



## **Hudson Investment Group Limited Policy on Dealing with Company Securities**

### **1. Policy introduction**

This policy statement sets out the policy of Hudson Investment Group Limited (“**the Company**”) for Directors, officers, key management personnel, contractors and all other employees dealing in the securities of the Company.

This policy aims to ensure that the reputation of the Company is not adversely impacted by perceptions of trading in the Company’s securities at inappropriate times or in an inappropriate manner.

The policy’s intention is to ensure that Directors, officers and other company personnel do not make improper use of “price sensitive information” gained through their position in the Company. This is consistent with the insider prohibition in the Corporations Act, 2001.

### **2. Insider trading prohibition**

1. In board terms, you will be engaging in conduct know as insider trading if:
  - a. You possess information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the company’s securities (i.e. information that is “price sensitive”);and
  - b. You engage in one or more of the activities described below:
    - i. deal in securities in the Company (which includes securities, options and warrants) or enter into an agreement to deal in securities of the Company;
    - ii. deal in derivatives or other similar products or hedge in relation to any securities in the Company held by you directly or indirectly (collectively defined as “hedge the securities”) or enter into an agreement to do any of these things;
    - iii. advise, procure or encourage another person (for example a family member, a friend, a family company or trust) to deal in the securities in the Company or enter into an agreement to deal in the securities of the Company; or
    - iv. communicate that information or cause that information to be communicated, to a third party where you know, or ought reasonable to know, that the third party would be likely to deal in the securities or procure someone else to deal in the securities of the Company.

It is the responsibility of each Director, key management personnel, contractors and all other employees to ensure that they do not do any of the things prohibited by the insider trading law. There may be significant criminal and civil liability and penalties imposed on those who breach the law concerning insider trading.

### 3. Price sensitive information

In this policy the term “price sensitive information” means information which:

- a. Is not generally available;
- b. If made generally available, is likely to have an effect on the price or value of the Company's shares (or securities of another entity).

Whether information is likely to have an effect on the price of the shares or securities is judged by whether it would affect a reasonable investor's investment decision.

Such information may include matters of supposition, matters that are sufficiently definite to warrant being made known to the public, and matters relating to the likely intentions of the Company (or another listed entity).

Examples of possible price sensitive information include, but are not limited to:

- a. financial performance,
- b. entry into, or termination of a material contract,
- c. a material acquisition or sale of assets,
- d. an actual or proposed takeover or merger,
- e. an actual or proposed change to the capital structure,
- f. a proposed dividend or change in dividend policy, and
- g. a material claim or any other unexpected liability.

The term “generally available” means information that has been disclosed to the market under continuous disclosure obligations or information that has otherwise been made public.

### 4. Application of the Policy

This policy applies to all Directors of the Company, officers, contractors, other key management personnel and to all the employees with access to the Company's financial information and results of operations.

### 5. Share Trading Policy

#### Closed periods

In addition to the specific prohibition set out under the heading Insider Trading Prohibition Directors and all other employees must also not deal in the Company's Securities during the following periods:

- Within 1 month immediately preceding and 48 hours immediately following the release by the Company of its annual results to the ASX;
- Within 1 month immediately preceding and 48 hours immediately following the release by the Company of its half-yearly results to the ASX;
- Within 2 weeks immediately preceding and 48 hours immediately following the Company's Annual General Meeting; and
- Other periods as advised by the Board or Chief Executive Officer.

Requests to trade during the closed periods may be considered in exceptional circumstances. The current procedure is that a written request is made to the Chairman and/or an independent director if the Chairman makes the request, describing the claim. Any approval to trade should be in writing and will be determined on a case by case basis.

Exceptional circumstances include:

- a severe financial hardship due to a pressing financial commitment that cannot be satisfied otherwise by selling the relevant securities in the Company;
- a court order, or an enforceable court undertakings relating to a family settlement to transfer or sell securities in the Company, or some other overriding legal or regulatory requirement relating to you to comply;
- it is recognised that exceptional circumstances may arise that have not been considered in the policy and those requests will be considered if they arise;

- approvals to trade in exceptional circumstances will be in writing including email authority and will be for a period of 5 business days.

## **6. Prohibited periods**

These periods include the closed periods as well as, where there is price sensitive information that has not been released to the ASX as the result of Listing Rule 3.1A being in operation. Examples include where disclosure of information is forbidden by law, or where negotiations are incomplete, involve trade secrets, or concern information generated internally for the purposes of the Company.

## **7. Other periods**

At all other times, Directors, key management personnel and all other employees are not permitted to buy and sell securities in the Company without first obtaining written or email consent from the Chairman. When the Chairman trades Company securities written approval has to be obtained from an Independent Director.

That consent will normally be granted provided there is no price-sensitive information known to the Company that has not been disclosed to the market in accordance with ASX exemptions from mandatory disclosure

Exclusions from the securities trading policy:

This policy does not apply to the following trading examples:

- transfer of securities held in a superannuation fund or other savings scheme of which the restricted person is a beneficiary;
- investment in securities, where the assets of the fund or other scheme are invested at the discretion of a third party;
- undertakings to accept, or the acceptance of a takeover offer;
- trading under an offer or plan or invitation made to all security holders;
- a disposal of securities that is the result of the securities lender exercising their rights, for example under a margin lending agreement; and
- the exercise (but not sale following exercise) of an option or right under the Company's ESOP or incentive arrangements, unless the final date of the option falls within a prohibited or closed period.

## **8. ASX notification by Directors**

Directors should note that the Corporations Act obliges a director to notify the ASX within 14 days after any dealing in the Company's securities (either personally or through a third party) which results in a change in the relevant interests of the director in the Company's securities. In addition, under the ASX Listing Rules the Company is required to notify the ASX:

- a. Of such dealings within 5 business days of such dealings taking place; and
- b. Whether the dealings occurred during a 'closed period' and if so whether written clearance was obtained.

Directors have agreed with the Company to provide notice of such dealings to the Company as soon as possible after such dealing to enable the Company to comply with its obligations under the Listing Rules. A notice given by the Company to the ASX under the ASX Listing Rules satisfies the director's obligation to notify the ASX under the Corporations Act. Any director requiring assistance in this regard should contact the Company Secretary.

## **9. Securities of Other Companies**

The prohibition in the Corporations Act against insider trading applies equally to where price sensitive information is held by a person about another listed company or entity. This may occur, for example where in the course of negotiating a transaction with the Company, another listed entity provides confidential information about itself or another listed entity. Accordingly, if a person is in possession of insider information in relation to the securities of another listed entity, they must not deal in those securities.

## **10. Prohibition on short-term speculative trading**

It is contrary to the Company's policy for persons to engage in short-term trading of the Company's securities as short-term speculative trading does not promote market confidence in the integrity of the Company.

## **11. Questions and contact**

If there are any doubts regarding your proposed trading in the Company's shares you should contact the Company Secretary.

## **12. Review of this Policy**

The Company Secretary is responsible for keeping this policy up to date. A formal review of the policy takes place annually.

This Policy will be submitted for review by the Audit Committee, who will make recommendations to the full board. The Board is responsible for approving the Policy.