

Group Policies

Transacting in Company Securities

Scope

The purpose of this policy is to outline the parameters for trading in Spicers Limited 'Company securities' by directors and employees.

This policy applies to all employees and directors of Spicers Limited and its related bodies corporate worldwide ('Spicers').

Trading in an entity's securities whilst in possession of market sensitive information concerning the entity that is not public knowledge may result in a breach of the insider trading provisions of the Corporations Act in Australia.

Employees or directors who have market sensitive information that is not in the public domain are prohibited from trading in the Company's securities or communicating the information to an associate who would be likely to buy, sell or trade or deal in the Company's securities. A breach of the Corporations Act insider trading provision could result in civil or criminal penalties.

The Company can, at any time, amend all or part of this policy in accordance with the Delegation of Authority Policy.

Definitions

Company securities

Include but are not limited to:

- Shares of the Company (Spicers Limited – SRS) that are traded on the ASX;
- Options, whether vested or not, over the Company's shares;
- Performance rights, whether vested or not, in relation to the Company's shares;
- Convertible notes;
- Debentures; and
- Warrants, futures, or other financial products issued or created over the Company's securities by third parties or associated products.

Eligible Executives

Specifically includes directors and senior executives but also includes certain designated staff who may have knowledge of market sensitive information, (for example those involved in preparing the group financial accounts or major transactions).

Senior executive means the Spicers Managing Director / Chief Executive Officer ('CEO'), Finance Director / Chief Financial Officer ('CFO') and their direct reports; and anyone employed at or above the level of Managing Director / General Manager and Finance Director / Manager of a Country / Operating Company ('OpCo'). It also includes persons acting for or who can readily be identified with the specified executive, such as spouse, de facto, partner, children, dependent, family trusts and family companies (often referred to as associated persons/entities or associates).

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All activities which have the effect of transferring that person's right, title, interest and/or ownership of the Company security to a third party, and includes but is not limited to:

- Buying or selling a Company security;
- Hedging an option or performance right;
- Transfer or assignment of a Company security; and
- Creating a security interest for the benefit of a third party over a Company security.

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This Policy does not apply to the following:

- Trading which does not result in a change in the underlying interest or beneficial ownership (e.g. transferring a holding into a personal superannuation fund or pension plan or other saving scheme);
- Acquisition of shares in relation to an employee performance rights or share plan, a non-executive director performance rights or share plan, or a dividend reinvestment plan by a trustee, person, or entity other than the employee or director;
- A bonus issue or rights issue of shares or other corporate actions that is open to the broad base of Spicers security holders; or
- An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party.

Rules

1.1 General trading restriction

Employees and directors who have market sensitive information that is not in the public domain are prohibited from trading in the Company's securities at any time. This prohibition extends to their associates (refer *Definitions, Eligible Executives*).

Employees are prohibited from engaging in short-term (i.e. less than 60 days) or speculative trading of the Company's securities at any time.

1.2 Specified Trading Restriction ('Blackout Periods')

During certain times of the year (called 'blackout period'), Eligible Executives of the Spicers group are not permitted to buy, sell, or otherwise trade or deal in the Company's securities (including to exercise vested performance rights or vested performance options).

The following periods are designated as blackout periods:

- 1 June until the day following the announcement of the full year results;
- 1 month prior to announcement of the half yearly results; and
- Any other periods advised by the Board.

1.3 Approval to trade

Eligible Executives who wish to trade in the Company's securities must obtain prior written approval from the Spicers Chairman.

(Note: All directors are covered by the definition of Eligible Executive)

Trading in Company securities by the Chairman must be approved in advance by another Spicers Non-executive Director.

If an Eligible Executive or Non-executive Director wishes to deal in Company securities during blackout periods, prior permission must be gained from the Spicers Chairman (or in the case of the Chairman another Non-executive Director). Permission will not generally be given unless exceptional circumstances exist (such as financial hardship that cannot be satisfied otherwise than selling the Company's securities, or as required by a court order) and it is clear that the Eligible Executive has no market sensitive information.

1.4 Information to be provided when seeking approval to trade:

The following information must be provided in writing (or email) when seeking approval to trade:

- Name, class (if any) and number of securities to be traded;
- Whether the securities are to be bought or sold;
- When the trade is proposed to occur;
- Who will make the trade i.e. the employee or an associate; and
- Confirmation that the person does not possess market sensitive information.

1.5 Confirmation of trade

Once written approval is provided, trading in Company securities must occur no later than 5 business days from the approval date or within a reasonable time frame as determined by the Spicers Chairman. Such approval may be provided by email.

Confirmation of any trade irrespective of when must be provided to the Spicers Company Secretary within three business days after the trade has occurred. This is to enable the relevant security holding registers to be updated and where applicable, ASX be notified of the trade.

1.6 Restriction on transfer

Other than by exercising vested performance options or vested performance rights, Eligible Executives are not permitted to sell, transfer, assign, hedge, dispose of, or otherwise deal with, any right, title or interest in performance options or performance rights, or create any security interest in or over performance options or performance rights.

If an Eligible Executive attempts to sell, transfer, assign, dispose of or otherwise deal in any vested performance options or vested performance rights (other than by exercise), those vested performance options or vested performance rights will automatically lapse.

1.7 Related party transactions

Eligible Executives should be mindful of the foregoing provisions when considering dealing in securities of other companies with which Spicers has existing, or may have future potential, relationships.

1.8 Margin loans

Margin loans (or other like arrangements) used to fund the purchase of securities may give the lender the right to require the sale of those securities at a time not of the borrower's choosing. This may include during the blackout period or where the borrower has knowledge of market sensitive information not yet in the public domain. Such a sale may amount to insider trading in contravention of the Corporations Act. This is an exposure to penalties and damage to reputation for both the individual and the Company.

Given this exposure, Eligible Executives are advised not to enter into arrangements where a third party can require them to sell securities in the Company.

Directors are prohibited from holding securities in the Company subject to margin loans.

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If securities in the Company are subject to a margin loan, Eligible Executives are required to provide a summary of the key terms of those arrangements to the Chairman including, trigger points and extent of holding.

The Chairman may determine that the margin loan arrangements are inappropriate in all the circumstances, and that such arrangements are to be terminated.

If an Eligible Executive has a material holding in the Company which is subject to a margin loan, the Company will determine if this is required to be disclosed to the market.

Responsibilities

The Spicer's Company Secretary is responsible for establishing and reviewing this Policy to ensure continued compliance with the relevant regulatory and legal requirement in Australia.

Contact

Any queries regarding this policy should be directed to the Spicer's Company Secretary.

References

Related Policies

- *Continuous Disclosure and Investor Relations*
- *Prevention & Reporting Improper Conduct*
- *Human Resources Policy - Conflict of Interest*

Legislation

- *Corporations Act (Australia)*
- *Australian Securities Exchange (ASX) Listing Rules*
- *ASX Guidance Note 27*