

## FFG SHARE TRADING POLICY

### 1. INTRODUCTION

- 1.1 The Board has adopted this Policy in relation to the buying, selling and dealing (**trading**) of Freedom Food Group Limited (**FFG**) shares.
- 1.2 The Policy arises out of the requirements of the *Corporations Act* and the Listing Rules of the Australian Securities Exchange (**ASX**).
- 1.3 The purpose of the Policy is to:
  - (a) explain FFG's policy and procedure in relation to the trading of FFG shares by Directors and employees;
  - (b) ensure that public confidence is maintained in the reputation of FFG, its Directors and employees and in the trading of FFG's shares; and
  - (c) recognise that some types of trading in FFG shares is also prohibited by law; and
  - (d) highlight the fact that it is the responsibility of each individual to ensure that they comply with this Policy and the insider trading laws generally.

### 2. APPLICATION

- 2.1 The Policy applies to all employees and Directors of FFG.
- 2.2 Certain aspects of this Policy only apply to **Specified Persons**, which for present purposes includes:
  - (a) FFG's Directors;
  - (b) Senior Management being the Key Management Personnel (**KMP**) (as named each year in FFG's Annual Report) [and any other first, second and third line reports to the Managing Director (each a **Senior Manager**); and
  - (c) other employees who have been advised by the Managing Director or Company Secretary from time to time that they are "Specified Persons" for the purposes of this Policy (for example, due to their role on a specific project).
- 2.3 This Policy also applies to **Connected Persons** of Directors and Senior Managers, which includes the following for each Director or Senior Manager:
  - (a) a family member who may be expected to influence, or be influenced by, the Director or Senior Manager in his/her dealings with FFG or FFG shares (this may include the Director or Senior Manager's spouse, partner and dependent children, the dependent children of the Director or Senior Manager's partner, or other dependants of the Director or Senior Manager or his/her partner); and
  - (b) a company or any other entity which the Director or Senior Manager has an ability to control.
- 2.4 It is the responsibility of each Director and Senior Manager to determine who their Connected Persons are.

- 2.5 Directors and Senior Managers should inform their Connected Persons of the restrictions that apply to them under the Policy and request that they comply with the Policy in respect of their dealings in FFG shares.
- 2.6 For the purposes of the Policy, “shares” are shares of FFG as well as financial products issued or created over shares by third parties, structured financial products, swaps, futures contracts, contracts for differences, spread bets, options, rights, warrants, depository receipts, or other derivatives over or related to the acquisition or the performance of shares.
- 2.7 Failure to comply with the Policy may result in summary dismissal.

### **3. OVERVIEW OF INSIDER TRADING LAWS**

- 3.1 Insider trading is prohibited under the *Corporations Act*. The prohibition applies to all employees, not just to FFG’s Directors and Senior Managers. Essentially, insider trading involves trading in securities by a person who has information about those securities which is not generally available to the market but which, if it was generally available, would be likely to have a material effect (upwards or downwards) on the price or value of the securities (**Inside Information**).
- 3.2 Broadly speaking, the law provides that a person who has Inside Information about a company must not:
  - (a) buy or sell securities in a company, or enter in an agreement to buy or sell securities, or exercise options over securities, or otherwise apply for, acquire or dispose of securities (“**trade**”);
  - (b) encourage someone else to trade in securities in that company; or
  - (c) directly or indirectly provide that information to another person where they know, or ought to know, that that person is likely to trade in securities or encourage someone else to trade in securities of that company.
- 3.3 These restrictions apply to all securities, not just FFG’s shares.
- 3.4 What constitutes “information” is widely defined by the *Corporations Act* and includes matters of supposition and other matters that are insufficiently definite to warrant being made known to the public and matters relating to the intentions, or likely intentions, of a person.
- 3.5 It is the responsibility of each individual to ensure that they do not breach the insider trading laws and that they comply with this Policy.
- 3.6 If any breaches of these restrictions occur, then the employee involved and the person who engages in share trading both commit offences under the *Corporations Act*.
- 3.7 A breach of the insider trading laws is a criminal offence with potential fines or imprisonment for offenders.

### **4. RESTRICTIONS APPLICABLE TO ALL EMPLOYEES AND DIRECTORS**

#### **4A. Trading in FFG shares**

- 4A.1 Employees and Directors must not trade in FFG shares if:

(a) they are aware of Inside Information;

(b) FFG has notified employees and Directors that they must not trade in shares (either for a specified period, or until FFG gives further notice).

#### **4B. Trading in another company's shares**

4B.1 Employees and Directors may come into possession of Inside Information regarding another company where they are directly involved in client relationship management or negotiating contracts. For example, a person may have Inside Information where they are aware that FFG is about to sign a major agreement with another company. Employees and Directors must not trade in another company's shares where they are aware of Inside Information regarding that other company.

### **5. ADDITIONAL RESTRICTIONS APPLICABLE TO SPECIFIED PERSONS**

#### **5A. Front Page Test**

5A.1 It is important that public confidence in FFG is maintained. It would be damaging to FFG's reputation if the market or the general public perceived that FFG employees privy to confidential information might be taking advantage of their position in FFG to make financial gains (by trading in shares on the basis of that confidential information).

5A.2 As a guiding principle, Specified Persons should ask themselves:

*If the market was aware of all the current circumstances, would the proposed trade be perceived by the market as me taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper?*  
(the **Front Page Test**).

5A.3 Note that although it is the Specified Person's individual responsibility to comply with this Policy and the insider trading laws, the Specified Person should consult with the Managing Director or Company Secretary if he or she is unsure whether his or her proposed trading may not satisfy the Front Page Test.

5A.4 Clearance for a trade will not be provided under this Policy where the trade would not satisfy the Front Page Test.

#### **5B. No Speculative Trading**

5B.1 Under no circumstances should Specified Persons engage in short-term or speculative trading in FFG shares. Whilst it is impractical to provide a precise definition of what is short-term or speculative trading the guiding principle should be that at the time of purchase the person should not intend to resell the shares within 12 months with the aim of realising a capital gain.

5B.2 The prohibition on short-term or speculative trading includes direct dealings in FFG shares and transactions in the derivative markets involving exchange traded options, share warrants and similar instruments.

5B.3 The entering into of all types of "protection arrangements" for any FFG shares (or FFG products in the derivatives markets) that are held directly or indirectly by Specified Persons (including both in respect of vested and unvested shares in any Director or employee share plan) are prohibited at any time, irrespective of whether such protection arrangements are entered into outside blackout periods or otherwise.

- 5B.4 For the avoidance of doubt and without limiting the generality of the Policy, entering into protection arrangements includes entering into transactions which:
- (a) amount to “short selling” of shares beyond the Specified Person’s holding of shares;
  - (b) operate to limit the economic risk of the Specified Person’s shareholding; or
  - (c) otherwise enable the Specified Person to profit from a decrease in the market price of shares.
- 5B.5 In addition, the *Corporations Act* prohibits KMP from making arrangements to limit the KMP's exposure to risk relating to an element of the KMP's remuneration that has not vested or is subject to a holding lock. Closely related parties of KMP, which include the KMP's spouse and children, amongst other relationships, are also prohibited from making arrangements to limit the KMP's exposure to such risk. Those Specified Persons who are KMPs must ensure compliance with this *Corporations Act* prohibition.

**5C. Margin lending**

- 5C.1 Specified Persons are permitted to take out margin loans over their holdings in FFG shares, however margin calls are not to be met by the sale of FFG shares at a time when they would not be permitted to trade FFG shares under this Policy. FFG shares cannot be sold to meet a margin call during a blackout period or if Specified Persons are in receipt of Inside Information relating to FFG. If a Specified Person’s margin lender sells any of a Specified Person’s FFG shares during a blackout period, whether on that Specified Person’s instructions to do so or not, it will be considered a breach of this Policy. Specified Persons are expected to have sufficient resources to meet a margin call by means other than a sale of FFG shares during a blackout period.

**5D. Trading restrictions / Blackout periods**

- 5D.1 Whilst trading is unlawful at any time if the person has Inside Information, there are particular periods when trading by persons who generally have access to non-public information is unwise due to the perception that they are likely to possess price-sensitive information that is not generally available. For this reason many companies limit the times when persons privy to Inside Information (and their connected persons) may buy, sell or deal in shares to those periods when the market is likely to be most fully informed.
- 5D.2 Subject to section 5E below, Specified Persons and Connected Persons must not trade in FFG shares during the following blackout periods:
- (a) the period commencing on 1 January and ending 2 hours following the announcement of FFG’s Half Year results; and
  - (b) the period commencing on 1 July and ending 2 hours following the announcement of FFG’s Full Year results; and
  - (c) any other period the Board determines.
- 5D.3 The Board may at any time determine that a blackout period is extended.
- 5D.4 If a Specified Person and/or Connected Person has Inside Information about FFG they must not trade in FFG shares at any time, including outside a blackout period..

## **5E. Exceptional circumstances**

5E.1 It is recognised that individual circumstances may require a person to dispose of shares during a blackout period. In exceptional circumstances, and subject always to the prohibition on trading while in possession of Inside Information, Specified Persons and Connected Persons may seek prior written approval for a trade during a blackout period in accordance with the clearance procedures set out in section 5F below.

5E.2 Exceptional circumstances will be assessed on a case by case basis, and may include:

- (a) severe financial hardship where the Specified Person or Connected Person has a pressing financial commitment that cannot reasonably be satisfied otherwise than by selling the relevant securities; and
- (b) a requirement by a court order or court enforceable undertaking, for example a bona fide family settlement.

## **5F. Clearance to trade outside a blackout period and in exceptional circumstances**

5F.1 Specified Persons must submit a written 'clearance to trade' request to the Company Secretary before they or a Connected Person deal in FFG shares outside a blackout period or, if exceptional circumstances apply during a blackout period (as set out in section 5E above).

5F.2 The request must confirm that the relevant person is not aware of any Inside Information, and in the case a trade during a blackout period, the reasons why the request is made including an explanation as to the severe financial hardship or other exceptional circumstances.

5F.3 As soon as practicable after receiving a request, the Company Secretary will notify the relevant Designated Officer (set out in Schedule 1). The Designated Officer will determine whether clearance should be given for the proposed trade having regard to the Front Page Test and any price sensitive information that exists in relation to FFG. In considering whether to approve a request to trade, the Designated Officer will, where necessary or appropriate, request additional information from, or consult with, management to assist with their deliberations.

5F.4 The Company Secretary or Designated Officer will advise the Specified Person in writing whether clearance has been provided for the trade, including any conditions that apply. Where clearance is given, the Specified Person or Connected Person will have 5 business days to enter into the proposed trade (and will be required to submit a new clearance request if the trade does not occur during this period).

5F.5 Clearance to trade can be given, denied or withdrawn at any time by the Designated Officer in his or her absolute discretion without giving any reason to the Specified Person. If clearance to trade is refused, the Specified Person must keep that information confidential.

5F.6 Where clearance is denied, the Specified Person or Connected Person must not proceed with the proposed trade.

## **5G. Trading excluded from this Policy**

5G.1 Subject to compliance with the insider trading laws, nothing in this Policy precludes Specified Persons or Connected Persons from:

- (a) acquiring shares under the terms of FFG's Dividend Reinvestment Plan<sup>1</sup>;
- (b) receiving shares under any Director or Employee Share Plan. However, any trading in those shares remains subject to the Policy and the provisions of the *Corporations Act*;
- (c) acquiring FFG shares through a share purchase plan available to all retail shareholders;
- (d) acquiring FFG shares through a rights issue;
- (e) disposing of FFG shares through the acceptance of a takeover offer, scheme of arrangement or equal access buyback; and
- (f) any other trades that do not result in an effective change to the beneficial interests in the FFG shares (for example, transfers of FFG shares already held into a superannuation fund or trust to which the restricted person is a beneficiary).

5G.2 Specified Persons and Connected Persons are responsible for ensuring that any particular transaction complies with law.

## 6. DISCLOSURE OF CHANGES IN FFG DIRECTOR'S INTERESTS

6.1 Directors and FFG have an obligation to notify the ASX of any change in a Director's notifiable interests, which includes trading in FFG shares.

6.2 In order for FFG, as agent for the Director, to notify the ASX in accordance with the ASX Listing Rules, Directors must notify the Company Secretary:

- (a) for trades entered into by the Director, as soon as possible after entering into the trade (even if the trade has not yet settled);
- (b) for trades entered into by a Connected Person, as soon as possible after the Connected Person has entered into the trade (even if the trade has not yet settled).

6.3 This notification obligation extends to trades which are excluded from this Policy under section 5G above and applies even where clearance for a trade has been obtained in accordance with the procedure set out in section 5F above.

6.4 FFG will disclose details of the trade to the ASX where required to satisfy its obligations in accordance with the ASX Listing Rules.

## 7. CONSULTATION

7.1 Any queries about the application of this Policy should be directed to the Managing Director or Company Secretary.

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<sup>1</sup> This exception applies to shares that are acquired in the ordinary course of the operation of FFG's Dividend Reinvestment Plan (ie passive trades). For the avoidance of doubt, opting in or opting out of the Dividend Reinvestment Plan would **not** fall within this exception and is only allowed outside a blackout period (and only then if the Specified Person or Connected Person has obtained clearance under section 5F of this Policy).

**SCHEDULE 1**  
**Designated Officers**

The Designated Officers are:

- (a) for a Director (excluding the Managing Director) or their Connected Person, the Chairman of the Board and the Managing Director;
- (b) for the Managing Director or his/her Connected Person, the Chairman of the Board and the Chair of the Audit, Risk and Compliance Committee;
- (c) for the Chairman of the Board or his/her Connected Person, the Managing Director and the Chairman of the Audit, Risk and Compliance Committee or, in his/her absence, any two Directors;
- (d) for any other Specified Person or Connected Person, the Managing Director or, in his/her absence, the Chairman of the Board.