trade in Securities unless and until permission for the proposed trade is received. A decision to permit or not to permit the proposed trade is at the sole discretion of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the head of the Audit and Risk Committee), taking into account:
  - (A) the person's circumstances and the ASX Listing Rules;
  - (B) the information set out in the Trading Notice;
  - (C) whether the Company is about to release a periodic financial report or other financial data that might come as a surprise to the market;
  - (D) whether the Company is about to make an announcement of market sensitive information; and
  - (E) whether the proposed date(s) for the trade(s) align with the Closed Periods as specified in section 1.5.
- (ii) It is at the sole discretion of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the head of the Audit and Risk Committee) whether to grant permission or clearance to trade.
- (iii) A clearance to trade can be granted or refused without reason and if new information comes to light (for example, the KMP comes to possess Inside Information), or there is a change in the circumstances of the KMP (that is, they no longer have an exceptional circumstance that applies), the Chairperson (or in the case of the Chairperson applying for clearance to trade, the head of the Audit and Risk Committee) may withdraw their clearance.
- (iv) The decision of the Chairperson (or in the case of the Chairperson applying for clearance to trade, the head of the Audit and Risk Committee) is final and binding on the KMP seeking clearance.

- (v) Where clearance to trade is refused or withdrawn, the KMP seeking clearance must keep that information confidential and not disclose the fact that their clearance to trade has been refused or withdrawn.
- (vi) Where clearance to trade is granted by the Chairperson (or in the case of the Chairperson applying for clearance to trade, the head of the Audit and Risk Committee), the KMP seeking clearance must be advised in writing (including via email) that the clearance has been granted. The notification must set out the period in which the Securities can be traded.

Any clearance to trade granted is an exemption from the operation of this Securities Trading Policy and is not an approval to trade. The KMP intending to deal in Securities is personally responsible for any decision to trade and for compliance with relevant laws.

## 1.8 Consequences of breaching this Securities Trading Policy

The Company's shares are listed on ASX and therefore under Australian law, it is a serious offence for a person including a KMP who possess Inside Information to:

- (a) engage in Insider Trading themselves; or
- (b) communicate (directly or indirectly) Inside Information to another person if they know or ought to know the other person would be likely to engage in Insider Trading.

The Company Secretary must be immediately advised of any breach of this Securities Trading Policy who, in turn, will report to the Board.

A breach of this Securities Trading Policy may result in disciplinary action, which may include termination of employment in serious cases.

A single offence for breach of Insider Trading provisions by a KMP may result in imprisonment, a substantial fine or both, in addition to other consequences (for example, paying compensation for damages suffered by the other party to the transaction or banning orders issued by ASIC which prohibit a person from supplying financial services).

## 1.9 Review

This Securities Trading Policy will be periodically reviewed to ensure it continues to operate effectively and will be amended as required from time to time.

<b>Last Review Date:</b>	23 May 2022
<b>Approval Date:</b>	23 May 2022
<b>Next Review by:</b>	June 2024