

DAVID JONES LIMITED ABN 75 000 074 573

# SHARE TRADING POLICY

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## 1. INTRODUCTION

1.1 The David Jones Limited ("the Company") Share Trading Policy regulates dealings by the Company's directors, officers, consultants and employees in shares, options and other securities issued by the Company (which, for the purposes of this policy, include financial products issued or created over Company securities by third parties, or associated products).

## 2. PURPOSE

2.1 The purpose of this policy is to ensure that the Company's directors, officers, consultants, members of senior management and other employees are aware of the legal restrictions on trading shares, options or other securities while such a person is in possession of unpublished price-sensitive information concerning the Company.

2.2 Additionally, the policy is intended to minimise the chance that misunderstandings or suspicions arise that the Company's directors, officers, consultants, members of senior management and other employees are trading while in possession of unpublished price-sensitive information.

2.3 The policy recognises it is illegal for a person to trade in the Company's securities when he or she possesses unpublished price-sensitive information concerning the Company. This is regardless of whether the terms of this policy have been complied with.

2.4 A breach of this policy or the relevant laws will be regarded as serious misconduct which may lead to disciplinary action including dismissal.

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### 3. RESTRICTIONS ON TRADING

- 3.1 Consistent with the legal prohibitions on insider trading, all of the Company's directors, officers, consultants, members of senior management and other employees are prohibited from trading in the Company's shares, options or other securities while in possession of unpublished David Jones price-sensitive information concerning the Company.
- 3.2 The Company's price-sensitive information is information, which a reasonable person would expect to have a material effect on the price or value of securities in the Company.
- 3.3 It is assumed for the purpose of this policy that the Company's directors, officers, consultants, members of senior management and certain other employees are likely to be in possession of price sensitive information by virtue of their position. Accordingly, unless a waiver has been granted under clause 4.1, trading in the Company's shares, options or other securities by directors, officers, consultants, members of senior management and other employees, is prohibited at any time that is not a window period as set out in clause 3.8.
- 3.4 In addition to the prohibition set out in clause 3.3, directors, officers, consultants, members of senior management and other employees are also prohibited from trading in the Company's shares options or other securities in each of the following circumstances:
- (a) if in possession of price-sensitive information;
  - (b) if trading for a short term gain; and
  - (c) as set out in clauses 3.5 to 3.7 below.

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- 3.5 Despite any other provision in this policy, directors, officers, consultants, members of senior management and other employees are prohibited at all times from entering into transactions in financial products which operate to limit the economic risk of security holdings in the Company over unvested entitlements or vested entitlements subject to a holding lock or restriction on dealing ("Restricted Entitlements"), including, without limitation, any hedging or similar arrangement in respect of unvested entitlements or Restricted Entitlements held or granted under any equity based remuneration scheme.
- 3.6 Despite any other provision in this policy, directors, officers, consultants, members of senior management and other employees are prohibited at all times from dealing in the securities of outside companies about which they may hold price-sensitive information by virtue of their position with the Company.
- 3.7 Despite any other provision in this policy, directors, officers and members of senior management are prohibited at all times from entering into any stock lending or other similar arrangements in relation to their security holding in the Company.
- 3.8 Subject to the prohibitions in clauses 3.1 to 3.7 above, and unless there are unusual circumstances (as determined by the Board) trading in the Company's shares, options or other securities by directors, officers, consultants, members of senior management and other employees is permitted during the following window periods provided that the notification requirements set out in clause 3.9 below are met:
- (a) within six weeks after the date of release of the Company's half-year and annual results to ASX; and
  - (b) the rights trading period when the Company has issued a prospectus for those rights.

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- 3.9 During a window period (as set out in clause 3.8 above), the Company requires that:
- (a) directors must advise the Chairman of:
    - (i) a proposed trade in the Company's shares, options or other securities prior to any trade and confirm they are not in possession of any unpublished price-sensitive information;
    - (ii) any transaction or arrangement proposed to be entered into, renewed, altered or closed out which may operate to limit the economic risk of their vested and unrestricted security holdings in the Company and confirm they are not in possession of any unpublished price-sensitive information;
    - (iii) any margin loan arrangement proposed to be entered into in relation to security holdings in the Company, by completing the attached Margin Loan Form; and
    - (iv) any proposed transfer of Company securities into an existing margin loan account; and
  - (b) officers, consultants and members of senior management must advise the Company Secretary or, in his or her absence, the Chief Executive Officer, of:
    - (i) a proposed trade in the Company's shares, options or other securities, prior to any trade and confirm they are not in possession of any unpublished price-sensitive information;

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- (ii) any transaction or arrangement proposed to be entered into which may operate to limit the economic risk of their vested and unrestricted security holdings in the Company and confirm they are not in possession of any unpublished price-sensitive information;
- (iii) any margin loan arrangement proposed to be entered into in relation to security holdings in the Company, by completing the attached Margin Loan Form; and
- (iv) any proposed transfer of Company securities into an existing margin loan account.

**3.10** Where a director, officer, consultant or member of senior management enters into a transaction or arrangement which operates to limit the economic risk of their vested and unrestricted security holdings in the Company, the Company may, where appropriate, disclose the fact and nature of that transaction or arrangement (eg. in the annual report).

**3.11** Directors, officers, consultants and members of senior management are required to notify the Company Secretary in writing within three business days after any dealings in the Company's shares, options or other securities made at any time including:

- (a) the entry into any transaction or arrangement which operates to limit the economic risk of a security holding in the Company;
- (b) the entry into a margin loan arrangement in respect of Company securities as previously advised in the Margin Loan Form;
- (c) transferring Company securities into an existing margin loan account; and

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(d) selling Company securities to satisfy a call pursuant to a margin loan.

**3.12** Directors, officers, consultants, members of senior management and other employees should not procure another to trade in Company securities in circumstances in which that director, officer, consultant, member of senior management or other employee is himself or herself precluded from trading in Company securities under this policy and by law.

**3.13** Directors, officers, consultants, members of senior management and other employees should not directly communicate price-sensitive information or cause that information to be communicated to another person if they know or should know that the other person would be likely to buy or sell the Company's shares, options or other securities or to communicate that information to another party.

**3.14** Directors, officers, consultants, members of senior management and other employees must ensure external advisers maintain confidentiality in respect of price sensitive information of the Company.

## **4. EXCEPTIONAL CIRCUMSTANCES**

**4.1** If a director, officer, consultant, member of senior management or other employee needs to sell or dispose of Company securities due to exceptional circumstances but the sale or disposal would breach this policy, the director, officer, consultant, member of senior management or other employee may apply to the Chairman for a waiver from compliance with clause 3.1. If the Chairman is the applicant, the Chairman may apply to the Chairman of the Remuneration and Nominations Committee for a waiver.

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- 4.2 Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Chairman.
- 4.3 If a waiver is sought, a written application must be made setting out the circumstances of the proposed dealing and the reason the waiver is requested. A waiver will only be granted under clause 4.1 if the application is accompanied by sufficient evidence (in the opinion of the Chairman) that the sale or disposal of Company securities is the most reasonable course of action in the circumstances.
- 4.4 The decision whether to grant a waiver is at the complete discretion of the Chairman.
- 4.5 If a waiver is granted, written notification (which includes notification by email) will be provided. A waiver granted in accordance with clause 4.1 is valid for two business days from the date the notification of the waiver is provided.
- 4.6 Any waiver granted under clause 4.1 will be a waiver of breach of the policy only, and the laws against insider trading will still apply.

## 5. EXCLUDED TRADING

- 5.1 Subject to the overriding prohibition against insider trading under clause 3.1, the requirements of the policy do not apply to and do not restrict participation in:
- (a) employee share and option plans;
  - (b) the long term incentive plan;
  - (c) the dividend reinvestment plan; or
  - (d) share purchase plans available to all retail shareholders,

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in accordance with the Rules of the relevant Plan and the terms of any offer (other than in respect of entry into transactions or arrangements which may operate to limit the economic risk of a security holding in the Company and the trading of the Company's shares, options or other securities to which participants become entitled under those plans).

**5.2** Subject to the overriding prohibition against insider trading under clause 3.1, the requirements of the policy do not apply to and do not restrict participation in:

- (a) the acquisition of Company securities through a rights issue;
- (b) the disposal of Company securities through the acceptance of a takeover offer;
- (c) trades where there is no effective change in the beneficial owner (such as a transfer to a family trust or to a self managed superannuation fund); and
- (d) subject to compliance with the procedures set out in the policy in relation to the notification of margin loan arrangements, the sale of Company securities that is the result of a secured lender exercising their rights under the margin lending arrangement.

## **6. INSIDER TRADING**

**6.1** The requirements imposed by this policy are separate from, and additional to, the legal prohibitions in the Corporations Act on insider trading.

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## MARGIN LOAN FORM

I,.....[insert name and position]  
propose to enter into a margin loan arrangement in relation to .....  
[insert number] shares in David Jones Limited.

The margin loan relates to (please tick):

- David Jones Limited shares only.
- David Jones Limited shares and my securityholdings in one or more other companies.

I acknowledge the terms of the David Jones Limited Share Trading Policy, including (if I am a director, officer, consultant or member of senior management):

- the need to confirm the information in this Margin Loan Form with the Company Secretary within three business days after entering into the margin loan arrangement; and
- that the Company may, upon confirmation of the information in this Margin Loan Form, where appropriate or required by law, disclose to the Australian Stock Exchange the fact and nature of the margin loan arrangement.

Signature: .....

Name: .....

Position: .....

Date: .....

Please submit to the Company Secretary.

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Please also submit a copy to the Chairman if you are a director.