



SECURITIES TRADING POLICY

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1. Introduction

This document sets out the policy of Energy Action Limited (ACN 137 363 636) (the Company) on the disposal and acquisition (called Trading) of Securities by Directors, CEO, Senior Leadership Team and Employees (collectively called Employees) of the Company and of its subsidiaries and managed entities (the Group).

It is important that care is taken in the timing of any Trading in Securities.

2. Purpose of this Policy

The purpose of this Policy is:

- a) To require Employees to avoid conduct known as “insider trading” in relation to the Company or any other entity (see Section 6 below);
- b) Set out the restrictions on dealing in securities by Employees or associated persons or entities (see Section 7 below); and
- c) Encourage all Employees to be long-term holders of the Company’s shares (see Section 8.1 below).

Section (a) above refers to the insider trading prohibitions (Insider Trading Laws) set out in Division 3 of Part 7.10 of the Corporations Act 2001 (Cth) (the Corporations Act). This Policy provides a brief and high level summary of the law on insider trading and what constitutes insider trading. This is not an exhaustive statement of the law on insider trading.

The Company’s Policy in paragraphs (b) and (c) above goes beyond insider trading prohibition imposed by that Act.

In order to maintain transparency, this Policy is to be disclosed in the Annual Report and on the Company’s intranet and website.

3. Who is covered by this Policy?

The policy applies to all Directors, CEO, Senior Leadership Team and Employees of the Energy Action group. The policy also applies to contractors and consultants engaged by the Company who, in the course of their engagement, became in possession of inside information about the Energy Action group.

If you do not understand any part of this policy or how it applies to you, you should discuss the matter with the Company Secretary before dealing in any securities.

Contravention of this policy will be regarded as a serious matter and may give rise to criminal or civil actions.

4. Definition of Securities

For the purpose of this Policy, securities has an extended meaning to include not only shares in the Company but also derivatives and financial products, structured financial products, swaps, futures contracts, contracts for differences, spread bets, options, warrants, bonds, depository receipts, or other derivatives over or related to the acquisition or the performance of the Company shares.

5. What is dealing in Securities?

For the purpose of this policy, dealing in securities includes:-

- buying or selling (trading) securities
- entering into an agreement to acquire or dispose of the securities, or
- advising, procuring or encouraging another person (such as a family member, friend, associate, colleague, broker, financial planner, investment advisor, family company or family trust) to trade in securities.

6. The Law against Insider Trading

The Corporations Act prohibits a person from dealing, or procuring other persons to deal in the securities of a company if the person:-

- Possesses inside information about the company; and
- Know, or ought reasonably to know, that the information is inside information.

6.1 What is inside information?

Inside Information is information about a company that:-

- Is not generally available; and
- If it were generally available, would reasonably be expected to have a material effect on the price or value of Securities issued by the company.

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 securities or securities of a kind similar, 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.

Energy Action has legal obligations to immediately disclose to the market all information which would reasonably be expected to have a material effect on the price or value of its Securities. However, there are circumstances where information of this kind is not required to be disclosed, particularly if it relates to an incomplete proposal or to matters which are insufficiently definite to warrant disclosure.

6.2 Examples of inside information

The following list is illustrative only. Inside Information about a company could include:

- the Company considering a major acquisition or disposal of assets;
- the threat of major litigation against the Company;
- the Company's financial results materially exceeding (or falling short of) the market's expectations;
- a significant new development proposal;
- the likely granting (or loss) of a major contract, tenement or government approval;
- a proposed dividend or change in dividend policy;
- a proposed new share issue;
- a significant change in senior management.

6.3 Consequences of breaching prohibition against insider trading

Insider trading is a criminal offence attracting substantial fines and/or significant periods of imprisonment. Civil penalties may also apply, including the payment of compensation to any person who has suffered loss or damage because of insider trading.

In addition breaches of this policy, may damage Energy Action's reputation with ASX, ASIC and with the investment community and undermine confidence in the market for Energy Action securities. Accordingly breaches will be taken very seriously by Energy Action and will be subject to disciplinary action, up to and including termination of a person's employment or appointment.

The requirements of this policy are separate from, and in addition to the legal prohibitions in the Corporations Act 2001 (Cth) on insider trading.

7. Policy Statements

- Energy Action employees must not deal, or procure a person to deal in Energy Action Securities at any time if they are in possession of inside information about Energy Action.
- Energy Action employees must not communicate the inside information to anyone else.
- Energy Action employees and connected persons (refer 7.1) must not deal in Energy Action Securities during either of the following Blackout periods:-
 - The period between 1 July until the release of the Full Year Results
 - The period between 1 January until the release of the Half Year Results

- Any period notified by Energy Action (called an ad hoc Blackout period). E.g. This may occur in advance of any significant announcement that a reasonable person would expect to have a material impact on the company's share price.

This prohibition on dealing in Securities while in possession of inside information under this policy applies to both Energy Action Securities and the Securities of any other company.

7.1 Connected Persons

The following persons (called Connected Persons) are persons connected to an employee:

- a) spouse or domestic partner;
- b) immediate family members such as a parent, child, sibling, in-law or other relative living with the employee,
- c) subject to Section 9.4, a company or trust over whom the employee has influence or control (regardless of who is the beneficiary); and
- d) any other person over whom the employee has investment control or influence.

8. Other Restrictions

8.1 Short Term or Speculative Trading

Energy Action encourages employees to be long term investors in Energy Action securities. Speculating in short term fluctuations in Energy Action securities does not promote shareholder or market confidence in the integrity of Energy Action.

It is Energy Action's policy that you must not engage directly or indirectly in short term or speculative trading in Energy Action securities.

8.2 Exception to Short Term Trading

The disposal of shares acquired under employee share plans, including shares from the exercise of employee options or performance shares is excluded from this prohibition against short-term trading, but such disposal remains subject to Section 6 (Insider Trading Laws) and Section 7 (Blackout Periods).

8.3 Prohibition of Margin Lending

The Company prohibits the use of margin lending to acquire Energy Action securities effective from the adoption date of the updated Securities Trading Policy, as it may compromise an employee's ability to comply with this Policy or with the legal prohibition against insider trading. This is because under margin lending arrangements the margin loan may require the sale of securities during a Black-out period or at a time when the employee is in possession of inside information about Energy Action.

Notice of any margin loan arrangement in existence as at the adoption date of this Policy must be provided to the Company Secretary as soon as possible.

8.4 Anti-hedging

Directors, CEO and Senior Leadership Team are not permitted to enter into transactions with 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, Directors, CEO and Senior Leadership Team 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.

9. Exceptions

9.1 Employee Share Schemes

Section 6 (Insider Trading Laws) and Section 7 (Blackout Periods) do not apply to applications for and acquisitions under those applications of, the Company Securities by Employees made under any employee share and/or option schemes (Employee Share Scheme).

However, this Policy will apply to any subsequent disposal by Employees of Securities in the Company acquired under those Employee Share Schemes, in particular see Section 7 above.

9.2 Financial hardship or exceptional circumstances

Clearance for Trading by an employee or Connected Person may be given during Blackout Periods where the person is not in possession of inside information and either financial hardship or exceptional circumstances exist.

Clearance may be granted where the Company is satisfied that the market is trading on an informed basis. Clearance may be given for such a person to sell or dispose (but not acquire) the Company Securities. Clearance may only be given by the following persons (Designated Persons):

- the Chairman, in the case of Directors;
- the CEO, in the case of the Chairman; and
- the CEO or CFO, in the case of all other employees.

It is not possible to specify, in advance, all circumstances that may constitute financial hardship or exceptional circumstances and whether they exist will be a matter for the Designated Persons to decide, but will generally only apply in limited circumstances such as:

- cases of financial or personal hardship or necessity;
- transfers to related entities (e.g. to a superannuation fund or family trust); and
- legal duties and obligations (e.g. court orders or the administration of a deceased estate).

A request for prior written clearance must be:

- a) in writing and given by hand or email to the Designated Person prior to the proposed disposal or Securities;
- b) set out the number of Securities and the manner in which the proposed transaction is intended to occur

(whether by an on-market or off-market transaction);

- c) shall include sufficient information to demonstrate the financial hardship or exceptional circumstances and the proposed sale is the only reasonable course of action available; and
- d) a declaration that the applicant does not believe they are in possession of inside information.

The Designated Person may (in their absolute discretion) decide to grant the clearance with or without any conditions and will deliver the written clearance in writing by hand or email. The clearance will be effective for up to 10 business days from the date on which it is delivered to the applicant and the sale or disposal must be commenced within that period.

9.3 Takeovers and Schemes

Sections 6 (Blackout Periods) and 8.1 (short term trading) do not apply to prevent a person from accepting a takeover bid or from disposing of Securities under a scheme of arrangement in respect of the Company.

9.4 No material influence

Section 6 (Blackout Periods) and Section 5.1 (short term trading) do not apply to prevent Trading where no Employee has a material influence on the Trading and does not recommend or procure the Trading such as where:

- a) the Trading is decided by a controller of a managed Securities portfolio or by an investment manager where no Employee is in a position to influence the Trading;
- b) the Employee is acting as trustee or director of a trustee company and is not a beneficiary of the trust and the decision to Trade is taken by the other trustees or directors or by investment managers on behalf of the trustees independently of the Employee;

9.5 Dividend Reinvestment Plan

Section 6 (Blackout Periods) does not apply in respect of an acquisition of the Company Securities under the Company's Dividend Reinvestment Plan.

However, this Policy will apply to any subsequent disposal by Employees of Securities in the Company acquired under the Dividend Reinvestment Plan.

9.6 Employee Plans

Section 6 (Blackout Periods) does not apply in respect of an acquisition of the Company Securities under the Company's Employee Plans.

However, this Policy will apply to any subsequent disposal by Employees of Securities in the Company acquired under the Employee Plan.

9.7 Prospectus offer

Section 6 (Blackout Periods) does not apply in respect of an acquisition of the Company Securities under an offer by way of prospectus.

However, this Policy will apply to any subsequent disposal by Employees of Securities in the Company acquired under such a prospectus.

10. Dealing by Directors, CEO and Senior Leadership Team

Additional restrictions apply to the trading in Energy Action Securities by:

- Directors, CEO and Senior Leadership Team of Energy Action; or
- Any of the following:-
 - Immediate family members who live with a Director, CEO or Senior Leadership Team and any other immediate family member where the Director, CEO or Senior Leadership Team has control over their investment decisions (Designated Persons); and
 - Any company, trust, superannuation fund or other entity that is controlled by a Director, CEO or Senior Leadership Team or a Designated Person; and

A Director, CEO or Senior Leadership Team must take all reasonable steps to ensure their Designated Persons do not deal in Energy Action securities without the Director, CEO or Senior Leadership Team obtaining approval under this Policy. If approval to deal is granted, that approval will be valid for one week unless it is withdrawn.

In the case of the Senior Leadership Team:

Without limiting the other provisions of this policy, a person who is part of the Senior Leadership Team must complete the following steps if they, or their Designated Person wish to deal in Energy Action securities:-

- a) Advise Energy Action CEO or CFO of:
 - a. Their intention to deal in Energy Action securities; or
 - b. The intention of one of their Designated Persons to deal in Energy Action securities.
- b) Confirm to Energy Action CEO or CFO that the person who is part of the Senior Leadership Team does not hold unpublished inside information, and the proposed dealing is not subject to any other restriction under this policy;
- c) Following completion of the dealing by the person who is part of the Senior Leadership Team or their Designated Person confirm to the CEO or CFO that the transaction has occurred and the details of the transaction.

In the case of Directors or the CEO:

Without limiting the other provisions of this policy, a Director or CEO must complete the following steps if they, or their Designated Person wish to deal in Energy Action securities:-

- a) Advise Energy Action Chairman of:
 - a. Their intention to deal in Energy Action securities; or

- b. The intention of one of their Designated Persons to deal in Energy Action securities.
- b) Confirm to Energy Action Chairman that the Director or CEO does not hold unpublished inside information, and the proposed dealing is not subject to any other restriction under this policy;
- c) Following completion of the dealing by the Director or CEO or their Designated Person confirm to the Chairman that the transaction has occurred and the details of the transaction.

The Company Secretary, acting as agent for the Director is required to notify ASX of Trading in the Company Securities within 5 business days of such Trading taking place. A notice given by the Company to the ASX under the ASX Listing Rules satisfies the Director's obligation to notify the ASX under the Corporations Act. Any Director requiring assistance in this regard should contact the Company Secretary.

This policy will apply to any dealing irrespective of the size of security parcel.

11. Administration

11.1 Date of Effect

This Policy has been approved by Energy Action's Board and has effect from 17 October 2019.

11.2 Further information about this Policy

If you have any questions about the application of this Policy to you, contact the Company Secretary.

11.3 Review of this Policy

This Policy shall be reviewed regularly and updated as required.