

## Mainfreight Limited ("Mainfreight")

### Mainfreight's Securities Trading Policy & Guidelines ("Policy")

*The Policy below applies to all directors, officers and team members ("Restricted Persons") of Mainfreight and its subsidiaries who intend to trade in Mainfreight's listed securities. In this policy 'trade' includes buying or selling listed securities, or agreeing to do so, whether as principal or agent, but it does not include subscription for, or the issue of, new securities.*

*In addition to this Policy, further more specific and stringent rules also apply to trading in Mainfreight's securities, by directors and certain team members (see **Additional Trading Restrictions for Restricted Persons**).*

#### 1. Introduction and Purpose

This document details Mainfreight's policy on, and rules for dealing in the following securities ("Restricted Securities"):

- Mainfreight ordinary shares;
- Mainfreight options; and
- Any other listed securities of Mainfreight or its subsidiaries, and any listed derivatives (including futures contracts listed on an authorised futures exchange) in respect of Mainfreight's securities, from time to time.

#### 2. Persons covered by Mainfreight's Trading Policy

The trading restrictions set out below apply to the following persons or entities:

- All team members of Mainfreight and its subsidiaries
- All directors of Mainfreight in respect of Mainfreight's listed securities and all directors of Mainfreight subsidiaries in respect of each subsidiary's listed securities; and
- Trusts and companies controlled by such persons.

Team members, officers and directors will be considered responsible for the actions of trusts and companies controlled by them. In this respect, "control" is not to be construed in a technical way but by looking at how decisions are made in practice.

The requirements imposed by this Policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand.

If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with the Insider Trading Committee comprising the Group Managing Director (Don Braid), Group Chief Financial Officer (Tim Williams), and General Counsel (Carl Howard-Smith) for approval of at least two of the Committee before dealing with any securities covered by this policy.

### 3. Requirements before Trading

Before trading in Restricted Securities, at any time, Restricted Persons must, in writing:

- Notify Mainfreight's Insider Trading Committee of their intention to trade in securities, and seek consent to do so (using the **Request for Consent to Trade in Listed Securities** form attached in **Appendix 1**);
- Confirm that they do not hold material information; and
- Confirm that there is no known reason to prohibit trading in Restricted Securities.

A consent, if granted by at least two of the above members of the Insider Trading Committee is only valid for a period of 10 trading days after notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.

### 4. Requirements after Trading

If the trade relates to securities issued by Mainfreight or any Mainfreight subsidiary, a person that trades Restricted Securities must advise the Insider Trading Committee promptly following completion of any trade, and the person concerned must comply with any disclosure obligations it has under the Securities Markets (Disclosure of Relevant Interests by Directors and Officers) Regulations.

### 5. Fundamental Rule – Insider Trading is prohibited at all times

If you possess “material information” (please refer to the definition below), then you must not:

- Trade Restricted Securities;
- Advise or encourage others to trade, or hold any Restricted Securities; or
- Pass on the material information to others.

The prohibitions apply regardless of how you learn of the information, and regardless of why you are trading.

## 6. Insider Trading Laws

If you have any **material information about any Issuer (including Mainfreight) of Restricted Securities**, it is illegal for you to:

- Trade the Restricted Securities;
- Advise or encourage another person to trade or hold the Restricted Securities;
- Advise or encourage a person to advise or encourage another person to trade or hold the Restricted Securities;
- Pass on the **material information** to anyone else – including colleagues, family or friends – knowing (or where you ought to have known) that the other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, the Restricted Securities.

“**Insider trading**” can subject you to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or Mainfreight, for any loss suffered as a result of illegal trading.

## 7. Confidential information

In addition to the above, you also have a duty of confidentiality to Mainfreight. You must not reveal any confidential information concerning Mainfreight to a third party (unless that third party has signed a confidentiality agreement with Mainfreight and you have been authorised to disclose the confidential information), or to use confidential information in any way which may injure or cause loss to Mainfreight, or use confidential information to gain an advantage for yourself. You should ensure that external advisers keep Mainfreight information confidential.

## 8. What is “material information” ?

“Material information” is information that:

- is not generally available to the market; and
- if it were generally available to the market, would have a material effect on the price of the Restricted Securities.

Information is generally available to the market if it has been released as a Mainfreight announcement, or investors that commonly invest in the Restricted Securities can readily obtain the information (whether by observation, use of expertise, purchase or other means).

It does not matter how you come to know the material information (including whether you learn it in the course of carrying out your responsibilities, or in passing in the corridor, or in a lift, or at a social function).

Information includes rumours, matters of supposition, intentions of a person (including Mainfreight), and information, which is insufficiently definite to warrant disclosure to the public.

## **9. What are some examples of material information?**

The following list is illustrative only. Material information could include information concerning:

- The Financial performance of Mainfreight;
- A possible change in the strategic direction of Mainfreight;
- The introduction of an important new product or service;
- A possible acquisition or sale of any assets or company by Mainfreight;
- Entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known;
- A possible change in Mainfreight's capital structure;
- A change in the historical pattern of dividends;
- Senior management changes;
- A material legal claim by or against Mainfreight; or
- Any other unexpected liability,

which has not been released to the market.

## **10. Exceptions**

This policy does not apply to:

- Acquisitions and disposals by gift or inheritance;
- Acquisitions through an issue of new listed securities, such as an issue of new shares on the exercise of options, under a rights issue, or a dividend reinvestment plan;
- The purchase of options during an option purchase period.

## **11. Short term trading discouraged**

You should not engage in short term trading (the buying or selling of listed securities within a 6 month period) unless there are exceptional circumstances discussed with an approved by the Mainfreight Audit Committee.

Short term trading can be a key indicator of insider trading, particularly if undertaken on a regular basis or in large amounts. Therefore, to reduce the risk of an allegation of insider trading, do not trade listed securities on a short-term basis.

## **12. If in doubt, dont**

The rules contained in this Policy do not replace your legal obligations. The boundary between what is (and is not) in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical may be insider trading. **So, if in doubt, don't trade.**

## **13. Breaches of Policy**

Strict compliance with this Policy is a condition of employment. Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

## **14. Monitoring of Trading**

Mainfreight may monitor the trading of directors and team members as part of the administration of this Policy.

## **15. Application of Policy**

The Board of Mainfreight has approved this Policy. The Board or Audit Committee may approve updates, amendments to and exemptions to this Policy from time to time, which may be implemented by written notice to you.

To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this Policy prevails over them.

**5 September 2012**

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**Carl Howard-Smith**

## **Mainfreight Limited**

### **Additional Trading Restrictions For Restricted Persons**

#### **1. Persons covered by Restricted Securities Trading Restrictions**

The additional trading restrictions set out below apply to:

- All directors, officers and team members of Mainfreight and its subsidiary companies; and
- Trusts and companies controlled by such persons; and

Persons covered by these additional restrictions are called “**Restricted Persons**”. Team members and directors will be considered responsible for the action of trusts and companies controlled by them. In this respect, “control” is not to be construed in a technical way but by looking at how decisions are made in practice.

#### **2. Continuous Disclosure**

You should be aware by now that Mainfreight has chosen to report to the market half-yearly rather than quarterly. This places an additional obligation on Mainfreight, its directors or officers, to provide continuous disclosure to the market as required by the NZX Rules. The safe harbour rules that used to apply and were particularly helpful when we reported quarterly no longer exist and therefore compliance with this policy **and with the Company’s Continuous Disclosure Policy** is important and may provide a defence against allegations of insider trading.

There are extended definitions of continuous disclosure but in order to simplify the rule continuous disclosure means that material information (as set out above) must be made immediately to the public at large. There are certain exceptions to this rule such as incomplete negotiations for sales or acquisitions, mergers etc, trade secrets or where disclosure would result in a breach of the law. It is important to note, however, that anyone within Mainfreight who obtains material information ie the loss or acquisition of a material significant customer which would materially affect the balance sheet becomes an insider at that point and under continuous disclosure the market has to be advised. This is just one possible illustration of the obligation required under the rule.

***Please note that if you hold material information you must not trade Restricted Securities at any time.***

## Appendix 1

### **REQUEST FOR CONSENT TO TRADE IN LISTED SECURITIES**

TO: Mainfreight Insider Trading Committee

In accordance with Mainfreight's Securities Trading Policy and Guidelines, I request Mainfreight's consent be given to the following proposed transaction to be undertaken either by my or persons associated with me, within 10 trading days of approval being given. I acknowledge Mainfreight is not advising or encouraging me to trade or hold securities and does not provide any securities recommendation.

|  |   |
|--|---|
| Name:  | _____   |
| Name of registered holder<br>Transacting (if different): | _____   |
| Address:   | _____   |
| Position:  | _____   |
| Description and<br>Number of securities:                 | _____   |
| Type of proposed<br>transaction:                         | Purchase / sale / other (specify) _____             |
| To be transacted:  | On NZX/ off-market trade / other<br>(specify) _____ |
| Likely date of<br>Transaction (on or<br>about):          | _____   |

I declare that I do not hold information which:

- Is not generally available to the market; and
- Would have a material effect on the price of the Restricted Securities listed above if it were generally available to the market.

I know of no reason to prohibit me from trading in the Restricted Securities listed above and certify that the details given above are complete, true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date