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Empired Ltd



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ASX Announcement

Securities Trading Policy (updated)

In accordance with ASX Listing Rule 12, please find attached an updated Empired Securities Trading Policy.

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Empired Limited

SECURITIES TRADING POLICY

1. INTRODUCTION

This policy applies to all directors, executives, employees, contractors, consultants and advisors (**Empired Personnel**) of Empired Ltd and its subsidiaries (**Company**).

This document sets out the policy on the sale and purchase of securities in the Company by Empired Personnel generally and provides guidelines relating to the timing of any sale or purchase of Company securities by its Key Management Personnel.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) and the executives of the Company.

The Company has determined that for the purpose of this policy that the **Key Management Personnel** are its Directors, and all Empired Personnel who are General Manager's and above.

2. WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?

This policy applies to both the sale and purchase of any **Company securities** which includes any shares, debentures and options, derivatives and other securities of the Company and its subsidiaries on issue from time to time.

3. WHAT IS INSIDER TRADING?

3.1. Prohibition

Insider trading is a criminal offence. It may also result in civil liability.

In broad terms, a person will be guilty of insider trading if that person possesses "**inside information**" being 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 (ie information that is 'price sensitive'); and that person:

- a) buys or sells Company securities; or
- b) procures someone else to buy or sell Company securities; or

- c) passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell Company securities or procure someone else to buy or sell the Company securities.

If a person traded in Company securities when the person possessed inside information, then this would be a breach of insider trading laws, even though the person's decision to buy or sell was not influenced by the inside information or that a profit was not made.

3.2. Examples

To illustrate the prohibition described above, the following are possible examples of inside information which, if made available to the market, may be likely to materially affect the price of the Company's securities:

- a) the Company considering a major acquisition;
- b) the threat of major litigation against the Company
- c) a take-over of the Company;
- d) the Company's revenue and profit results materially exceeding (or falling short of) the market's expectations;
- e) a material change in debt, liquidity or cash flow;
- f) a significant new development proposal (e.g. new product or technology);
- g) the grant or loss of a major contract;
- h) a management or business restructuring proposal;
- i) a share issue proposal.

3.3. Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "**Associates**" in this Policy).

3.4. Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5. Employee share schemes

The prohibition does not apply to acquisitions or acceptance of offers of shares, performance rights or options by employees made under an employee incentive or acquisition plan. The prohibition also doesn't apply to the acquisition of shares as a result of the exercise or vesting of Company securities. However, the prohibition does apply to the sale of those shares acquired or received.

4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

4.1. General rule

Key Management Personnel must not, except in exceptional circumstances, deal in Company securities during the following periods:

- a) from 1 June to 24 hours after the release of the annual results of the Company;
- b) from 1 December to 24 hours after the release of the half year results of the Company; and
- c) two weeks prior to and 24 hours after the Annual General Meeting of Shareholders.

(together the **Closed Periods**).

The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all Key Management Personnel either before or during the Closed Periods. Similarly, the Company may also implement a Closed Period at any time at the Board's discretion and Key Management Personnel will be advised accordingly.

However, if a Key Management Personnel is in possession of inside information which is not generally available to the market, then he or she must not deal in the Company's securities at **any** time it is in possession of such information.

4.2. No short-term trading in the Company's securities

Key Management Personnel should never engage in short-term trading of the Company's securities except for the exercise of performance right or options where the shares will be sold shortly thereafter.

4.3. No entering into transaction to limit economic risk

If you are a participant in an equity based remuneration scheme, including the Empired Executive Long Term Incentive Plan, then you are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

4.4. Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.5. Exceptions

- a) Key Management Personnel may at any time:
 - (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
 - (ii) acquire Company securities under a bonus issue made to all holders of securities of the same class;
 - (iii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
 - (iv) acquire, or agree to acquire performance rights or options under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
 - (v) withdraw ordinary shares in the Company held on behalf of the Key Management Personnel in an employee incentive scheme (as that term is defined in the ASX Listing Rules) where the withdrawal is permitted by the rules of that scheme;
 - (vi) acquire ordinary shares in the Company as a result of the exercise of performance rights or options held under an employee option scheme;
 - (vii) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary, subject to any restrictions of the relevant incentive plan;
 - (viii) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
 - (ix) undertake to accept, or accept, a takeover offer;

- (x) trade 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 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;
 - (xi) dispose of Company securities resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
 - (xii) exercise (but not sell securities following exercise) an option or a performance right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Closed Period or the Company has had a number of consecutive Closed Periods and the Key Management Personnel could not reasonably have been expected to exercise it at a time when free to do so;
 - (xiii) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy; or
 - (xiv) where Company securities are provided to a lender as security by way of mortgage or charge, a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws
- (b) In respect of any share or option plans adopted by the Company, it should be noted that it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs outside the Closed Periods specified in paragraph 4.1.

5. APPROVAL AND NOTIFICATION REQUIREMENTS

5.1. Approval requirements

- a) Any Key Management Personnel (other than the Chairman of the Board) wishing to buy or sell the Company's securities must obtain the prior written approval of the Managing Director/CEO.

- b) If the Chairman of the Board wishes to buy or sell the Company's securities prior approval of the Managing Director/CEO must be obtained.
- c) If the Managing Director/CEO wishes to buy or sell the Company's securities prior approval of the Chairman of the Board must be obtained.

5.2. Approvals to buy or sell securities

- a) All requests to buy or sell securities as referred to in paragraph 5.1 must include the intended volume of securities to be purchased or sold and an estimated time frame, which shall not exceed 5 ASX trading days, for the sale or purchase to take place.
- b) The approval granted by the Company does not in any way absolve the individual from complying with the law should they trade while in the possession of inside information.
- c) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.3. Notification

Subsequent to approval obtained in accordance with paragraphs 5.1 and 5.2, any Key Management Personnel who (or through his or her Associates) buys or sells in relation to Company securities **must** notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring.

5.4. Key Management Personnel sales of securities

Key Management Personnel need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (ie an amount to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Key Management Personnel needs to be discussed with the Board prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

5.5. Exemption from Closed Periods restrictions due to exceptional circumstance

Key Management Personnel who are not in possession of inside information in relation to the Company, may be given prior written clearance as required by this policy to sell or otherwise dispose of Company securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

5.6. Severe financial hardship or exceptional circumstances

The determination of whether a Key Management Personnel is in severe financial hardship will be made by the Managing Director (or in the case of the Managing Director, by all other members of the Board).

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary, obtaining independent verification of the facts.

5.7. Financial hardship

Key Management Personnel may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the Company securities during a Closed Period. It is considered that this would be a rare and exceptional circumstance that could be avoided.

In the interests of an expedient and informed determination by the Managing Director (or all other members of the Board as the context requires), any application for an exemption allowing the sale of Company securities in a Closed Period based on financial hardship must be made in writing stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

5.8. Exceptional circumstances

Exceptional circumstances may apply to the disposal of Company securities by a Key Management Personnel if the person is required by a court order or a court enforceable undertaking (for example in a bona fide family settlement), to transfer or sell securities of the Company, or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption for the sale of Company securities in a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

6. ASX NOTIFICATION FOR DIRECTORS

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in Company securities (either personally or through an Associate) which results in a change in the relevant interests of a Director in the Company securities. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX on a timely basis.

7. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with this Policy for trading in the Company's securities does not absolve any individual from complying with the law, which must be the overriding consideration when trading in the Company's securities. Contravention of the Corporations Act 2001 is a serious matter which may result in criminal or civil liability.

Strict compliance with this Policy is mandatory for all Empired Personnel. In addition, breaches of this Policy may harm Empired's reputation in the investment community and undermine confidence in the market for the Company's securities. Accordingly any breaches of this Policy will be taken seriously by the Company and will be subject to disciplinary action, including possible termination of a person's employment or appointment.