

## Updated Securities Trading Policy

Silk Logistics Holdings Limited (ASX:SLH) (“Silk” or the “Company”) advises that, in accordance with ASX Listing Rule 12.10, the Company has updated its Securities Trading Policy. A copy of the updated Securities Trading Policy is attached and it is also available on the Company’s website at <https://www.silklogistics.com.au>.

*This announcement is authorised for release by the Company Secretary of Silk Logistics Holdings Limited.*

**For further information, please contact:**

**Company Secretary**

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# Securities Trading Policy

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Silk Logistics Holdings Limited

ACN 165 867 372

Version: 2.0

20 February 2023

## Document History

Version	Summary of Amendments	Approved by	Approval date
1.0	New Securities Trading Policy	Board of Directors	19 April 2021
2.0	Annual Review of the Policy	Board of Directors	20 February 2023

## Other Policy Details

Key Information	Details
Approval Body	Silk Logistics Holdings Limited Board of Directors
Key Stakeholders	Silk Logistics Holdings Limited Board of Directors Silk Logistics Holdings Limited Senior Management
Responsibility for Implementation	Chief Executive Officer
Policy Custodian	Company Secretary
Next Review Date	20 February 2024

## Legislative and Regulatory Framework

Authority	Law, Resolution or Regulation
ASX Corporate Governance Council	ASX Corporate Governance Principles and Recommendation (2019) ("ASX Principles")
Australian Government	Corporations Act 2001 (Cth) ("Corporations Act")

## 1. Introduction

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- 1.1 This Securities Trading Policy (the “**Policy**”) sets out the policy of Silk Logistics Holdings Limited (the “**Company**”) on dealings by directors of the Company (the “**Directors**”) and employees in:
- (a) securities of the Company (“**Company Securities**”); and
  - (b) securities of other entities.
- 1.2 If you do not understand any part of this Policy, the summary of the law or how it applies to you, you should raise the matter with your manager or the Company Secretary before dealing with any securities covered by this Policy.

## 2. Objectives

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- 2.1 The Corporations Act prohibits any person/ company (“**Insider**”) in possession of non-public, price sensitive information (“**Inside Information**”) from acquiring or disposing of securities or passing on the Inside Information to other people who may deal in securities.
- 2.2 This Policy is intended to:
- a) ensure that all Directors, employees and contractors of the Company (and their associates) are aware of the trading restrictions when trading in Company Securities; and
  - b) protect the reputation of the Company and its Directors by seeking to avoid the possibility that misconceptions, misunderstandings or suspicions might arise as a result of trading by Directors and others who may be, or be perceived to be, in possession of Inside Information.
- 2.3 This Policy seeks to do so by imposing additional restrictions on the trading of securities by Restricted Persons (as defined below).

## 3. Application

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- 3.1 This Policy applies to:
- a) all directors and officers of the Company (including the CEO);
  - b) all direct reports to the CEO;
  - c) all other personnel of the Company (including employees, consultants and contractors);
  - d) ‘closely related parties’ (as the term is defined in the Corporations Act) of all directors and officers of the Company, the CEO, all direct reports to the CEO and all other Personnel of the Company.
- (collectively “**Relevant Persons**”)
- 3.2 Relevant Persons must take appropriate steps to ensure that their closely related parties do not breach this Policy. Accordingly, where this Policy requires a Relevant Person to obtain clearance, that person must also do it for their closely related parties or ensure that their closely related party does it.

- 3.3 Annexure 1 contains a Guidance Note assisting with the definitions used in this Policy, in particular 'closely related parties'.

## 4. Meaning of "Securities"

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- 4.1 For the purposes of this Policy, "**Securities**" means shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts and other derivatives relating to the shares.

## 5. Insider Trading Rules

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### Prohibition

- 5.1 If you have any Inside Information (see definition in section 0) about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:
- a) trade in Company Securities (or securities of the other relevant entity);
  - b) advise or procure another person to trade in Company Securities (or securities of the other relevant entity); or
  - c) pass on Inside Information to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, Company Securities (or securities of the other relevant entity).

### Consequences of insider trading

- 5.2 This offence, called "**insider trading**", can subject you to:
- a) criminal liability including large fines and/or imprisonment (or both)
  - b) a civil penalty (fine) of up to hundreds of thousands of dollars; and
  - c) civil liability, which may include being sued for any loss suffered as a result of illegal trading.

### Inside Information

- 5.3 "**Inside information**" is information that:
- a) price sensitive;
  - b) is not generally available; and
  - c) if it were generally available, a reasonable person would expect that it would (or would be likely to) influence investors in deciding whether to buy or sell particular securities.
- 5.4 The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is Inside Information. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.
- 5.5 Importantly, you need not be an "**Insider**" to come across Inside Information. That is, it does not matter how you come to know the Inside Information (for example, you could learn it in

the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

5.6 Examples of insider trading, include the following (but not limited to);

- a) the financial performance of the Company against budget
- b) a possible acquisition or sale of any assets by the Company;
- c) a possible change in the Company's capital structure;
- d) a proposed dividend;
- e) senior management changes;
- f) development of a new business line or product offering; or
- g) any possible claim against the Company or other unexpected liability.

5.7 Insider trading is prohibited at all times.

5.8 If you possess Inside Information, you must not buy or sell Company Securities, advise or get others to do so or pass on the Inside Information to others. This prohibition applies regardless of how you learn the information.

5.9 The prohibition on insider trading applies not only to information concerning Company Securities. If a person has Inside Information in relation to securities of another company, that person must not deal in those securities.

## **6. Confidential Information**

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6.1 Directors, employees and contractors also have a duty of confidentiality to the Company.

6.2 You must not reveal any Confidential Information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for yourself.

## **7. Trading Restrictions**

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### **General**

7.1 This Policy, and the laws and regulations to which it refers, apply equally to both the buying and the selling of Securities.

7.2 Wherever the words '**trading**' or '**dealing**' are used, you should take that to mean both buying and selling and note that it makes no difference how many Securities are bought or sold, nor whether you make a profit or a loss on that transaction.

7.3 You cannot undo or cancel a restricted or illegal trade, so you must consider your position before you act.

## Additional Restrictions

- 7.4 Additional restrictions (described below in 0) on trading in Company Securities apply to Restricted Persons (defined below in 0).

## Restricted Persons

- 7.5 "Restricted Persons" are:
- a) all Directors (including the CEO);
  - b) all other key management personnel of the Company; and
  - c) employees who have been notified that they are Restricted Persons for the purposes of this Policy.
- 7.6 Close family members and entities closely connected with Restricted Persons are defined as follows:
- a) a "**close family member**" of a Restricted Person means a spouse or de facto, any minor children or children living with the Restricted Person (including children of the Restricted Person's spouse or de facto); and
  - b) a "**closely connected entity**" of a Restricted Person means any family company or family trust that the Restricted Person or their "close family members" may control or have an interest in
- (collectively, **Closely Connected Persons**).
- 7.7 Each Restricted Person must:
- a) ensure that any trading by their Closely Connected Persons are undertaken in accordance with this Policy; and
  - b) ensure that their Closely Connected Persons are aware of this Policy and the restrictions it contains.

## Additional Restrictions

- 7.8 Restricted Persons are in positions where it may be assumed that they may come into possession of Inside Information and, as a result, any trading by Restricted Persons (or their Closely Connected Persons) may embarrass or reflect badly on them or on the Company (even if a Restricted Person has no actual Inside Information at the time).
- 7.9 This Policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise and also to protect the reputation of the Company and Restricted Persons.

## Restrictions on Dealing

- 7.10 Restricted Persons must not deal in Company Securities:
- a) without prior approval (refer section 7.15);
  - b) during any of the following blackout periods:
    - (i) the period each year from the close of trading at the end of the full financial year until 10.00am on the next trading date following the announcement to ASX of the preliminary final statement or full year results;

- (ii) the period each year from the close of trading at the end of the financial half year until 10.00am on the next trading day following the announcement of half-yearly results; and
- (iii) any other period that the Company specifies from time to time.

#### **No speculative short-term trading**

- 7.11 Restricted Persons should not trade in Company Securities on a short-term basis or for speculative trading gain.
- 7.12 The Company considers "short-term" to be a period of 6 months or less.

#### **Blacklisted Trading Company**

- 7.13 The Company may determine a blacklist of trading companies from time to time and the list will be shared with Restricted Persons and other employees of the Company.
- 7.14 Restricted Persons should not trade in Securities in a blacklisted trading company without prior approval (refer section 7.15)

#### **Prior clearance for dealing**

- 7.15 Restricted Persons are only permitted to deal in Company Securities and/or Securities in a blacklisted trading company if they have given notice and obtained approval as set out below (and on the basis that the prohibition prescribed in section 5.1 does not apply).
- 7.16 Restricted Persons must notify the Company in advance of any proposed dealing in Company Securities and/or Securities in a blacklisted trading company. The notification must be made to the person set out in section 8 and confirm that they do not hold any Inside Information.
- 7.17 Upon:
  - a) provision of notification; and
  - b) confirmation by the Company Secretary that there is no objection to the person trading, the Restricted Person may undertake the proposed dealing.
- 7.18 The confirmation may specify a period of time within which the trading is to occur.

#### **Exceptions for certain trading**

- 7.19 As an exception to the restrictions in the rule set out in section 7.10, Restricted Persons are permitted to trade Company Securities in the following circumstances:
  - a) transfer of Company Securities to a Closely Connected Person or a Restricted Persons' superannuation fund, in respect of which prior clearance has been obtained as set out in section 7.15;
  - b) a disposal of Company Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
  - c) a disposal of rights acquired under a pro rata issue;
  - d) an acquisition of Company Securities under a security purchase plan or dividend purchase plan where the Restricted Person did not commence or amend their participation in the plan during a blackout period;



- e) an acquisition of Company Securities under an employee incentive scheme (however, the additional restrictions in his policy apply to any subsequent trade of any Company Securities issue to (or for the benefit of) a Restricted Person under an employee incentive scheme;
  - f) where a Restricted Person has been granted approval to enter into margin lending or other secured financing arrangement, an involuntary disposal of securities that result from the margin lender or financier exercising its rights under the arrangement.
- 7.20 Restricted Persons are reminded that they must still comply with the insider trading rules even where they would otherwise be permitted by this section 7.19 to trade in Company Securities.

### **Exceptional circumstances**

- 7.21 If a Restricted Person needs to deal in Company Securities due to exceptional circumstances but such dealing would breach this Policy, the Restricted Person must apply to the person specified in section 8 for a waiver.
- 7.22 Exceptional circumstances include severe financial hardship, compulsion by a court order or any other circumstances that are deemed exceptional
- 7.23 The Restricted Person seeking a waiver under this section must apply in writing to the person specified in section 8, setting out the circumstances of the proposed dealing (including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional) and the reason the waiver is requested. A waiver will only be granted if the Restricted Person's application is accompanied by sufficient evidence that the dealing of the relevant securities is the most reasonable course of action available in the circumstances and confirmation that the person does not possess Inside Information.
- 7.24 A decision to grant a waiver may be given or refused, without giving reasons. Once given, a waiver can also be withdrawn if new circumstances come to light.
- 7.25 If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in securities will be 5 business days.
- 7.26 If a waiver is refused, the Restricted Person must keep that confidential.

Unless otherwise specified in the notice, any dealing permitted under this section must comply with the other sections of this Policy (to the extent practicable).

### **Requirements after Trading**

- 7.27 Once a Restricted Person has completed a trade in Company Securities, the Company Secretary must be:
- a) advised that the trade has been completed; and
  - b) in the case of Directors, provided with sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

## Short-selling, hedging and margin lending transactions

- 7.28 A Restricted Person must not engage in short-selling in respect of the Company's Securities.
- 7.29 A Restricted Person must not engage in transactions designed to hedge their exposure to Company Securities.
- 7.30 A Restricted Person must not enter into margin lending or other secured financing arrangements in respect of Company Securities, unless the prior approval of the Chairman (or his or her delegate) has been obtained.

## 8. Consents and Waiver

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- 8.1 Where this Policy requires a notification to occur, or consent, or waiver to be obtained (unless the context requires otherwise) the table below sets out whom each Restricted Person must notify or seek approval from, in the form set out in Annexure 2.

Restricted Person	Person to obtain consent	Person to Notify
Chairman of the Board	The Board	The Board and the Company Secretary
Other Restricted Persons	Chairman of the Board (or his or her delegate)	Chairman of the Board (or his or her delegate) and the Company Secretary
Un-Restricted Persons	CEO and CFO	CEO, CFO and Company Secretary

## 9. Breaches of this Policy or the Law

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- 9.1 Breaches of the insider trading laws have serious consequences for both the Relevant Person concerned and the Company.
- 9.2 A person who contravenes or is involved in a contravention of the provisions of this Policy or the Law may also be liable to compensate any person who suffers loss or damage resulting from the conduct. In addition, an actual or suspected breach of the insider trading Laws may also give rise to adverse public scrutiny and media comment and reputation damage.
- 9.3 It is important that Relevant Persons adhere to this Policy at all times.
- 9.4 Any person who is suspected of breaching this Policy (including, but not limited to breaching the Law) may be suspended from employment pending the outcome of investigations into the alleged breach.
- 9.5 Any person who breaches this Policy may face suspension or termination of employment or contract or other disciplinary action.
- 9.6 Further consequences may include:
- a) forfeiture of Company securities;
  - b) reporting of breaches to the Company's auditors and/or to ASIC or other relevant regulator/s;

- c) loss of other entitlements, including loss of rights relating to Company incentive or share schemes; and
  - d) forfeiture of bonuses, including but not limited to performance bonuses or project related bonuses.
- 9.7 Note that proof of breach by the Company or successful prosecution by a regulator is not required to discipline, suspend, or terminate an employee or contractor. It may be sufficient that, in the opinion of the Company, there has been behaviour constituting serious or wilful misconduct. The Company may form a view that there has been a breach of obligations of confidentiality, a breach of good faith and fidelity, and/or a conflict of interest.

## **10. Further information**

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- 10.1 Employees should contact the Company Secretary, if they are unsure about whether it is acceptable to deal or communicate with others in relation to the Company's Securities or other securities or if they have any other queries about this Policy.

## 11. Annexure 1: Guidance Note: Who is Who

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11.1 Company Personnel are as follows:

- all directors and officers of the Company (including key management personnel);
- State managers;
- the executive leadership team; and
- closely related parties of the parties listed above.

11.2 Restricted Persons are those parties described in this Policy together with any closely related parties of those Restricted Persons.

11.3 All Company Personnel can trade in Company securities upon being granted approval following the submission of a Staff Share Trading Request (Annexure 2):

11.4 Closely related parties are defined in the Corporations Act in a complex manner, and it is important to understand or get advice if you are unsure. Broadly, it is as follows:

- a) a spouse or child; or
- b) a child of the person's spouse; or
- c) a dependant of the person or of the person's spouse; or
- d) anyone else who is one of the person's family and may be expected to influence the person, or be influenced by the person, in the person's dealings with the entity; or
- e) a company the person controls; or
- f) a person prescribed by the Corporations Regulations.

11.5 You may need assistance in determining who is a closely related party. It may not always be clear and obvious, so please seek advice from the Company Secretary. For example, your closely related parties will include:

- a) your children;
- b) your step children;
- c) your partner's children;
- d) your wife / husband;
- e) your partner's grown children from a previous marriage;
- f) close members of your family / who influence you, and may also include:
- g) your superannuation fund; and
- h) any other company you are on the board of.

11.6 Closely related parties are also prohibited from voting on resolutions at the Company's general meetings which relate to directors' remuneration. This can mean that the above people and entities cannot vote at the Company's shareholder meetings on such matters. You should seek advice from the Company Secretary on this if required, particularly if you are a director or officer, or a closely related party of a director or officer of the Company.

## 12. Annexure 2: Trading Request Form (Illustrative Only)

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From: \_\_\_\_\_ (print staff member's name)

Position: \_\_\_\_\_ (print job title)

To: Melanie Leydin, Company Secretary  
Silk Logistics Holdings Limited

### TRADING OF COMPANY SECURITIES AND/OR SECURITIES IN A BLACKLISTED TRADING COMPANY

In accordance with the Silk Logistics Holdings Limited ('**Company**') Securities Trading Policy, I give notice to you that I am proposing to deal with securities in the Company ('Company Securities') in the following manner (tick one):

- ☐ buy Company Securities
- ☐ sell Company Securities
- ☐ transfer Company Securities vested under an equity incentive plan to me
- ☐ transfer Company Securities to a related party (eg family company, trust or superannuation fund)
- ☐ exercise options over Company Securities
- ☐ utilise derivatives and enter a hedging transaction
- ☐ trade in blacklisted trading companies

The number of securities that I propose to deal with is up to \_\_\_\_\_ (number).

The transaction will be carried out on-market/off-market (delete one).

The transaction is proposed to be carried out in the \_\_\_\_ (number no more than 5) business days between \_\_\_\_\_ (date) and \_\_\_\_\_ (date).

I confirm that I have no inside information and will comply with the Company's securities trading policy in relation to my dealing.

I agree to notify the Company Secretary of the results of this action within 2 business days of the action.

Please confirm that I am cleared to deal in Company Securities in the manner set out above.

Signed: ..... (by staff member requesting clearance)

Date signed: \_\_\_\_\_

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We/I confirm that subject to you not gaining any Inside Information, you are authorised to deal in securities as mentioned above, for the 5 business days following the approval date below.

Name:	.....	.....	.....	.....
Designation:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>(select as appropriate in accordance of Clause 8.1 of the Securities Trading Policy )</i>	Chairman of the Board	Representative of Board of Directors	CEO	CFO
Date:	.....	.....	.....	.....

