

Securities Trading Policy

1. Purpose of the Policy

This Policy applies to Directors and Senior Leadership Executives who may wish to Deal in securities of MPower Group Limited (**MPower**) or other entities in which their position creates an involvement.

This policy assists compliance with the law and ASX listing rules and aims to minimise possible penalties. Regulators such as the Australian Securities and Investments Commission and the Australian Securities Exchange together with investors seek the fair trading of securities.

2. Definitions

In this policy:

Closed Period means:

- (a) the period commencing on 1 July each year and ending on the day after MPower's preliminary final results are released to the market; and
- (b) the period commencing on 1 January each year and ending on the day after MPower's half year results are released to the market.

Confidential Price Sensitive Information means information concerning an entity's financial position, strategy or operations and any other information which a reasonable person would consider, if it were made public, would have a material impact on the price of the entity's securities. In other words, it is information which would influence a reasonable person to buy or sell an entity's securities.

Deal means either directly or indirectly acquiring or disposing of MPower's securities, including giving a mortgage or other right to a lender directly over MPower's securities.

Exceptional Circumstances means severe financial hardship or other circumstances considered to be exceptional, including a court order or court enforceable undertakings in a bona fide family settlement to transfer MPower's securities or some other overriding legal or regulatory requirement to transfer MPower's securities.

Insider means a person who possesses Confidential Price Sensitive Information either directly or indirectly.

Senior Leadership Executive means a senior executive of MPower, other key management personnel of MPower and its subsidiaries as defined under Australian accounting standards (except Directors) and other executives who are notified in writing by the Company Secretary as being within this definition.

Window means a period during which Directors and Senior Leadership Executives may deal in MPower's securities.

3. Statutory prohibitions

The Corporations Act imposes a number of obligations and duties in relation to dealing in securities by Insiders. The law in summary provides that an Insider must not:

- (a) deal in securities of an entity whilst in possession of Confidential Price Sensitive Information relating to the entity that is not generally available;
- (b) procure any other person to Deal in those securities; or
- (c) communicate the Confidential Price Sensitive Information to any person who he/she knows or ought reasonably to know will make use of the information for the purpose of dealing or procuring others to deal in those securities.

3.1 Penalties

The penalties for breach of the statutory prohibitions can include:

- (a) severe fines and or imprisonment; and
- (b) civil liability, which may include being sued by another party or MPower Group Limited for any loss suffered as a result of illegal dealing in securities.

3.2 Securities

In this policy, MPower's securities include MPower shares, any debt instruments which MPower may issue and financial products created by third parties in relation to MPower's securities (such as those which operate to limit the economic risk of holding MPower's securities).

Directors and Senior Leadership Executives are likely to have Confidential Price Sensitive Information about MPower and other entities with which MPower has relationships. Thus, if a Director or Senior Leadership Executive has acquired information in the course of the performance of his/her duties, he/she must be careful with the use of that information not to directly or indirectly acquire an advantage for himself/herself or his/her associates, particularly in the minds of others who do not have such information. In particular, it is important that when a Director or Senior Leadership Executive is considering the dealing in MPower's securities, he/ she does not make such a decision on the basis of Confidential Price Sensitive Information that he/she has because of his/her position.

With the above in mind, the following Policy has been approved for use by Directors and Senior Leadership Executives. It is not necessarily a defence to a breach of the statutory prohibitions summarised above, as any defence depends upon the law. This policy supplements the law; it does not replace or limit it.

Hence the law prohibits trading at any time if the Director or Senior Leadership Executive possesses Confidential Price Sensitive Information, irrespective of whether this policy provides trading could occur in a Window or outside a Closed Period, or whether trading is excluded from the operation of this policy.

4. MPower's Trading Policy

Subject to law:

- 4.1 Directors and Senior Leadership Executives should not Deal in MPower's securities at a time when they possess Confidential Price Sensitive Information.
- 4.2 The Windows when Directors and Senior Leadership Executives may Deal in MPower's securities are the periods:
 - (a) commencing on the day two days after MPower's preliminary final results are released to the market and ending on the next half year balance date; and

(b) commencing on the day two days after MPower's half year results are released to the market and ending on the next full year balance date.

Dealings outside these Windows are subject to the existence of Exceptional Circumstances.

4.3 Directors and Senior Leadership Executives should not Deal in MPower's securities during a Closed Period unless Exceptional Circumstances exist.

4.4 Dealings outside a Window or in a Closed Period are to be decided for Directors (other than the Chairman) by the Chairman, for the Chairman by the Audit Committee Chairman and for Senior Leadership Executives by the Chairman in each case in their sole discretion and in each case notified to the Company Secretary.

Any prior written clearance to trade in Exceptional Circumstances must specify the duration of such clearance and must be in writing (which includes email).

4.5 The Company Secretary will be responsible for maintaining a record of all notifications for presentation to the Board.

4.6 The issue of shares or the grant of options under share incentive schemes is not deemed to be a Dealing in MPower's securities. The subsequent sale of shares is, however, a Dealing which is subject to this policy.

4.7 Any securities trading which is not subject to this policy is permitted unless it breaches the statutory prohibitions summarised above. Such excluded trading includes where the trading:

(a) results in no change in beneficial interest in the securities;

(b) occurs via investments in a scheme or other arrangement where the investment decisions are exercised by a third party;

(c) occurs when the Director or Senior Leadership Executive has no control or influence with respect to trading decisions; or

(d) occurs under an offer to all or most of the security holders of MPower. The Schedule provides examples of excluded trading.

4.8 In making decisions under this policy, reference may be made to any guidance notice issued by ASX.

4.9 MPower may change, replace or withdraw this policy at any time, both on an individual and collective basis.

5. Notes

- 5.1 Prima facie, this policy should also be seen as applying to the Director's or Senior Leadership Executive's spouse, dependent children, family trusts and family companies. The circumstances may indicate this policy should not apply, for example to independent decision-making not involving the Director or Senior Leadership Executive or simply being a beneficiary or shareholder, thereby not part of the buy/sell process.
- 5.2 Directors and Senior Leadership Executives should ensure that before any transactions are undertaken by external bodies which are private and of which they are a member or trustee, for example charities or family superannuation funds, their fellow members or trustees are aware of their interest.
- 5.3 The above restrictions also apply to dealings in the securities of any other entity when, in the course of the performance of his or her duties as a Director or Senior Leadership Executive of MPower, its subsidiaries or associates, the Director or Senior Leadership Executive is in possession of Confidential Price Sensitive Information. For example, securities of acquisition targets, intermediaries or suppliers.
- 5.4 It is unacceptable to procure others to trade when the Director or Senior Leadership Executive is precluded from trading.
- 5.5 Directors and Senior Leadership Executives should be careful that third parties, including professional advisers, are subject to confidentiality with respect to Confidential Price Sensitive Information of MPower.

The Board takes the matter of dealing in MPower's securities by Directors and Senior Leadership Executives seriously and expects full compliance with this policy. Failure to comply with it by Senior Leadership Executives may result in termination of employment or other disciplinary action.

6. Disclosure by Directors

ASX Listing Rules 3.19A and 3.19B require MPower to make certain notifications and enter into certain arrangements with Directors about share trading by directors.

These rules currently only apply to Directors and not Senior Leadership Executives of MPower.

To enable MPower to meet its obligation under these rules, each Director must provide necessary information to MPower.

This requires initial, ongoing and final disclosure to MPower and applies to securities of MPower or a related body corporate.

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Schedule

Some examples of trading excluded from this policy are:

- (a) transfers of MPower's securities already held into a superannuation fund or other saving scheme in which the Director or Senior Leadership Executive is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in MPower's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Director or Senior Leadership Executive is a trustee, trading in MPower's securities by that trust provided the Director or Senior Leadership Executive 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 Director or Senior Leadership Executive;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of MPower's 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 rata issue;
- (f) a disposal of MPower's securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
- (g) trading under a non-discretionary trading plan for which prior written clearance has been provided and where:
 - (h) the Director or Senior Leadership Executive did not enter into the plan or amend the plan during a Closed Period;
 - (i) the trading plan does not permit the Director or Senior Leadership Executive to exercise any influence or discretion over how, when or whether to trade; and
 - (j) there is no cancellation of the trading plan during a Closed Period other than in Exceptional Circumstances.