



## SECURITIES TRADING POLICY

### 1.1 Introduction

This securities trading policy (**Policy**) outlines the types of conduct in dealing securities that are prohibited under the *Corporations Act 2001 (Cth)* (**Act**) and to establish a best practice for Zip Co Limited (**Zip**) that protects the Company and its personnel against the misuse or the appearance of misuse of unpublished or confidential information which could materially affect the value of the Company's securities (**Zip securities**) (otherwise known as inside information under the Act).

Zip securities includes shares in Zip, options over those shares and any other financial products of Zip whether traded on the Australian Securities Exchange (**ASX**) or unlisted.

ASX Listing Rule (**ASXLR**) 12.9 requires each entity admitted to the ASX to have a trading policy that regulates trading during certain prohibited periods and to give a copy of that trading policy to the ASX for release to the market. This Policy has been prepared to satisfy ASXLR 12.9 – 12.12.

The Company's Board of Directors has adopted this Policy which, unless otherwise stated, applies to:

- (a) all employees and directors of Zip and its related companies ("**Group**");
- (b) any consultants, contractors or other service providers deemed included by the Board, as notified from time to time;
- (c) immediate family members of all directors, officers, senior management and other senior executives, who have authority and responsibility for planning, directing and controlling the activities of the Company
- (d) companies, trusts and entities over which such executives or their immediate family members have control, or otherwise are closely connected to,  
  
(collectively referred to as **Zip Personnel**).

To ensure that Zip Personnel do not inadvertently breach the insider trading provisions of the Act, Zip Personnel are not permitted to deal in Zip securities during certain periods determined by this Policy. These periods are called **Prohibited Periods** and are determined by the provisions of this Policy. Times that are outside of a Prohibited Period are called **Trading Periods**.

During **all periods** (including Trading Periods), a written clearance request must be submitted to and approved by:

- a) (subject to (b)), the Chairman for directors, officers, senior management;
- b) the Chairman of the Audit & Risk Committee for the Chairman of the Board; and
- c) the Company Secretary, an Executive Director, or Chief Financial Officer for all other Zip Personnel,

prior to any dealing in Zip securities (in each case the **Approving Officer**). Zip Personnel should use the attached **Securities Trading Notification Form** when applying for written clearance to the Approving Officer.

As a guiding principle, Zip Personnel are discouraged from actively trading in Zip securities. Whilst Zip encourages share ownership by Zip Personnel and accepts that sales of securities by Zip Personnel may be required under certain circumstances, the Approving Officer will use their discretion in considering an application to trade in Zip securities to ensure that the spirit of this Policy is adhered to by all Zip Personnel.



If this Policy applies to you (as a Zip Personnel), and you do not understand the summary of the law relating to insider trading set out below or this Policy, or if you are confused as to whether the law applies to you, please contact an Approving Officer. You may also wish to seek your own professional legal advice before dealing in Zip securities.

## **1.2 Prohibited Conduct Under Insider Trading Provisions Zip Co Limited – Corporations Act**

- (a) As a matter of law (which includes the Act), all Zip Personnel must not **deal** (meaning any change whatsoever including, but not limited to, any sale, purchase, exercise of options (even if due to expire), discharge of any right or obligation, or transfer) in Zip securities where:
- They possess information about the Company and its business which is not generally available to the Market and other investors; and
  - That information may have a material effect on the price or value of Zip securities; and they know or ought reasonably to know that the information is not generally available and if it were, it might have a material effect on the price of Zip securities, as such information constitutes inside information.
- (b) Dealing in securities includes:
- applying for, acquiring or disposing of securities;
  - entering into an agreement to apply for, acquire or dispose of securities; and
  - granting, accepting, acquiring, disposing, exercising or discharging an option or other right or obligation to acquire or dispose of securities.
- (c) Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation by the company and/or offender to persons who suffer loss or damage because of insider trading.
- (d) Notwithstanding any other provision of this Policy, if a person holds inside information, that person must not buy or sell Company Securities, advise or direct others to do so or pass on the inside information to others. This prohibition applies regardless of how that person gained knowledge of the information.

### **Other Entities including ASX Companies**

The laws regarding inside information and prohibitions against insider trading extend to dealings in securities of **any** companies about which a person possesses material price sensitive information which is not generally available including for example, companies in a joint venture with Zip.

## **1.3 Policy for Dealing in Securities**

Subject to the overriding restriction that no Zip Personnel shall deal in any securities when they are in possession of inside information, trading is not permitted during the following Prohibited Periods:

- (a) **Lead up to release of Half Year results:** The period from 31 December each year, until the commencement of trade of securities on the ASX on the second ASX trading day following the announcement of the Company's half-year results to the ASX;



- (b) **Lead up to release of Full Year results:** The period from 30 June each year, until the commencement of trade of securities on the ASX on the second ASX trading day following the announcement of the Company's full-year results to the ASX;
- (c) **Lead up to release of Q1 results:** The period from 30 September each year, until the commencement of trade of securities on the ASX on the second trading day on the ASX following the announcement of the Company's quarterly results for the period 1 July to 30 September; and
- (d) **Lead up to release of Q3 results:** The period from 31 March each year, until the commencement of trade of securities on the ASX on the second trading day on the ASX following the announcement of the Company's quarterly results for the period 1 January to 31 March;
- (e) Any other time as determined by the Board of the Company in its sole discretion.

For clarity, where:

- (a) an ASX release in respect of items 1.3 (a) to 1.3 (d) inclusive is made **prior to** opening of trading on the ASX, the day of the announcement is confirmed as the first trading day on the ASX following the announcement; and
- (b) where an ASX release in respect of items 1.3 (a) to 1.3 (d) inclusive is made **after** the opening of trading on the ASX, the next trading day after the day of the announcement is confirmed as the first trading day on the ASX following the announcement.

All other times during the financial year are **Trading Periods** for the purposes of this Policy. However, as noted previously, even during Trading Periods, a security dealing written request must be submitted to and approved by the Approving Officer.

Convertible securities may only be exercised (or converted) in accordance with the terms and conditions of those securities and in accordance with the requirements governing their issue, and, further, in accordance with this Policy. In addition, any dealing of Zip securities acquired upon exercise or conversion of any convertible security must only occur in accordance with this Policy.

Where convertible securities are held by any Zip Personnel and the expiry date of those convertible securities is imminent, special permission for exercise/conversion is required to be obtained from the Approving Officer if the application of this Policy would otherwise prevent exercise/conversion of those convertible securities. The Approving Officer will determine such request in their absolute discretion.

#### **1.4 Other Prohibited Transactions**

Zip Personnel are prohibited from entering transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes.

Zip Personnel must not enter transactions or arrangements which operate to limit the economic risk of their security holding (including holdings of securities which are unvested or subject to a holding lock or other escrow) in the Company without first seeking and obtaining prior written clearance from the Approving Officer.

Zip Personnel must not enter into agreements with lenders with rights over their interests in Zip securities (such as margin loans or other secured financing arrangements) without first seeking and obtaining prior written clearance from the Approving Officer.



Zip Personnel must not put in place a non-discretionary trading plan in respect of their Zip securities without first seeking and obtaining written clearance from the Approving Officer. Zip Personnel must not cancel any such trading plan during a Prohibited Period unless exceptional circumstances exist and the procedure for written clearance has been satisfied.

### **1.5 General prohibition on trading**

Zip Personnel are not permitted to trade in the Company's securities during a Prohibited Period. In exceptional circumstance (as determined by the Approving Officer), Zip Personnel may be permitted to trade during a Prohibited Period.

All Zip Personnel wishing to deal in Zip securities within a Prohibited Period must request written approval. The Approving Officer will determine such request in their absolute discretion.

### **1.6 Exclusions**

The following dealings are excluded from this Policy:

- (a) Dealings in the Company's securities which do not result in a change to the beneficial interest of the securities;
- (b) Acceptance of a takeover offer; and
- (c) Trading under an offer made to all or most shareholders.

If any Zip Personnel possess inside information that is not generally available, such person is prohibited from procuring any other person to deal in those securities and from directly or indirectly communicating the information to another person who the Zip person believes is likely to deal in, or procure another person to deal in, those securities. To do so runs the risk of the commission of a serious criminal offence.

### **1.7 Breach of this Policy**

A breach of this Policy by an employee is serious and may lead to disciplinary action, including dismissal in serious cases. It may also be a breach of the law and may need to be reported to the Australian Securities & Investment Commission and the Australian Federal police.

### **1.8 Administration**

This Policy will be administered by the Company Secretary. The Company Secretary will be available to answer any questions you may have in relation to it. However, neither Zip nor the Company Secretary is to be held responsible for any answers or any act or omission by you in reliance on those answers. It is the responsibility of all Zip Personnel to comply with the law, so if in any doubt Zip Personnel should obtain their own legal advice.

This Policy may be amended by resolution of the Board.



**SECURITIES TRADING NOTIFICATION FORM**

In accordance with the requirements of the Zip Securities Trading Policy, Zip Personnel must provide prior notification to, and obtain clearance from, an Approving Officer before dealing in Zip securities.

**A response will be communicated to the applicant within 2 business days following receipt of the Share Trading Notification.**

**For completion by Zip Personnel**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

I request clearance for the following dealing in Zip securities:

<b>Nature of dealing</b>	<i>[insert full description of dealing, eg purchase of securities, sale of securities, exercise of performance awards]</i>
<b>Person/entity dealing</b>	<i>[insert the name of the person or the name of the entity dealing in the securities]</i>

I confirm the following:

- I have read and understand the Zip Securities Trading Policy and confirm that the above dealing will not contravene the Policy or any applicable laws.
- The above dealing will not occur until approved in accordance with the Securities Trading Policy.
- I understand that clearance, if granted, will be valid for 5 business days, on the condition that I do not come into possession of price sensitive information when the transaction occurs.
- I understand that clearance under the Securities Trading Policy (if given) will not be an endorsement of the above dealing, and that I remain individually responsible for complying with any applicable laws and the Policy.

Signed: \_\_\_\_\_

**For completion by the Approving Officer**

Clearance for the above dealing     has been granted             has been refused

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signed: \_\_\_\_\_