

# Brambles

## Securities Trading Policy

**Brambles Limited**

Revised: 1 January 2020

Version 2.0

## SECURITIES TRADING POLICY

**This Policy uses a number of defined terms, which begin with a capital letter when used. The definitions are set out in section 6, at the end of this Policy.**

### 1. Introduction

Directors and employees are encouraged to be long-term holders of Brambles shares. As Brambles is listed on the ASX (which means its shares are publically traded on that exchange), it is important, however, that care is taken in the timing of any Dealing in Brambles shares or other Brambles Securities.

This document sets out Brambles' policy on Dealing in Brambles Securities and in the Securities of other companies by "Designated Persons". The purpose of this Policy is:

- (a) to assist those persons to avoid conduct known as "insider trading" (or "insider dealing"); and
- (b) to protect Brambles against potentially damaging adverse inferences being drawn that its senior officers and personnel may have engaged in unlawful activity, or acted for their personal benefit using information not available to the public.

For these reasons, this Policy extends in some respects beyond the strict legal requirements in Australia.

This Policy includes:

- (a) rules which must be followed by Designated Persons who wish to Deal in Brambles Securities, including a mandatory pre-approval process;
- (b) a prohibition on Dealing in Securities in another company by Designated Persons when that Designated Person has price sensitive information about that company which is not generally available; and
- (c) a brief overview of the law in relation to insider trading in Australia. This summary is not intended as a complete statement of the law in this area, and is provided by way of background material only.

**BRAMBLES TAKES COMPLIANCE WITH THIS POLICY SERIOUSLY. A BREACH OF THIS POLICY BY ANY EMPLOYEE WILL BE REGARDED AS A BREACH OF THEIR CONDITIONS OF EMPLOYMENT AND MAY RESULT IN TERMINATION.**

If you have any questions in relation to the operation of this Policy, you should contact the Head of Legal and Group Company Secretary.

### 2. Rules for trading in Brambles Securities

#### 2.1 Designated Persons

This Policy applies to the following persons:

- (a) the Directors and Head of Legal and Group Company Secretary of Brambles;
- (b) any person who has ceased to be an Executive Director but remains an employee of the Group;
- (c) members of the Brambles Executive Leadership Team and their direct reports;
- (d) all personnel employed in a Band 4 (employee director-level) role or above;

- (e) all personnel located in Brambles Headquarters in London or Sydney;
- (f) any other person who is notified that they are subject to this Policy by the Brambles Chief Executive Officer or relevant member of the Brambles Executive Leadership Team, or by the Head of Legal and Group Company Secretary; and
- (g) in relation to any person under (a) to (f) above, but subject to paragraph 2.7:
  - (i) their spouse;
  - (ii) any of their children (including step-children), under 18 years of age;
  - (iii) their nominee, including an investment manager managing funds on their behalf;
  - (iv) a trust of which they, any member of their family, or any family controlled company, are the trustee or beneficiary;
  - (v) a person in partnership with them or any of their connected persons mentioned in (i) to (iii) above (acting in his or her capacity as such); and
  - (vi) a company which they or their family control. These persons are referred to in this Policy as **Designated Persons**.

The names and addresses of Designated Persons will be supplied to Brambles' share registry from time to time, for the purpose of investigating compliance with this Policy and with the insider trading prohibition.

### 2.2 General rules

Designated Persons must not Deal in Brambles Securities when they are in possession of price sensitive information relating to Brambles which is not generally available. (The circumstances to determine when information is generally available are described in the last paragraph of section 5.1 of this Policy.)

Designated Persons will not be given clearance to Deal in Brambles Securities under section 3 of this Policy where price sensitive information exists in relation to a matter which is not generally available, even though they may not be aware of it.

Designated Persons must not engage in Tipping (see paragraph 5.1(b)(iii) below) others with respect to Brambles Securities, or securities of any other entity, at any time.

### 2.3 No short-term trading in the Brambles Securities

Designated Persons must not engage in short-term or speculative trading in Brambles Securities. They must hold Brambles Securities for a minimum of 30 days. This does not apply to any sale of Brambles Securities acquired as a result of Awards vesting within 30 days of that vesting where clearance under section 3 of this Policy had been obtained for that sale.

### 2.4 Derivatives

Designated Persons must not trade in Brambles Derivatives.

This applies to Brambles Securities comprising Awards. It means that Designated Persons may not enter into any hedging arrangements or acquire financial products (such as equity swaps, caps and collars or other hedging products) over unvested Awards which have the effect of reducing or limiting exposure to risks associated with the market value of Brambles Securities.

### 2.5 Granting Security Interests Over Brambles Shares

A Designated Person must not grant a Security Interest over any Brambles Securities they hold.

A common example of a situation to which this paragraph would apply is a margin loan. Ordinarily, a margin loan is one under which money is lent for the purposes of enabling the borrower to acquire shares or other equity securities. The security for that loan is the shares or equity securities purchased and, sometimes, other shares held by the borrower.

Most margin loans entitle the lender to dispose of the shares to which the loan is subject in certain specified circumstances without obtaining the consent of or otherwise notifying the borrower. Sometimes this right can be exercised 24 hours after the specified circumstances arise.

If a Designated Person were to take out a margin loan and the security for that loan included Brambles Securities, the lender may be able to sell or otherwise Deal in those Securities. This would be so notwithstanding that, at the relevant time, there may be a Close Period or the Designated Person may be in possession of price sensitive information relating to Brambles which is not generally available. This could cause the Designated Person to be in breach of this Policy.

Although margin loans are a common situation in which Security Interests over Brambles shares could be granted, this paragraph applies to any Security Interest over Brambles Securities. Designated Persons may still acquire Brambles Securities through a margin or other investment loan if Brambles Securities are not used as security for that loan.

### 2.6 When can I Deal in Brambles Securities?

The only appropriate time for a Designated Person to Deal in Brambles Securities is when there is no price sensitive information which is not generally available, whether or not the Designated Person is aware of that information.

In addition to this general rule, Designated Persons are not permitted to Deal in Brambles Securities during the period starting on the seventh day before the end of the relevant financial reporting period and ending on the first day after the preliminary announcement of the half-yearly or annual results (ie from 24 December until the day after the announcement of the half-year results at around mid February and from 23 June until the day after the announcement of the full year results at around mid August) ("**Closed Period**").

Brambles may impose other periods when Designated Persons are prohibited from trading, because price sensitive information may exist in relation to a matter which is not generally available. These ad hoc periods, together with Closed Periods are called "**Prohibited Periods**".

### 2.7 Exceptions to general rule

This Policy does not apply in the following circumstances:

- (a) an investment in, or Dealing in units of, a fund or other scheme (other than a scheme only investing in Brambles Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (b) Dealing under an offer or invitation made to all or most of Brambles' Security holders, such as a rights issue, a security purchase plan, a dividend 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 (such Dealing 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);

- (c) Dealing which results in no change to the beneficial interest in the securities (eg transfers of Brambles Securities already held by a Designated Person into that Designated Person's superannuation fund or other saving scheme in which the Designated Person is a beneficiary);
- (d) where a Designated Person is a trustee, Dealing in Brambles Securities by that trust, provided that:
  - (i) the Designated Person is not a beneficiary of the trust; and;
  - (ii) any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Designated Person; and
  - (iii) the Designated Person has not disclosed any inside information to the other trustees or the investment managers.
- (e) if a Designated Person wishes to make an undertaking to accept, or to accept, a takeover offer;
- (f) the exercise (but not the sale of Brambles Securities following exercise) of an Award, where the final date for the exercise of the Award falls during a Prohibited Period, Brambles has been in an exceptionally long Prohibited Period, or has had a number of consecutive Prohibited Periods, and the Designated Person could not reasonably have been expected to exercise the Award at a time when free to do so; or
- (g) trading under a non-discretionary trading plan for which prior written clearance has been provided pursuant to paragraph 3.1 and where:
  - (i) the Designated Person did not enter into the plan or amend the plan during a Prohibited Period; and;
  - (ii) the trading plan does not permit the Designated Person to exercise any influence or discretion over how, when, or whether to trade.

A Designated Person may not cancel the trading plan, cancel or vary the terms of their participation in the trading plan, or otherwise cause the trading plan to be cancelled or varied during a Prohibited Period other than in exceptional circumstances, pursuant to paragraph 3.2.

### 2.8 Confidentiality agreements with external advisers

It is possible that, as a result of acting for or advising Brambles, external advisers to Brambles may have access to price sensitive information affecting Brambles Securities.

Whilst these external advisers are not covered by this Policy, it is Brambles' policy to require such external advisers to enter into confidentiality agreements covering such price sensitive information.

## 3. Trading approvals

### 3.1 Obtaining Approval

Before any Designated Person Deals in Brambles Securities, they **must** first obtain approval from:

- (a) the Brambles Chairman (or the Deputy Chairman or Chief Executive Officer, where the Chairman is not available), in the case of approvals for Directors, any person who has ceased to be an Executive Director but is an employee of the Group or the Company Secretary;
- (b) the Deputy Chairman or Chief Executive Officer, in the case of approvals for the Chairman; or
- (c) the Company Secretary, in the case of approvals for any other employee. Before granting approval, the Company Secretary will seek approval from the Chairman or another Director.

This obligation operates at all times.

For the avoidance of doubt, this approval process must be followed by Designated Persons before

they exercise any Awards.

Designated Persons **must not** Deal in Brambles Securities (including exercise any Awards) until the necessary approval under this paragraph 3.1, evidenced in writing (including by email). Approval can be given or refused at Brambles' discretion without giving reasons. A refusal to approve a request to Deal in Brambles Securities is final and binding on the Designated Person seeking that approval.

If approval is given:

- (d) the Designated Person may ordinarily Deal within two business days after receiving the approval. The Designated Person will be notified if the clearance position changes within those two business days. A further application will need to be made if no Dealing takes place within the two business days and the Designated Person still wishes to Deal; and
- (e) and before carrying out the Dealing, the Designated Person comes into possession of price sensitive information not generally available, that person must not carry out that Dealing notwithstanding that it has been approved.

Designated Persons who have been told that they cannot Deal must not communicate this fact to others.

### **3.2 Trading approvals during Prohibited Periods**

If:

- (a) a Designated Person is in severe financial hardship, as set out in paragraph 3.3, or there are exceptional circumstances, as set out in paragraph 3.4 and
- (b) the Designated Person concerned declares that they do not possess any price sensitive information which is not generally available,

approval may be given by the relevant person authorised under paragraph 3.1, in their discretion, to allow that Designated Person to Deal during a Prohibited Period, subject to the same conditions as an approval given under paragraph 3.1.

The Designated Person seeking approval to Deal must satisfy the relevant person(s) authorised under paragraph 3.1 that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of Brambles Securities is the only reasonable course of action available.

Any such approval must be obtained in advance. It cannot be given after the event.

### **3.3**

A Designated Person would be in severe financial hardship if they had a pressing financial commitment that could not be satisfied otherwise than by selling Brambles Securities. For example, a tax liability of such a person would not normally constitute severe financial hardship unless the person had no other means of satisfying the liability.

### **3.4**

Exceptional circumstances would exist if:

- (a) a Designated Person was required by a court order, or there were court enforceable undertakings

- (eg. in a bona fide family settlement) or some other overriding legal or regulatory requirement to transfer or sell Brambles Securities; or
- (b) there were other circumstances that the Brambles Chairman or the Chief Executive Officer (where the Chairman is involved) deemed to be exceptional.

#### 4. Notification of Dealings

##### 4.1

Directors are required to notify the Company Secretary within **two** business days after any change in their interests in Brambles Securities, or the interests of any of their connected persons listed in paragraph 2.1(e) above.

This enables Brambles to notify the ASX of the change in interests, which must occur by the end of the business day following the receipt of the notification.

All other Designated Persons are required to notify the Company Secretary of any Dealing in Brambles Securities within five business days of effecting such a Dealing.

Copies of the relevant notification forms are available from the Company Secretary.

##### 4.2

Notifications of Dealing given pursuant to paragraph 4.1 must be sent to the Company Secretary in writing (including by email).

#### 5. What is insider trading?

##### 5.1 Prohibition of insider trading

In broad terms, a person may be guilty of insider trading if:

- (a) that person possesses "inside information" – that is, information which is not generally available and which, if it were generally available would be likely to have a material effect on the price or value of a company's Securities. Information is regarded as being likely to have a material effect if it would, or would be likely to influence an investment decision by those who commonly invest in Securities, that is, it is "price sensitive" information; and
- (b) that person:
- (i) deals in Securities in the company;
  - (ii) encourages or procures someone else to Deal in Securities in the company;
  - (iii) directly or indirectly communicates that information to another person where the communicator knows, or ought to know, that the recipient would be likely to Deal in the Securities or procure someone else to Deal in the Securities of the company ("Tipping").

There are detailed definitions as to the conditions which need to be satisfied for information to qualify as being generally available. While the detailed definitions are important in determining legal liability, the general underlying principles include that, for information to be generally available, it should:

- consist of readily observable matter; or
- have been announced to the ASX or otherwise brought to the attention of investors who

- commonly invest in the Securities; or
- otherwise consist of deductions, conclusions or inferences made or drawn from information referred to in the above two points.

### 5.2 Penalties

Insider trading is a criminal offence.

The criminal penalties for a breach of the insider trading prohibition include:

- (a) for an individual – a fine of up to \$765,000 and a jail term of up to five years; and
- (b) for a corporation – a fine of up to \$7,650,000.

These penalties are current as at the date of this policy, but may change over time. The insider trader, and any other persons involved in the contravention, may also be liable to compensate third parties for any resulting loss. In addition, the Australian Securities and Investments Commission may seek civil penalties against the insider trader, and where relevant, may seek a court order to disqualify the insider trader from managing a corporation.

### 5.3 Examples of price sensitive information

To illustrate the prohibition described above, the following are possible examples of information which, if it were made public, may be regarded as price sensitive:

- (a) Brambles considering a major acquisition or disposal of assets;
- (b) the threat of major litigation against Brambles;
- (c) changes in Brambles' actual or anticipated financial condition or business performance;
- (d) a significant new business development;
- (e) the likely granting, or loss, of a major contract or government approval;
- (f) a proposed dividend or change in dividend policy;
- (g) a proposed new share issue;
- (h) a significant change to the Board of Directors or other senior management;
- (i) a regulatory investigation or audit; or
- (j) a material breach of law.

### 5.4 Dealing through third parties

A person can still be guilty of insider trading in relation to Brambles Securities, even though they are not the actual person who Deals in the Securities. The prohibition extends to:

- (a) Dealings through nominees, agents or other associates, such as family members, family trusts and family companies; and
- (b) procuring third parties to Deal in Brambles Securities, which includes inducing or encouraging those third parties to Deal.

### 5.5 Information however obtained

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

### 5.6 Employee share schemes

The insider trading prohibition does not apply to:

- (a) applications for; and
- (b) acquisitions under those applications of,



Brambles Securities by employees of Brambles or any of its related bodies corporate made under employee share and option plans.

This means that the insider trading prohibition **will not** apply to the acquisition by any employees of Brambles Securities under any of Brambles' employee share and option plans (including the grant or exercise of Awards). However, the insider trading prohibition **will** apply in Australia to any subsequent disposal by those employees of shares in Brambles acquired under those employee share or option plans.

Whether or not the insider trading prohibition applies, approval is required under this Policy for any exercise by Designated Persons of Awards over any Brambles Securities: see section 3.

### 6. Dealings in Securities of Other Companies

Designated Persons must not Deal in securities of any other company or entity when they are in possession of price sensitive information about that entity which is not generally available. This prohibition applies both to information about the other company or entity coming to the possession of the Designated Person as a result of their position at Brambles (for example where Brambles is negotiating a material contract or transaction with the other entity or company) or in some other way (for example through a personal network).

### 7. Interpretation

**ASX** means the Australian Securities Exchange.

**Awards** means options, performance share awards and performance share rights granted under any Brambles employee share or option plan from time to time.

**Board** means the Board of Directors of Brambles.

**Brambles** means Brambles Limited.

**Closed Period** means the period starting on the seventh day before the end of the relevant financial reporting period and ending on the first day after the preliminary announcement of the half-yearly or annual results (ie from 24 December until the day after the announcement of the half-year results at around mid February and from 23 June until the day after the announcement of the full year results at around mid August).

**Deal or Dealing** means, in relation to Securities:

- (a) apply for, acquire or dispose of the relevant Securities (whether as principal or agent);
- (b) procuring another person to apply for, acquire or dispose of the relevant Securities; or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, price sensitive information to any person if it is known, or ought reasonably to be known, that the person would or would be likely to use information to engage in the activities specified in paragraphs (a) or (b)

**Derivatives** means financial products which provide a financial return based on price movements of Securities, including exchange traded options or options granted by third parties, and includes financial products (including equity swaps, caps and collars and other hedging arrangements) which have the effect of limiting exposure to risks associated with such price movements.

**Designated Persons** has the meaning given in paragraph 2.1.

**Directors** means the members of the Board.

**Executive Director** means any Director who discharges executive functions in the management or administration of Brambles.

**Group** means Brambles and its related bodies corporate.

**Prohibited Period** means:

- (a) any Closed Period; or
- (b) additional periods when Designated Persons are prohibited from trading and which are imposed by Brambles from time to time when price sensitive, non-public information may exist in relation to a matter which is not generally available.

**Securities** means:

- (a) shares;
- (b) debentures or debt securities;
- (c) units of such shares;
- (d) depositary receipts;
- (e) Awards; and
- (f) Derivatives.

**Security Interest** means a pledge, lien, charge, mortgage or other encumbrance.

### Responsibility For The Success Of This Policy

The Brambles' Board has overall responsibility for this Policy. The Head of Legal and Group Company Secretary has day-to-day operational responsibility for this Policy and should ensure that all employees receive regular and appropriate training.

The Head of Legal and Group Company Secretary, in conjunction with the Board, will review this policy from a legal and operational perspective at least one a year. This Policy does not form a party of any employee's contract, or otherwise create one, and it may be amended from time to time. Employees are invited to comment on this Policy and suggest ways in which it might be improved. Comments or suggestions should be addressed to the Head of Legal and Group Company Secretary.

All employees are responsible for the success of this Policy. Brambles creates workplaces in which open and honest communications among all employees are valued and respected. If you have any questions about this Policy, or if you would like to report a potential violation of it, please speak to your line manager, any member of the Legal or Human Resources Teams, or the Speak Up Hotline. Consistent with Brambles' Speak Up Policy, no reprisal or retribution will be taken against any employee for raising concerns under this policy. Brambles is committed to investigating, addressing, and responding to concerns of employees and to taking appropriate corrective action in response to any violation.