

Trading Policy

Pyrolyx AG (the **Company**)

Adopted by the Management Board on 11 July 2017

Approved by the Supervisory Board on 11 July 2017

Trading Policy Contents

1	Purpose	3
1.1	Scope	3
1.2	Who does this policy apply to?	3
1.3	Further advice	3
2	Australian and European insider trading prohibitions	3
2.1	What are the insider trading prohibitions for the purposes of the Corporations Act?	3
2.2	What are the insider trading prohibitions for the purposes of the Market Abuse Regulation?	4
2.3	What is Inside Information for the purposes of the Corporations Act?	4
2.4	What is Inside Information for the purposes of the Market Abuse Regulation?	5
2.5	When is information generally available?	6
2.6	When is information publicly known?	6
2.7	Penalties	6
3	No dealing in the Company's Securities in Closed Periods	7
3.1	Closed Periods	7
3.2	Prior notification	7
3.3	Confirmation	7
3.4	Notification of dealing	8
3.5	Register	8
	A register of notifications and confirmations is to be kept by the CEO	8
	A register of Designated Persons' interests in the Company's securities is to be kept by the CEO.	8
3.6	Securities of other entities.....	8
3.7	Associates	8
3.8	Exceptional circumstances	8
3.9	Permitted dealings	9
4	Additionally: No dealing in the Company's Securities listed at a European Stock Exchange in Closed Periods	10
4.1	Closed Periods	10
4.2	Managers	10
4.3	Trading during a Closed Period	10
4.4	Prior notification	11

4.5	Confirmation.....	11
4.6	Other provisions.....	11
5	Further restrictions.....	11
5.1	No margin lending.....	11
5.2	No short term or speculative trading.....	11
5.3	No hedging.....	11
5.4	Meaning of financial products.....	12
6	Confidential Information.....	12
7	Review and publication of this policy.....	12
	Notification to deal in the Company’s Securities.....	13
	Part A - Notification by a Designated Person.....	13
	Part B - Confirmation by the Notification Officer.....	14

1 Purpose

1.1 Scope

This policy summarises the Australian and the European law relating to insider trading and sets out the Company's trading policy on buying and selling any listed securities of the Company (**Company's Securities**).

1.2 Who does this policy apply to?

This policy applies as follows:

- (a) part 2 (Australian and European insider trading prohibitions) and part 6 (Confidential Information) apply to everyone (including all employees, contractors, family and associates);
- (b) parts 3 to 5 of the trading policy apply to all members of the management board (**Management Board**), all members of the supervisory board (**Supervisory Board**), other officers and other key management personnel of the Company, and any other person designated by the Management Board from time to time (each a **Designated Person**);
- (c) paragraph 3.7 (Associates) applies our trading policy to the family and associates of Designated Persons as specified in that paragraph; and
- (d) part 4 (Additionally: No dealing in the Company's Securities listed at a European Stock Exchange in Closed Periods) applies to all members of the Management Board and to all members of the Supervisory Board and under exceptional circumstances to certain members of the key personnel of the Company.

1.3 Further advice

If you do not understand any aspect of this trading policy, or are uncertain whether it applies to you or your family or associates, you may wish to obtain your own legal or financial advice before dealing in the Company's Securities.

2 Australian and European insider trading prohibitions

2.1 What are the insider trading prohibitions for the purposes of the Corporations Act?

Under the *Corporations Act 2001* (Cth) (**Corporations Act**), if you have Inside Information (for the Purposes of the Corporations Act, and as defined in paragraph 2.3 below) relating to the Company it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) the Company's Securities or enter into an agreement to do so; or
- (b) procure another person to apply for, acquire or dispose of the Company's Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

With respect to the Company, these prohibitions also apply to the application for, grant, exercise or transfer of an option over the Company's Securities.

It does not matter how or in what capacity you become aware of the Inside Information (for the Purposes of the Corporations Act). It does not have to be obtained from the Company to constitute Inside Information (for the Purposes of the Corporations Act).

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in the Company's Securities nor may you give "tips" concerning Inside Information (for the Purposes of the Corporations Act) relating to the Company to others.

These prohibitions apply to everyone (not just Designated Persons) at all times.

2.2 What are the insider trading prohibitions for the purposes of the Market Abuse Regulation?

Under the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 (**Market Abuse Regulation**), if you have Inside Information (for the Purposes of the Market Abuse Regulation) (as defined in paragraph 2.4 below) relating to the Company it is illegal for you to:

- (a) use that information by acquiring or disposing of, for your own account or for the account of a third party, directly or indirectly, such Company's Securities which are listed at a European stock exchange (**Company's Securities listed at a European Stock Exchange**) and to which that information relates; or
- (b) cancel or amend an order concerning such Company's Securities listed at a European Stock Exchange to which the information relates where the order was placed before you possessed the Inside Information (for the Purposes of the Market Abuse Regulation); or
- (c) recommend, on the basis of that information, that another person acquires or disposes of such Company's Securities listed at a European Stock Exchange to which that information relates, or induce that person to make such an acquisition or disposal; or
- (d) recommend, on the basis of that information, that another person cancels or amends an order concerning such Company's Securities listed at a European Stock Exchange to which that information relates, or induce that person to make such a cancellation or amendment.

With respect to the Company, these prohibitions also apply in particular to the application for, grant, exercise or transfer of an option over the Company's Securities listed at a European Stock Exchange.

It does not matter how or in what capacity you become aware of the Inside Information (for the Purposes of the Market Abuse Regulation). It does not have to be obtained from the Company to constitute Inside Information (for the Purposes of the Market Abuse Regulation).

These prohibitions apply to everyone (not just Designated Persons) at all times.

2.3 What is Inside Information for the purposes of the Corporations Act?

"**Inside Information for the Purposes of the Corporations Act**" is information relating to the Company which is not generally available (as described in paragraph 2.5 below) but, if the information were generally available, would be likely to have a material effect on the price or value of the Company's Securities.

Inside Information for the Purposes of the Corporations Act can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person. Information is regarded as being likely to have a material effect if it would, or would be likely to, influence

persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in the Company's Securities.

Examples of Inside Information for the Purposes of the Corporations Act could be:

- (a) the financial performance of the Company against its budget;
- (b) changes in the Company's actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of the Company, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of the Company;
- (e) changes to the members of the Management Board or the Supervisory Board, or significant changes in respect of other key management personnel;
- (f) an undisclosed significant change in the Company's market share;
- (g) likely or actual entry into, or loss of, a material contract;
- (h) material acquisitions or sales of assets by the Company;
- (i) a proposed dividend or other distribution or a change in dividend policy; or
- (j) a material claim against the Company or other unexpected liability.

2.4 What is Inside Information for the purposes of the Market Abuse Regulation?

"Inside Information for the Purposes of the Market Abuse Regulation" is an information of a precise nature, which is not publicly known, relating, directly or indirectly, to the Company or to one of the Company's Securities listed at a European Stock Exchange, and which, if it were made public, would be likely to have a significant effect on the prices of those Company's Securities listed at a European Stock Exchange or on the price of related derivative financial instruments.

Information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Company's Securities listed at a European Stock Exchange or the related derivative financial instrument.

Information is regarded as being likely to have a significant effect if a reasonable investor would be likely to use it as part of the basis of his or her investment decisions.

Examples of Inside Information for the Purposes of the Market Abuse Regulation could be:

- (a) disposal of core business segments, withdrawing from or taking on new core business areas;
- (b) merger Agreements as well as other essential structural measures;
- (c) profit transfer agreements;
- (d) acquisition or disposal of material shareholdings;
- (e) capital increases;

- (f) substantial change in the results of the financial statements or interim reports against previous results or market forecasts;
- (g) conclusion, amendment or termination of significant contractual relationships;
- (h) significant inventions, issue of significant patents and granting of significant licenses;
- (i) a material claim against the Company;
- (j) surprising changes in key positions of the Company.

2.5 When is information generally available?

Information is generally available for the purposes of the Corporations Act if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to ASX Limited (**ASX**) (in addition to any announcement being made by the Company to the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (**FFSA**) or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) a change in legislation which will affect the Company's ability to make certain types of investments; or
- (b) a severe downturn in global securities markets.

2.6 When is information publicly known?

Information is publicly known for the purposes of the Market Abuse Regulation if it is available to a broad investor audience and thus an indeterminate number of persons. It is irrelevant who has made the information public.

2.7 Penalties

With respect to the Australian insider trading laws, any breach may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment;
- (b) civil liability - you can be sued by another party or the Company for any loss suffered as a result of illegal trading activities;
- (c) civil penalty provisions - the Australian Securities and Investments Commission (ASIC) may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation (if the breach is committed by a director).

With respect to the European insider trading laws, any breach may subject you to:

- (a) criminal and administrative liability - penalties include heavy fines and imprisonment;
- (b) disgorgement of profits;
- (c) publication of the penalty on FFSA's website.

Breach of the insider trading laws generally, this policy, or both, will also be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal.

3 No dealing in the Company's Securities in Closed Periods

3.1 Closed Periods

Designated Persons must not deal in the Company's Securities during the following prohibited periods (except in accordance with this policy):

- (a) the following closed periods:
- from the day after the half year end (i.e. 1 July) to the close of trading on the business day after the Company's half yearly results are announced to ASX;
 - from the day after the financial year end (i.e. 1 January) to the close of trading on the business day after the Company's annual results are announced to ASX;
 - from 28 days before, to the close of trading on the business day after, the Company's annual general meeting; and
 - from 28 days before a prospectus or similar disclosure document is lodged by the Company with ASX; and
- (b) any extension to a closed period, and any additional period, as specified by the Management Board,

(Prohibited Periods).

Designated Persons may deal in the Company's Securities at other times subject to complying with insider trading prohibitions (see part 2 above) and the requirements of this policy.

Please also refer to paragraph 4 below with respect to "Closed Periods" for the purposes of the European Stock Exchange.

3.2 Prior notification

If a Designated Person proposes to deal in the Company's Securities (including entering into an agreement to deal) during a Prohibited Period they must first provide:

- (a) written notice of their intention to the CEO (or another person, as notified to the relevant Designated Person) (**Notification Officer**); and
- (b) written confirmation that they are not in possession of Inside Information for the Purposes of the Corporation Act and Inside Information for the Purposes of the Market Abuse Regulation,

in the form of the template in Appendix A part A.

The relevant Notification Officer may appoint a delegate to act on his or her behalf in the case of temporary absence.

3.3 Confirmation

Before dealing in the Company's Securities, the Designated Person must receive a written confirmation in the form template at Appendix A part B signed by the Notification Officer.

A confirmation expires ten (10) business days from its date, unless it specifies a different expiry date.

A confirmation to trade confirms that the proposed dealing by the Designated Person is within the terms of the Trading Policy but does not otherwise constitute approval or endorsement by the Company or the Notification Officer for the proposed dealing. Even if a confirmation is granted, a Designated Person remains personally responsible for assessing whether the insider trading prohibitions apply to them.

A register of notifications and confirmation is to be kept by the CEO.

3.4 Notification of dealing

In addition to providing prior notification and seeking confirmation under paragraph 3.2, Designated Persons must confirm in writing to the relevant Notification Officer, within three business days from when the dealing in the Company's Securities has occurred, the number of the Company's Securities affected and the relevant parties to the dealing (if known).

3.5 Register

A register of notifications and confirmations is to be kept by the CEO.

A register of Designated Persons' interests in the Company's securities is to be kept by the CEO.

3.6 Securities of other entities

The Management Board may extend this policy by specifying that Designated Persons are also restricted from dealing in the securities of other specified entities with which the Company may have a close relationship.

3.7 Associates

This policy also applies to associates of Designated Persons. A Designated Person must communicate on behalf of their associate with the Notification Officer for the purposes of this policy.

"Associates" of a Designated Person includes their family members, trusts, companies, nominees and other persons over whom a Designated Person has, or may be expected to have, investment control or influence. If you are in doubt as to whether a person is an associate, you should contact the CEO who will make a determination on the issue.

3.8 Exceptional circumstances

A Designated Person may request, and the Notification Officer may give, prior confirmation for the Designated Person to:

- (a) deal in the Company's Securities during a Prohibited Period; or
- (b) dispose of the Company's Securities even if otherwise prohibited under part 6,

if there are exceptional circumstances (except if this would breach the insider trading prohibitions - see part 2 above).

Exceptional circumstances may include:

- (a) severe financial hardship, for example, a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Company's Securities;

- (b) requirements under a court order or court enforceable undertakings or other legal or regulatory requirements; or
- (c) other exceptional circumstances as determined by the Chairperson (or Chief Executive Officer where the Chairperson is involved).

If the Notification Officer has any doubt in making a determination of exceptional circumstances, they should exercise the discretion with caution.

The requirements of paragraphs 3.2 to 3.4 must be complied with regarding prior notification, confirmation and notification of dealing.

3.9 Permitted dealings

The following types of dealing are excluded from the operation of part 3 of this policy and may be undertaken at any time without requiring prior notification, approval or confirmation or notification of dealing, subject to the insider trading prohibitions:

- (a) (**superannuation**) transfers of the Company's Securities which are already held in a superannuation fund or other saving scheme in which the Designated Person is a beneficiary;
- (b) (**third parties**) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) (**other trustees**) where a Designated Person is a trustee, trading in the Company's Securities by the respective trust provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- (d) (**takeover**) disposal of securities arising from the acceptance of a takeover offer or scheme of arrangement;
- (e) (**rights offers, SPPs, DRPs and buy-backs**) trading under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Management Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) (**lender disposal**) a disposal of the Company's Securities that is the result of a secured lender (or financier) exercising their rights, however, this does not extend to disposal under a margin lending agreement where such agreements are prohibited by this policy;
- (g) (**incentive scheme**) the exercise (but not the sale of Securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Company has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the Designated Person could not reasonably have been expected to exercise it at a time when free to do so;

- (h) **(trading plan)** trading under a non-discretionary trading plan for which prior written confirmation has been provided in accordance with procedures set out in this policy and where:
 - (i) the Designated Person did not enter into the plan or amend the plan during a Prohibited Period; and
 - (ii) the trading plan does not permit the Designated Person to exercise any influence or discretion over how, when, or whether to trade.

However, this policy does not allow the Designated Person to cancel the trading plan or cancel or otherwise vary the terms of their participation in the trading plan during a Prohibited Period other than in exceptional circumstances;

- (i) **(bonus issue)** acquiring the Company's Securities under a bonus issue made to all holders of the Company's Securities of the same class; and
- (j) **(subscription under disclosure document)** subscribing for the Company's Securities under a disclosure document.

4 Additionally: No dealing in the Company's Securities listed at a European Stock Exchange in Closed Periods

The following provisions apply in addition to Part 3. Therefore in case of dealing in the Company's Securities listed at a European Stock Exchange you have to observe both Part 3 and this Part 4.

4.1 Closed Periods

Managers (as defined below in paragraph 4.2) must not deal on his or her own account or for the account of a third party, directly or indirectly, relating to the Company's Securities listed at a European Stock Exchange or debt instruments of the Company or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days (**Closed Period**) before the announcement of an interim financial report or a year-end report which the Company is obliged to make public according to the rules of the European stock exchange where the shares of the Company are admitted to trading or according to German law (except in accordance with the Market Abuse Regulation).

4.2 Managers

A "**Manager**" means a person who is:

- (a) a member of the Management Board or of the Supervisory board; or
- (b) a senior executive who is not a member of the Management Board or of the Supervisory Board, who has regular access to Inside Information for the purposes of the Market Abuse regulation relating directly or indirectly to the Company and who has power to take managerial decisions affecting the future developments and business prospects of the Company.

4.3 Trading during a Closed Period

A Manager shall have the right to conduct trading on his or her own account or for the account of a third party during a Closed Period provided that the following conditions are met:

- (a) the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares of the Company; or

- (b) the trading involved is made under, or related to, an employee share or saving scheme, qualification or entitlement of shares; or
- (c) the beneficial interest in the relevant security does not change.

Additionally, the Manager must be able to demonstrate that the particular transaction cannot be executed at another moment in time than during the Closed Period.

4.4 Prior notification

In the circumstances set out in paragraph 4.3, prior to any trading during the Closed Period, the Manager shall provide a reasoned written request to the Company for obtaining the Company's permission to proceed with immediate sale of shares of the Company during a Closed Period. The written request shall describe the envisaged transaction and provide an explanation of why the sale of shares is the only reasonable alternative to obtain the necessary financing.

4.5 Confirmation

Before dealing in a Closed Period, the Manager must receive a written confirmation signed by the Notification Officer.

4.6 Other provisions

Paragraph 3.4 and 3.5 shall apply mutatis mutandis.

5 Further restrictions

5.1 No margin lending

Designated Persons are not permitted to enter into margin lending arrangements in relation to the Company's Securities. This is on the grounds that the terms may require the Company's Securities to be sold during a Prohibited Period and/or a Closed Period or when the Designated Person possesses Inside Information for the Purposes of the Corporations Act and/or Inside Information for the Purposes of the Market Abuse Regulation.

This restriction does not extend to other funding arrangements where the Company's Securities may be included as security.

5.2 No short term or speculative trading

The Company encourages Designated Persons to be long term investors in the Company.

Designated Persons must not engage in short term or speculative trading in the Company's Securities or in financial products associated with the Company's Securities. Short term means, in less than a 12 month period.

Designated Persons are not permitted to engage in short selling of the Company's Securities.

5.3 No hedging

Subject to the law, Designated Persons must not:

- (a) enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:
 - has not vested; or
 - has vested but remains subject to a holding lock; or

- (b) deal at any time in financial products associated with the Company's Securities, except for the type of dealing permitted by law or a permitted dealing under this policy.

5.4 Meaning of financial products

Financial products includes derivatives, options, warrants, futures, forward contracts, swaps and contracts for difference issued or created over or associated with the Company's Securities by third parties.

6 Confidential Information

You must treat all sensitive, non-public information ("Confidential Information") about the Company as confidential and belonging to the Company. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information.

Even within the Company, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded.

Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

7 Review and publication of this policy

The Management Board will review this policy from time to time to ensure it remains relevant to the current needs of the Company. The policy may be amended by resolution of the Management Board.

The policy is available on the Company's website.

Appendix A

Notification to deal in the Company's Securities

Instructions:

This form is to be used in conjunction with the Company's trading policy (**Trading policy**) which is available on the website. Terms defined in the Trading Policy have the same meaning in this form. If you have any questions, please contact the CEO.

Your Notification Officer is set out in the Trading Policy. If under the Trading Policy you are required to notify us of a proposed transaction, please complete Part A and send it to the Notification Officer.

If you require Confirmation to trade, you must receive Part B completed by the Notification Officer before you trade.

If required, you must send a notification of dealing and details of your trade to the Notification Officer in the time required.

Part A - Notification by a Designated Person

Name of Designated Person	
Description of Company's Securities (ie number and class of Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (ie completion date)	

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of the Company's Securities; and
- (b) the transaction in the Company's Securities described above does not contravene the Trading Policy.

Signed:

Dated:

Part B - Confirmation by the Notification Officer

This confirmation, confirms that the proposed dealing by the Designated Person is within the terms of the Trading Policy but does not otherwise constitute an approval or endorsement of the proposed dealing.

Name:

Title:

Signature:

Dated: