



Securities Trading Policy

1. INTRODUCTION

Campbell Brothers Limited (the **Company**) is a company listed on the Australian Securities Exchange (**ASX**) and has obligations to ensure that the market is kept fully informed of information which may have a material effect on the price of the Company's securities which are traded on the ASX.

This policy outlines when directors, employees, consultants, contractors and advisors of the Company and its related bodies corporate (**Company Personnel**) may deal in the Securities of the Company or in securities of other listed companies while performing duties for the Company or related bodies corporate, as well as procedures to reduce the risk of insider trading.

2. PURPOSE

All Company Personnel must be careful to ensure that if they hold or intend to trade in the securities of the Company, they do not breach in any way the insider trading provisions of the *Corporations Act 2001(Cth)* (**Corporations Act**).

In the course of providing services for the benefit of the Company, it is possible that Company Personnel will become aware of information that might have a material effect on the value of the issued securities of the Company before the release of that information to the ASX in accordance with the *Corporations Act*.

This policy sets out the Company's attitude to breaches of the insider trading rules by Company Personnel and sets out guidelines and procedures to be adopted whenever Company Personnel intend to trade in the securities of the Company.

The Company does not seek to discourage Company Personnel from trading in the securities of the Company but the Company desires that such trading comply with the insider trading provisions of the *Corporations Act*.

3. EXPLANATION OF THE LAW RELATING TO INSIDER TRADING

The following notes briefly summarise the rules about insider trading. They are not intended to cover every aspect of them but are provided to assist you in being alert to potential difficulties.

3.1 Insider Trading and Inside Information

Insider Trading refers to trading in securities of a company while in possession of *inside information* or communicating such inside information to others who may use that information to trade in a company's securities.

Inside Information is information that a person possesses about a company that they know, or ought reasonably to know, is not *generally available*, and if it were generally available, a reasonable person would expect it to have a *material effect* on the price or value of the securities of that company.

Meaning of “generally available” and “material effect”

Information is considered to be “generally available” if:

- it consists of readily observable matter; or
- it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Securities of such companies and a reasonable period for it to be disseminated among such persons, has elapsed. That is, it has been released to the ASX, published in an Annual Report or prospectus or otherwise been made generally available to the investing public and a reasonable period of time has elapsed after the information has been disseminated in one of these ways; or
- it may be deduced, inferred or concluded from the above.

Information is considered to be likely to have a “material effect” on the price or value of Securities of a company if the information would, or would be likely to, influence persons who commonly invest in Securities in deciding whether or not to acquire or dispose of those Securities. Examples of types of information that would be likely to have a material effect on a listed company’s share price include, but are not limited to:

- information regarding a material increase or decrease in a company’s financial performance from previous results or guidance;
- a proposed material business or asset acquisition or sale; proposed material legal proceedings to be initiated by or against a company;
- regulatory action or investigation undertaken by a government authority.

3.2 Insider trading prohibition

Under the provisions of the *Corporations Act*, if a person has Inside Information about a company, they must not trade in nor communicate the inside information, or cause it to be communicated, to another person if the person knows or reasonably ought to know that the other person would be likely to:

- subscribe for, purchase or sell securities or enter into an agreement to subscribe for, purchase or sell securities in that company, or
- procure a third person to do so.

The terms 'sell', 'purchase' or 'subscribe for' have a wide meaning and include granting options and assigning rights to buy, sell or subscribe for securities. **Trading** includes each of these transactions.

Securities are defined to mean shares, debentures, interests in a managed investment scheme, units of shares and option contracts under which an option is acquired over any of the foregoing types of securities.

Insider trading is prohibited at all times. There are criminal penalties and possible civil actions for damages against people who engage in insider trading.

*Some examples of **insider trading** include, but are not limited to:*

1. trading in a company’s securities when in possession of inside information relating to a company’s results before the release of such financial results to the ASX;

2. trading in securities of a company with knowledge of an impending takeover offer not yet disclosed to the ASX; or
3. procuring others to trade in a company's securities on your behalf based on your knowledge of inside information not yet disclosed to the ASX.

3.3 Continuous disclosure obligations

The Company has obligations under both the Corporations Act and the Listing Rules of the ASX to make disclosure to the ASX, and thus to the market, of information about it that a reasonable person would expect to have a material effect on the price or value of the securities.

It is important that you understand the existence of these rules so that you have an understanding of the policy set out below.

4. GENERAL POLICY

General Prohibition on Trading in the Company's Securities

In the course of carrying out your duties you may come into possession of information which may, if generally available, have a material effect on the price or value of Securities of the Company.

The law is, you must not trade in, or procure others to trade in the Company's Securities, if:

- you possess information which is not generally available;
- that information may have a material effect on the price or value of the Company's Securities; and
- you know, or ought reasonably to know, that the information is not generally available and, if it were, it might have a material effect on the price or value of the Company's Securities.

This General Prohibition overrides all other rules set out in this Policy. It applies at **all** times.

The Company's policy is that any Company Personnel who breach the insider trading rules are liable to have their services terminated. In addition, there are criminal penalties and possible civil actions for damages against persons who engage in insider trading.

If you are in doubt at all as to whether any intended trading in the securities of the Company may be in breach of the insider trading rules, you should discuss with the Company Secretary before trading in those securities.

5. TRADING BY DIRECTORS AND SENIOR EXECUTIVES

Trading Period

Without in any way limiting the prohibitions covered in the General policy, directors' and senior executives' transactions are limited, in the absence of agreement by the Board to the contrary, to those periods of 30 days after each yearly and half-yearly announcement, and Annual General Meeting (**Window Period**), and then only after checking with the Chairman (in the case of Directors) or the Managing Director (in the case of Senior Executives). Outside of the Window Period (**Closed Period**), Directors and Senior executives may in certain circumstances, including exceptional circumstances, trade in the Company's Securities

following written approval in accordance with this policy. The Managing Director may determine from time to time other officers or persons to whom this policy applies.

It must always be remembered: even when a trading Window Period is open, Directors and Senior Executives may not deal in the Company's Securities if they are in possession of Inside Information.

Closed Period

Written approval

Prior to undertaking any trading during a Closed Period, a director or senior executive must obtain written approval as set out below:

- A director of the Company must inform and secure written approval from the Chairman prior to undertaking the trade;
- The Chairman of the Company must inform and secure written approval from the Chairman of the Audit & Compliance Committee prior to undertaking the trade; and
- A senior executive of the Company must inform and secure written approval from the Managing Director prior to undertaking the trade

and written confirmation of the approved trade must be given to the Company Secretary within 2 Business days of completion of the trade for Directors and 5 Business days for Senior Executives.

Trading excluded from policy

Directors and Senior Executives are not required to obtain written approval to trade in the Company's Securities where the trading in the Company's Securities is as a result of Company-initiated corporate actions, such as employee incentive plans, dividend reinvestment plans or rights issues.

Exceptional circumstances

Written clearances for trading during the Closed Period may also be granted where severe financial hardship or a pressing financial commitment arises which cannot be satisfied other than by selling the Company's Securities.

This section 5 does not permit selling where there exists Inside Information.

6. TRADING IN SECURITIES OF OTHER COMPANIES

In the course of performing your role, you may become aware of Inside Information regarding entities other than the Company. The law is that Company Personnel must not trade in securities of other companies if they possess Inside Information in relation to that other company. This prohibition is also Company policy.

Some examples include, but are not limited to, where:

- you become aware of an impending acquisition or takeover offer to be made by the Company for another company; you must not trade in the Securities of either company; or
- you become aware of testing analysis or inspection results carried out for a client of the Company which may have a material impact on the client's Securities or their client's Securities; you must not trade in the Securities of those companies; or

- you are aware that the Company is about to sign a major agreement with another company that is likely to have an effect on the share price of either company; you must not trade in the Securities of either company.

In addition to the application of the insider trading rules to securities of other entities, all Company Personnel are also bound by a duty of confidentiality in relation to information obtained in the course of their duties.

7. HEDGING ARRANGEMENTS

Directors and senior executives must not enter into any hedging arrangement in relation to any unvested Securities of the Company which operate to limit the economic risk of any Securities issued under any equity-based incentive schemes provided by the Company while those holdings are subject to performance hurdles or are otherwise unvested. Any sale, hedging arrangement or other trade involving those securities after they have vested must be done in compliance with this Policy.

8. MARGIN LOANS

Directors and senior executives must disclose to the Board any Securities in the Company that are held as security in a margin loan arrangement so that the Board can assess whether the margin loan arrangement is material and requires disclosure to the market.

9. DISCLOSURE OF CHANGES IN DIRECTORS' NOTIFIABLE INTERESTS

Directors must advise the Company Secretary in writing of details of any trading in the Company's Securities by the director or relevant interests associated with the director within 2 business days of the trades taking place and such advice must contain sufficient information for the Company Secretary to notify the ASX of details of any transaction on behalf of the director within 5 business days of the trade.

This updated policy was approved and adopted by the Board on 29 November 2011.