



*A wholly owned subsidiary of BSP Papua New Guinea*

Registered Office: Level 12 Suva Central Building, Cnr of Renwick Rd & Pratt Street, Suva, Fiji Islands.  
Postal Address: Private Mail Bag Suva Fiji Islands, Telephone (+679) 321 4412, Fax (+679) 321 4422

## **Market Announcement to South Pacific Stock Exchange**

### **“BSP – Revised Securities Dealing Policy”**

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#### **About BSP Convertible Notes Limited (BSPCN):**

BSP Convertible Notes Limited (BSPCN) is a wholly owned subsidiary of BSP Financial Group Limited (BSP). BSP is a Papua New Guinea based full service Bank with representation in many major Pacific economies. BSP is listed on the Port Moresby Stock Exchange (PNGX) and has a B- credit rating from Standard & Poors. BSP Convertible Notes Limited (BSPCN) is a special purpose vehicle incorporated in Fiji with limited powers under its Memorandum and Articles. It is listed in the South Pacific Stock Exchange (SPX) in Fiji as **BCN**.



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20 July 2021

## **“BSP – Revised Securities Dealing Policy”**

Our Parent Company, BSP Financial Group Limited based in Port Moresby, PNG has released this market announcement on PNGX.



**Haroon Ali**  
**DIRECTOR**

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20<sup>th</sup> July 2021

The Announcements Officer  
PNGX Markets  
Monian Tower, Office 2, Level 1,  
Douglas Street, Port Moresby.  
P.O Box 1531,  
Port Moresby 121, Papua New Guinea

Dear Announcements Officer,

**BSP Financial Group Limited (ASX: BFL | PNGX: BSP) – Revised Securities Dealing Policy**

The Board of BSP Financial Group Limited (“Company”) approved a revised Securities Dealing Policy (“Policy”) on 16 July 2021 and the revised Policy is effective from 19 July 2021.

A copy of the revised Policy was sent to the Australian Securities Exchange (“ASX”) in accordance with ASX Listing Rule 12.10 and as part of BSP’s disclosure obligation under PNGX Listing Rule 15.7.1, the same is attached for your noting.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mary Johns'.

Mary Johns  
Company Secretary

This announcement was authorised for release by Mary Johns, *Company Secretary* of BSP Financial Group Limited.

Please contact:

For Investor Enquiries  
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Head of Strategy & Investor Relations  
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# **SECURITIES DEALING POLICY**

June 2021

## Document Control

### Document Information

	Information
File Name	Securities Dealing Policy
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Version	Issue Date	Changes
1.0	3/3/2017	Original
2.0	26/3/2021	Update to comply with ASX Listing Rules
3.0	21/06/2021	Update to review trading windows and definition of "Restricted Persons"

### Document Approvals

Name	Signature / Approval	Date
Board Risk & Compliance Committee (BRCC)	Meeting Minute	1/3/2017
BSP Group Board	Meeting Minute	3/3/2017
Due Diligence Committee	Meeting Minute	26/3/2021
BSP Board	Meeting Minute	16/7/2021

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## SECURITIES DEALING POLICY

### 1. INTRODUCTION

#### 1.1 Introduction

This document sets out the policy of BSP and BSP Group concerning dealing by its Directors, Employees and those persons defined in section 6.2 (**Restricted Persons**) in Company Securities and securities of any other entities (**Policy**).

If you do not understand any part of this Policy, the summary of the law below, or how it applies to you, you should raise the matter with your manager or the Company Secretary before dealing with any securities covered by this Policy.

#### 1.2 Policy review

The Company Secretary and the Board will review this Policy every 2 years and/or as and when required to ensure it remains current and effective.

#### 1.3 Related policies

This Policy should be read together with other BSP and BSP Group policies including the Continuous Disclosure Policy, Board Charter, Shareholder Communications Policy and the Corporate Governance Principles.

### 2. RATIONALE FOR THE POLICY

Under the Papua New Guinea *Capital Market Act 2015*, Australian *Corporations Act 2001* (Cth), PNGX Listing Rules, ASX Listing Rules, SPX Listing Rules and the listing rules of any other stock exchange on which Company Securities are listed (collectively, **Listing Rules**), the insider trading laws operate to prohibit people in possession of non-public price-sensitive information from dealing in securities or passing on the information to other people who may deal in securities.

This Policy is intended to:

- (a) ensure that all Directors, Employees, Restricted Persons and any entities controlled by a Director or Restricted Person (and their associates) are aware of the insider trading laws as they apply to dealing in Company Securities; and
- (b) protect the reputation of BSP, BSP Group and its Directors, Employees and Restricted Persons by seeking to avoid the possibility that misconceptions, misunderstandings or suspicions might arise as a result of dealing by Directors, Employees, Restricted Persons and others who may be, or be perceived to be, in possession of inside information. This Policy seeks to do so by imposing additional restrictions on dealing in securities by Restricted Persons.

### 3. MEANING OF SECURITIES

For the purposes of this Policy, securities (including Company Securities) means and includes shares, debentures, options to subscribe for new shares and options over existing shares, preference shares, warrant contracts and other derivatives relating to shares.

## **4. INSIDER TRADING LAWS**

### **4.1 Prohibition**

In summary, if you have any **inside information** about BSP or BSP Group (or another relevant entity, such as a company with which BSP or BSP Group is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- (a) trade in Company Securities (or securities of the other relevant entity);
- (b) advise or procure another person to trade in Company Securities (or securities of the other relevant entity); or
- (c) pass on **inside information** to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person may, or is likely to, use that information to trade in, or procure someone else to trade in, Company Securities (or securities of the other relevant entity).

### **4.2 Consequences of insider trading**

This offence, called "insider trading", can subject you to:

- (a) criminal liability including large fines and/or imprisonment;
- (b) a civil penalty (fine) of up to hundreds of thousands of kina or dollars; and
- (c) civil liability, which may include being sued for any loss suffered as a result of illegal trading.

### **4.3 Inside information**

"Inside information" is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect that it would — or would be likely to — influence investors in deciding whether to buy or sell particular securities.

The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is **inside information**. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including BSP or BSP Group) and information which is insufficiently definite to warrant disclosure to the public.

Importantly, you need not be an "insider" to come across inside information. That is, it does not matter how you come to know the **inside information** (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

### **4.4 Examples of insider trading**

The following list is illustrative only and not exhaustive. Inside information could include:

- (a) the financial performance of BSP or BSP Group against its budget;
- (b) a possible acquisition or sale of any assets by BSP or BSP Group;
- (c) a possible change in BSP's or BSP Group's capital structure;
- (d) a proposed dividend;
- (e) senior management changes;



- (f) development of a new business line or product offering; or
- (g) any possible claim against BSP or BSP Group or other unexpected liability.

#### **4.5 Insider trading is prohibited at all times**

If you possess **inside information**, you must not buy or sell or otherwise deal in Company Securities, advise or get others to do so or pass on the **inside information** to others. This prohibition applies regardless of how you learn the information.

The prohibition on insider trading not only applies to information concerning Company Securities but to securities of other entities as well. If a person has **inside information** in relation to securities of another company, that person must not deal in those securities.

### **5. CONFIDENTIAL INFORMATION**

Related to the above, Directors, Employees and entities controlled by Directors or Employees also have a duty of confidentiality to BSP. You must not reveal any confidential information concerning BSP, use that information in any way which may injure or cause loss to BSP or BSP Group, or use that confidential information to gain an advantage for yourself.

### **6. TRADING RESTRICTIONS IMPOSED BY THIS POLICY**

#### **6.1 Additional restrictions**

Additional restrictions (described below) on dealing in Company Securities apply to Restricted Persons.

#### **6.2 Restricted Persons**

For the purpose of this Policy, **Restricted Persons** are:

- (a) all directors and officers of BSP including the CEO, if he or she is not a Director and the Company Secretary;
- (b) all directors and respective company secretaries of BSP Group;
- (c) all members of the Executive Committee, who are identified by the CEO from time to time;
- (d) all General Managers, their executive assistants and Deputy General Managers;
- (e) all Country Managers;
- (f) all Business Unit Heads and Managers;
- (g) all Finance & Planning staff involved with the preparation of BSP's financial records;
- (h) all employees who have knowledge, or information on BSP's financial performance, or any other operational information that could affect future performance, which other shareholders in the market are not aware of;
- (i) all Independent Committee Members; and
- (j) any BSP Employee designated by the Board from time to time.

### 6.3 Close family members and entities closely connected with Restricted Persons

- (i) For this Policy:
  - (a) a **close family member** of a Restricted Person means a spouse or de facto, any children (minor or adult) or parent of or living with the Restricted Person (including children of the Restricted Person's spouse or de facto); and
  - (b) a **closely connected entity** of a Restricted Person means any family company or family trust that the Restricted Person or their close family member(s)<sup>1</sup> may control or have an interest in.
- (ii) Each Restricted Person must:
  - (a) ensure that any dealing by their Closely Connected Persons are undertaken in accordance with this Policy; and
  - (b) ensure that his or her Closely Connected Persons are aware of this Policy and the restrictions it contains.

### 6.4 Reasons for additional restrictions

Restricted Persons are in positions where it may be assumed that they may come into possession of **inside information** and, as a result, any dealing by Restricted Persons (or their Closely Connected Persons) may embarrass or reflect badly on them or on BSP or BSP Group (even if a Restricted Person has no actual **inside information** at the time).

This Policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise and also to protect the reputation of BSP or BSP Group and Restricted Persons.

### 6.5 Restrictions on dealing

Restricted Persons **must not** deal in Company Securities:

- (a) without prior approval (see section 6.8); and
- (b) unless it falls within one of the following Trading Windows:
  - (i) the 20 Business Day period commencing at 10:00 am (Sydney time) on the day after the release of BSP's full-year results announcement to both PNGX and ASX;
  - (ii) the 20 Business Day period commencing at 10:00 am (Sydney time) on the day after the release of BSP's half-yearly results announcement to both PNGX and ASX;
  - (iii) the 14 Business Day period commencing at 10:00 am (Sydney time) on the day after the release of BSP's Quarter 1 updates/results announcement to both PNGX and ASX;
  - (iv) the 14 Business Day period commencing at 10:00 am (Sydney time) on the day after the release of BSP's Quarter 3 updates/results announcement to both PNGX and ASX; and
  - (v) any other period that the Board specifies from time to time.

All periods that are not a Trading Window are "closed periods" for the purposes of the ASX Listing Rules, during which time Restricted Persons are prohibited from dealing in Company Securities (subject to the exceptions set out in section 6.9).

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<sup>1</sup> Close family member is defined in paragraph (a) above.

## 6.6 Opening Trading Windows

A Trading Window may be opened by a decision of the Board in consultation with the Company Secretary as designated under BSP's Continuous Disclosure Policy.

If a Trading Window is opened, the Company Secretary will give Restricted Persons written notification of the Trading Window, generally by posting an announcement on BSP's intranet site or sending an email notification to Restricted Persons.

Restricted Persons may not assume that a Trading Window is open, even after the relevant results announcement.

A Trading Window will only be open if Restricted Persons have been notified of the opening of the Trading Window and have not been notified of any closing, suspension or withdrawal of the Trading Window.

A Trading Window may be varied, suspended or withdrawn by the Board at any time.

## 6.7 No speculative short-term trading

Restricted Persons must not trade in Company Securities on a short-term basis or for speculative trading gain, including on-market short-term buying and selling, forward contracts and short-selling. BSP considers "short-term" to be a period of 6 months or less.

## 6.8 Prior clearance for dealing

Before dealing in any Company Securities during a Trading Window, Restricted Persons must have given notice and obtained approval as set out below (and on the basis that section 4.1 does not apply).

Restricted Persons must notify BSP or BSP Group (whichever is applicable) in advance of any proposed dealing in Company Securities. The notification must be:

- (a) made in writing to the respective persons specified in section 9 at least 5 Business Days prior to the proposed dealing taking place;
- (b) provide details of the proposed dealing;
- (c) contain any additional information or confirmation that may be requested by the Company Secretary (or company secretary of the respective subsidiary, as the case may be) from time to time; and
- (d) confirm that the Restricted Person does not hold any **inside information**.

Prior notification, its receipt, and any acknowledgement of or response to any such notification is not an endorsement, approval or recommendation of the proposed dealing. Restricted Persons remain responsible for their own investment decisions and compliance with applicable laws and this Policy.

Upon:

- (a) provision of notification; and
- (b) written confirmation from the Company Secretary (or company secretary of the respective subsidiary, as the case may be) that there is no objection to the proposed dealing and that approval has been granted by the respective person specified in section 9,

the Restricted Person may undertake the proposed dealing.

The confirmation may specify a period of time of no more than 20 Business Days within which the dealing must be completed. For on-market dealings, execution must occur within the specific period but settlement may occur outside that period.

## **6.9 Exceptions for certain dealing**

As an exception to the restrictions in section 6.5(b), Restricted Persons are permitted to trade Company Securities in the following circumstances:

- (a) transfers of Company Securities to a Closely Connected Person or a Restricted Person's superannuation fund, in respect of which prior clearance has been obtained as set out in section 6.8;
- (b) a disposal of Company Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) a disposal of rights acquired under a pro rata issue;
- (d) an acquisition of Company Securities under a pro rata issue;
- (e) where a Restricted Person has been granted approval to enter into margin lending or other secured financing arrangements (see section 6.12), an involuntary disposal of securities that results from the margin lender or financier exercising its rights under the arrangement; and
- (f) under an employee incentive scheme in accordance with section 7.

Restricted Persons must still comply with the insider trading laws even where they would otherwise be permitted by this section to trade in Company Securities.

## **6.10 Exceptional circumstances**

If a Restricted Person needs to deal in Company Securities due to exceptional circumstances but such dealing would breach this Policy, the Restricted Person must apply to the person specified in section 9 for a waiver from compliance with the provisions in sections 6.5(b) or 6.7.

Exceptional circumstances include severe financial hardship, compulsion by a court order or court enforceable undertaking, an overriding regulatory requirement to transfer or accept transfer, or any other circumstances that is deemed exceptional by the person described in section 6.12.

The Restricted Person seeking a waiver under this section must apply in writing to the person specified in section 9 setting out the circumstances of the proposed dealing (including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional) and the reason the waiver is requested. A waiver will only be granted if:

- (a) the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the person specified in section 9 below) that the dealing of the relevant securities is the most reasonable course of action available in the circumstances and confirmation that the person does not possess inside information; and
- (b) the Restricted Person is selling not buying Company Securities.

A decision to grant a waiver may be given or refused by the person specified in section 7, without giving reasons and may include conditions at BSP's absolute discretion. Once given, a waiver can also be withdrawn if new circumstances come to light.

If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in securities will be 10 Business Days.

If a waiver is not granted, the Restricted Person must keep that fact confidential. A decision to refuse a waiver is final and binding.

Unless otherwise specified in the notice, any dealing permitted under this section must comply with the other sections of this Policy (to the extent applicable).

#### **6.11 Requirements after dealing**

Once a Restricted Person has completed a dealing in Company Securities, he /she must:

- (a) Advise the respective persons specified in section 9 that the dealing has been completed; and
- (b) in the case of directors of BSP, provide the Company Secretary with sufficient information (generally the price and quantity of securities traded) to enable BSP to comply with the disclosure requirements to notify PNGX, ASX and SPX of a change of the director's interests.

#### **6.12 Hedging and margin lending transactions**

A Restricted Person must not engage in transactions designed to hedge their exposure to Company Securities.

A Restricted Person must not enter into margin lending or other secured financing arrangements in respect of Company Securities, unless the prior approval of the Chairman (or his or her delegate) has been obtained.

### **7. EXERCISE OF PERFORMANCE RIGHTS**

If BSP has adopted and is utilising an employee incentive scheme under which Employees receive performance rights in the form of Company Securities, vested performance rights held pursuant to the scheme may be exercised in accordance with that scheme. However, any sale or other dealing in Company Securities acquired upon such exercise is subject to the restrictions in section 6.5 above.

### **8. DIVIDEND REINVESTMENT PLAN**

If BSP has adopted and is utilising a dividend reinvestment plan, Directors and Employees who wish to participate in the plan may only lodge a participation notice to do so during a Trading Window.

### **9. CONSENTS AND NOTIFICATIONS**

Where this Policy requires a notification to occur, or consent, or waiver to be obtained (unless the context requires otherwise) the table below sets out whom each Restricted Person must notify or seek approval from.

<b>Restricted Person</b>	<b>Person who can grant consent / approval / waiver</b>	<b>Person who must receive a copy of notification, waiver/response and confirmation that the proposed dealing has been completed</b>
Chairman	Chairperson of BSP's Board Audit and Compliance Committee (or his / her delegate)	Company Secretary
All directors of BSP (except the Chairman)	Chairman (or his / her delegate)	Company Secretary
All chairpersons of BSP Group	Chairperson of the respective subsidiary's Board Audit and Compliance Committee (or his / her delegate)	Company Secretary and where applicable, the respective subsidiary's company secretary
All directors of BSP Group (except the chairpersons)	Chairperson of the respective subsidiary board (or his / her delegate)	Company Secretary and where applicable, the respective subsidiary's company secretary
Independent Committee Members	Chairperson of the respective board committee (or his / her delegate)	Company Secretary and where applicable, the respective board's company secretary
All other Restricted Persons not specified above	CEO (or his / her delegate)	Company Secretary

## **10. RECORD KEEPING**

Restricted Persons must keep, and make available to the Company Secretary (or company secretary of the respective subsidiary, as the case may be) on request, a register of dealings by themselves and their Closely Connected Persons, in the form of a record of every dealing, together with supporting material such as contract notes or their equivalent.

## **11. BREACHES OF THIS POLICY**

Strict compliance with this Policy is a condition of employment. Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

## **12. CONTACT**

Please contact the Company Secretary if you have any queries about this Policy.

Any guidance provided in or under this Policy does not affect individual responsibility.

Approved by the Board on 16 July 2021.

## Appendix A

### GLOSSARY

Term	Definition
ASX	Australian Securities Exchange
BSP	BSP Financial Group Limited (parent company)
BSP Group	Any or all of BSP's wholly owned subsidiaries, as the context may require
Board	Board of Directors of BSP
Business Day	Calculated as a business day in Papua New Guinea
CEO	Chief Executive Officer of BSP
Chairman	Unless otherwise specified, refers to the chairman of the Board of BSP
Closely Connected Person	Any of the persons described in section 6.3 (i)
Company Secretary	Company Secretary of BSP
Company Securities	Refers to securities of BSP and its subsidiaries (in any jurisdiction), including BSP Convertible Notes Limited
Director	Unless otherwise specified, refers to a director of either BSP or a subsidiary which is part of BSP Group, as the context may require
Employee	For purposes of this policy, refers to an employee of BSP or BSP Group
PNGX	Papua New Guinea National Stock Exchange
Restricted Person	Any of the persons described in section 6.2
SPX	South Pacific Stock Exchange
Trading Window	Any of the periods specified in section 6.5 (b) (i), (ii), (iii) and (iv)