



Non-Executive Director Minimum Shareholding Requirement (MSR)

Cabcharge Australia Limited

ACN 001 958 390

Adopted by the Board on 20 June 2016

1 Purpose

This Policy details the minimum shareholding requirement applying to the non-executive directors of Cabcharge Australia Limited (**Cabcharge**).

This Policy has been adopted by the Board for the purposes of promoting alignment between the interests of Cabcharge's non-executive directors and its shareholders.

2 Who is covered by this Policy

This Policy applies to all non-executive directors of Cabcharge (**NEDs**).

3 Shares covered by this Policy

In this Policy, '**Shares**' means fully paid ordinary shares in Cabcharge.

4 Minimum shareholding requirement

During their tenure on the Board, NEDs are expected to accumulate and then hold a minimum holding of Shares equivalent to the value of **100%** of the total annual base fee for Cabcharge NEDs from time to time.

In this Policy, this requirement is referred to as the '**MSR**'.

5 Transitional arrangements – existing NEDs

A NED who is a member of the Board at the date this Policy is adopted (**Policy Adoption Date**) must meet the MSR by the 3rd anniversary of the Policy Adoption Date.

6 Transitional arrangements – new NEDs

Each NED appointed to the Board after the Policy Adoption Date must meet the MSR by no later than the 3rd anniversary of their appointment to the Board.

The MSR as set out in this Policy will be documented in the appointment letter for each NED appointed to the Board after the Policy Adoption Date.

7 Notification of required number of Shares

The Company Secretary must notify each NED in writing of the number of Shares required for that NED to meet the MSR by no later than 1 August each year.

The Company Secretary will notify in writing the number of Shares required to meet the MSR:

- (a) for NEDs on the Board at the Policy Adoption Date, as soon as practicable after the Policy Adoption Date; and
- (b) for NEDs appointed to the Board following the Policy Adoption Date, as soon as practicable after their appointment date.

8 Calculation of required number of Shares

The number of Shares required for a NED to meet the MSR is calculated as follows:

$$\text{Required number of Shares} = \frac{A}{B}$$

where:

A is the pre-tax value of the base total annual fee for Cabcharge NEDs for the preceding financial year ended 30 June, excluding Committee fees or special exigency fees.

B is the volume weighted average price of Shares over the 5 trading days immediately prior to July 1 each year.

9 Acquisition of Shares

It is intended that each NED will meet their MSR through the voluntary acquisition of Shares on-market, funded through their post-tax income.

Upon meeting the MSR in accordance with this Policy, a NED may acquire further Shares at their discretion.

10 Requirement to acquire further Shares

If the MSR notified to a NED under paragraph 7 is greater than the NED's current holding then, unless transitional arrangements apply under paragraphs 5 or 6, the relevant NED must acquire further Shares in order to meet the updated MSR by no later than the end of the current financial year (ie 30 June).

11 Board discretion to vary timing

If the reason the NED has not met their applicable MSR is by reason of:

- (1) restrictions on dealing in Shares imposed under the Share Trading Policy; and/or
- (2) exceptional circumstances as documented under the Share Trading Policy,

the Board may amend the timing or applicability of this Policy in whole or in part in relation to that NED.

12 Qualifying Shares

For Shares to qualify towards a NED's MSR, they must be owned:

- (a) by the NED;
- (b) by an entity controlled by the NED; or
- (c) through a trust or in a superannuation fund for the benefit of the NED.

13 Share Trading Policy

Notwithstanding anything to the contrary in this Policy, each NED must at all times comply with the Share Trading Policy.

Without limitation, this means that:

- (a) a NED must not acquire, dispose of or otherwise deal in Shares if they are aware of any information which, if known, might materially affect the price or value of Shares;
- (b) a NED must only acquire, dispose of or otherwise deal in Shares during a Trading Period, unless the approval has been given to deal in a Closed Period in exceptional circumstances (in accordance with the Share Trading Policy);
- (c) a NED is required to discuss any proposed trade in Shares with the Chairman and should seek prior written approval for a proposed trade in accordance with the Share Trading Policy;
- (d) all dealings in Shares by a NED are to be reported to the Company Secretary and a NED who acquires or disposes of Shares must provide the necessary detail of all changes of holdings (direct and indirect) including all contract notes within 2 business days so that the necessary notifications can be lodged with ASX; and
- (e) for the avoidance of doubt, all restrictions on NEDs dealing with Shares under this Policy are equally applicable to any dealings:
 - (1) by their spouses or de facto partners;
 - (2) by any dependent under 18 years of age; and
 - (3) by any entity related to the NED.

14 Compliance

The Corporate Governance Committee is responsible for monitoring adherence to this Policy.

15 Review

The Corporate Governance Committee will review this Policy on an annual basis and, if necessary, make recommendations to the Board in relation to amendments.

The Policy Adoption Date is 20 June 2016.