

## Securities Trading Policy

### What is this Policy about?

This policy provides guidance to Directors and employees on the purchase and sale of securities of Nick Scali Limited:

- in order to avoid breaches of the Australian Corporations Act; and
- to ensure dealings by Directors and employees in Nick Scali Limited securities are fair, and are seen to be fair.

Employees requiring further information or guidance should contact their manager or Company Secretary.

### What is insider trading?

In accordance with the provisions of the Corporations Law, no employee or other person can trade in the securities of Nick Scali Limited while in possession of 'inside information', either directly or through another person.

Directors and employees should never communicate inside information to any other person.

Inside information is information which a person knows, or reasonably ought to know:

- is not generally available; and
- might have a material effect on the price of Nick Scali Limited's securities if it was generally available.

**Each Director and all employees are personally responsible to comply with this policy and the law. Directors and employees are prohibited by law from dealing in any securities if they are in possession of inside information – irrespective of whether they are otherwise compliant with this policy.**

If any person does not understand any part of this Policy or their obligations under the law or how it applies to them, they should raise this with the Company Secretary before dealing with any securities of Nick Scali Limited.

### Consequences of breaches of this policy

Insider trading is a criminal offence, attracting potential fines and imprisonment. Civil penalties and compensation may also be ordered against a person engaging in insider trading.

In addition to the consequences applicable under law, Nick Scali Limited employees who fail to adhere to the requirements of this Policy face disciplinary action, including dismissal in serious cases.

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## **Additional Requirements for Directors and Officers**

### **Who are Directors and Officers?**

For the purposes of this policy an Officer is an employee who reports to the Managing Director or any other employee so designated by the Managing Director.

### **What are Connected Entities?**

A Connected Entity of a Director or Officer in relation to Nick Scali Limited securities is any trust, company or other entity that the Director or Officer controls.

This means that each Director or Officer must take all reasonable steps to ensure that their Connected Entity complies with this Policy in relation to Nick Scali Limited Securities.

An exemption may apply where a trust is a Connected Entity because a Director or Officer acts as a trustee, the trust may deal in Securities if:

- the Director or Officer is not a beneficiary of the trust;
- the decision to deal in the relevant Securities is taken without reference to, independently of, the Director or Officer; and
- the Director or Officer is not the sole trustee.

### **Trading Windows**

Subject at all times to not being in possession of inside information, Directors, Officers and Connected Entities may deal in Nick Scali Limited securities during the eight (8) week period commencing on the second business day following:

- an announcement of Nick Scali Limited's full year financial results;
- an announcement of Nick Scali Limited's half year financial results;
- the Annual General Meeting of Nick Scali Limited; and
- any announcement by the Company indicating expected results.

Provided that such a trading window does not extend beyond the end of a Nick Scali Limited financial reporting period (half year or full year); in which case the window will instead close at the end of that reporting period.

### **Exceptions to trade outside of trading windows**

Approval to trade outside these windows will only be granted in exceptional personal circumstances, upon prior notice to and written or emailed approval from:

- in the case of Directors, the Chairman;
- in the case of the Chairman, the Chairman of the Audit Committee; and
- in the case of Officers, the Managing Director.

Unless specifically advised to the contrary, Directors and Officers may acquire or sell shares outside the specified windows through a general offer to all shareholders, such as a Dividend Reinvestment Plan, a Share Purchase Plan, or a general buy-back offer.

## **Employee Share Schemes / Options Grants / etc.**

Employees who have or may receive options, rights or similar instruments over Nick Scali Limited's securities are exempt from trading window restrictions in respect to receiving those options, rights or similar instruments. Though the Company will typically endeavour to avoid operating such schemes during restricted periods.

However, those employees may not enter into transactions in associated products without the prior approval of the Board outside of the trading windows.

## **What notifications do I need to give?**

Directors and Officers are encouraged to give prior notification to the Company Secretary of any proposed dealing in Nick Scali Limited's securities.

Directors and Officers are to advise the Company Secretary as soon as possible after a trade has occurred.

Directors' notice must be given in sufficient time so that the Company Secretary can advise, on their behalf, the Australian Stock Exchange within the required five business days. The Company Secretary must confirm to the Directors that this has occurred.