

# **ALLIED BRANDS LIMITED**

## **CODE OF CONDUCT FOR TRADING IN SECURITIES**

### **1. Need for Code of Conduct**

(a) The legal duties placed on Directors and officers of Allied Brands Limited (the 'Company') and its controlled entities ('Group') in relation to transactions in the shares or other securities of the Company are onerous, and heavy sanctions apply if these duties are breached. A major issue too is the matter of price sensitive information.

(b) In view of this and the difficulties in determining whether certain information is price sensitive, the Company has decided to lay down a code of conduct ('Code') governing dealings in its securities by Directors and executives and certain employees or other persons as nominated by the Board.

### **2. Legal Constraints**

(a) Legal constraints which apply to Directors and officers of a public Company who buy or sell securities in that Company arise from the following sources:

- (i) common law;
- (ii) the Corporations Act; and
- (iii) the ASX Listing Rules.

(b) In addition, if a Director or an officer is in possession of price sensitive information, which has not been publicly disclosed, there are a number of general and some specific legal rules which provide constraints on dealing in securities.

(c) Whilst there is no legal definition of price sensitive information, in the context of this Code it can be regarded as information which relates to the financial affairs of the Company and the knowledge of which gives the person proposing to deal in securities in the Company an advantage over other shareholders in the Company.

(d) An outline of what constitutes price sensitive information is given in the Schedule to this Code.

### **3. General**

(a) Whilst the Board considers it desirable that Directors, executives and other employees of the Group should hold securities in the Company, such persons wishing to trade (buy or sell) such securities must have regard to the legal constraints and to the spirit of this Code.

(b) No such persons may trade in securities of the Company either for short term speculative gain or whilst in possession of price sensitive information which concerns the Group and which is not generally available.

(c) Such trading is not permissible, whether concluded personally or through or in the name of a family member, trust or company in which the Director, executive or employee has any influence or control.

#### **4. No Dealing Permitted During a Non-Trading Period**

Subject to dealing Rules 5 to 12, Directors, executives and employees are permitted to deal in the Company's shares throughout the year except during the periods commencing from 5 weeks preceding the announcement of:

(a) the annual results; and

(b) the half-yearly results;

and ending at the end of the day of the announcement.

Each period is referred to as the Non-Trading Period.

The period when dealing is permitted is called the Trading Period.

#### **5. Notice of Non-Trading Period**

Notice of the commencement and closure of the Non-Trading Period will be notified to Directors, executives and employees by the Chief Executive Officer or Company Secretary although such persons should be generally cognizant of this period even if not so notified.

#### **6. Requirement to Notify & Receive Confirmation Before Dealing**

If Directors, executives or employees wish to deal in the Company's securities during the Trading Period they must first give reasonable notice of their intention:

(a) in the case of Directors, to the Chairman (and in the case of the Chairman, to another Director); and

(b) in the case of executives or employees, to the Chief Executive Officer;

and then not actually deal until they receive confirmation in writing or by email from the notified person.

#### **7. Prohibition in Dealing While in Possession of Relevant Information**

Dealing in the Company's shares is subject to the prohibition that a Director, executive or employee must not deal in the Company's shares:

(a) at any time when they are in possession of unpublished, information which, if generally available, might materially affect the price or value of those Company shares; and

(b) on the day the public announcement is made in relation to the matter.

## **8. Prohibition on Active Dealing**

Dealing during a Trading Period is subject to the prohibition that a Director, executive or employee must not actively deal in the Company's shares with a view to deriving profit-related income from that activity. For this purpose "actively deal" means to deal in Company shares in a manner which involves frequent and regular trading activity.

## **9. Effect of Notification**

Notification of any dealing in the Company's shares does not constitute approval by or on behalf of the Company of the relevant dealing.

## **10. Special Approval to Deal During the Non-Trading Period**

If there are exceptional circumstances, for example a pressing financial commitment, then approval may be given by:

(a) the Chairman, or if absent the Chief Executive Officer, in their discretion to an executive or employee to deal during the Non-Trading Period;

(b) the Chairman, in his discretion to a Director to deal during the Non-Trading Period;

(c) the Chairman and the Chairman of the Audit Committee, in their discretion to the Chief Executive Officer to deal during the Non-Trading Period; and

(d) the Chief Executive Officer and the Chairman of the Audit Committee, in their discretion to the Chairman to deal during the Non-Trading Period.

Any such approval must be obtained in advance. It cannot be given after the event.

A dealing for which such special approval is given remains subject to Rules 6, 7, 8 and 9.

The discretion will be applied, taking into account the hardship of the Director, executive or employee and weighing this against any perceived detriment to the Company's reputation.

## **11. Notice of Change to Trading Period or Non-Trading Period**

The Non-Trading Period, as outlined in Rule 4, may be extended or shortened or another Non-Trading Period may be introduced at any time by direction of the Board. Notice of such changes will be notified to Directors, executives and employees.

Changes to the Non-Trading Period or Trading Period are effective immediately upon the giving of such notice.

A dealing during any such change remains subject to Rules 6, 7, 8 and 9.

## **12. Informing the Company**

(a) The Corporations Act requires Directors to give written notice to the ASX of particulars of all dealings in the Company's securities and the ASX Listing Rules require this notice to be given within 5 business days of such dealings. It is the individual responsibility of each Director to ensure that they notify the Company Secretary of any such dealings as soon as reasonably possible and in any event within 2 business days of the dealing. The Company will then give notice to the ASX on behalf of the Director.

(b) All executives, employees and nominated persons are required to notify the Company of dealings in the Company's securities within 14 days of such dealing regardless of when that dealing occurred. This should be done by written notice to the Company Secretary detailing:

- (i) name of shareholder;
- (ii) date of transaction;
- (iii) type of transaction (such as purchase or sale);
- (iv) number of securities; and
- (v) price per security.

Such notification is required from Directors, executives and employees who have been involved in any dealing in the Company's securities either personally or through a family member, trust or company. Such notification is necessary whether or not prior notice of intention to deal has been given.

## **13. Persons covered by this Code**

This Code applies to all Company and Group Directors and executives and to all employees and other persons nominated by the Board.

Such persons are deemed to include the following:

- (a) all Directors, the Company Secretary and officers of the Company;
- (b) key executives including the Chief Executive Officer, Chief Financial Officer and any director of a subsidiary of the Company;
- (c) corporate and divisional accounting officers and staff reporting directly to any of the above executives;

(d) secretaries and assistants performing confidential work and reporting to any of the above positions; and

(e) members of corporate staff who have access to Group results;

and any, contractors, consultants and other persons specifically nominated by the Board.

#### **14. Securities covered**

(a) This Code applies to all securities issued by the Company from time to time including ordinary shares, preference shares, debentures, convertible notes, options, etc.

(b) This Code does not apply to the acquisition of securities of the Company issued pursuant to new issues or dividend reinvestment plans where the issues are available pro rata to all shareholders.

#### **15. Families & Trusts**

Persons included under this Code must not trade in the name of and/or through their family members or through a trust or company in which they have influence or control, in circumstances where they would have been prohibited from trading in their own name.

#### **16. Other corporations' securities**

Trading by persons included under this Code in the securities of other corporations in which the Company has a substantial investment interest (10% or more) are subject to the same procedures as for securities in the Company.

#### **17. Trustees**

A person who is included under this Code and who is a joint trustee or a trustee of a deceased estate should advise his co-trustees or trust beneficiaries, as the case may be, of his relationship with the Company and the consequential restrictions on his ability to give advice in respect of securities of the Company.

## SCHEDULE

### Price Sensitive Information

Price sensitive information can be regarded as information that relates to the financial affairs of the Company the knowledge of which may give the person proposing to deal in securities in the Company an advantage over other shareholders in the Company and if it were generally available would be likely to materially affect the price of those securities.

Information such as material changes in turnover, current or prospective profit figures, proposed action in the form of dividends, bonus or new share issues, proposed major disposals or acquisition of assets and proposed major contracts beyond the size and nature of contracts normally undertaken by the Company, could be considered to be price sensitive.

Information concerning the Company related to the following subjects could also be regarded as price sensitive:

- proposed changes in the share capital structure;
- information to be disclosed under the provisions of the Corporations Act or ASX Listing Rules;
- proposed changes to the Board other than the filling of a casual vacancy or a retirement due to ill health or some similar situation;
- proposed changes in the general character or nature of the business;
- information regarding changes in the holdings of substantial shareholders;
- proposed significant changes in the shareholdings of the Directors;
- appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by it or any of its subsidiaries;
- a recommendation or declaration of a dividend or distribution;
- a recommendation or declaration that a dividend or distribution will not be declared;
- under subscriptions or over subscriptions to a share issue;
- a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets;
- a claim against the Company for which the excess and/or damages payable by the Company is a significant proportion of the written down value of the Company's consolidated assets;
- information about the beneficial ownership of securities obtained under Part 6C.2 of the Corporations Act;
- giving or receiving a notice of intention to make a takeover; or
- an agreement between the Company (or a related party or subsidiary) and a Director (or a related party of the Director).