

AMP Capital Investors Limited  
ABN 59 001 777 591 AFSL 232497



## AMP Capital China Growth Fund – Trading Policy

ARSN 112 303 744

Approved by: AMP Capital Investors Business Risk and Compliance Committee on 20 December 2010.



# AMP Capital China Growth Fund – Trading Policy

## 1. Application of this Policy

This document is known as the *AMP Capital China Growth Fund – Trading Policy (Policy)*. The Policy applies to all Restricted Staff and Unrestricted Staff. The Policy sets out the rules that govern Restricted Staff and Unrestricted Staff trading in the securities of the AMP Capital China Growth Fund which is listed on the Australian Securities Exchange. All Restricted Staff and Unrestricted Staff are required to be familiar with, and comply with, the Policy.

This Policy is to be read in conjunction with other policies including:

- *AMP Capital Investors Chinese Walls Policy*;
- *AMP Capital Investors Personal Trading Policy*; and
- *AMP Limited Trading Policy*.

## 2. Definitions

AGF	AMP Capital China Growth Fund
AGF Securities	All units and other financial products issued by AGF, and all derivatives created over them
AMP Capital Investors, AMPCI	AMP Capital Investors Limited ABN 59 001 777 591 AFSL 232497, the responsible entity of AGF
AMP Group	AMP Limited and its controlled entities
A Shares	Shares in companies listed on China's Shanghai or Shenzhen stock exchanges and denominated in CNY
ASX	Australian Securities Exchange Limited
AUD	Australian dollars
CNY	Chinese renminbi
Company Secretary	The Company Secretary of AMP Capital Investors
Exceptional Circumstances	Means any circumstances deemed to be exceptional by the Head of Risk & Compliance, AMPCI, including, but not limited to: <ul style="list-style-type: none"><li>(i) cases of severe financial hardship, where there is a pressing financial commitment which cannot reasonably be satisfied otherwise than by transferring or selling the AGF Securities; or</li><li>(ii) other exceptional circumstances for which the transfer or sale of the AGF Securities is the only reasonable course of action available, for example to comply with a court order or a bona fide family dispute.</li></ul>
Generally Available Information	Means information: <ul style="list-style-type: none"><li>(i) that consists of readily observable matter; or</li><li>(ii) to which both of the following apply:<ul style="list-style-type: none"><li>(a) has been made known in a manner likely to bring the information to the attention of persons who commonly invest in the financial product e.g. media release; and</li><li>(b) since that information has been made known, a reasonable period has passed for the information to be disseminated among people who commonly invest; or</li></ul></li></ul>

	(iii) that consists of deductions, conclusions or inferences drawn from information referred to in (i) and (ii) (a) above
HKX	The Hong Kong Stock Exchange
HKD	Hong Kong dollars
H Shares	Shares issued by Chinese companies listed on HKX, denominated in HKD
Inside Information	Information that is not Generally Available Information but, if it were, a reasonable person would expect it to have a material effect on the price or value of AGF Securities
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of AGF directly or indirectly, including: <ul style="list-style-type: none"> <li>(i) the directors of AMP Capital Investors;</li> <li>(ii) the Managing Director, AMP Capital Investors ;</li> <li>(iii) the Company Secretary, AMP Capital Investors;</li> <li>(iv) the Head of Asian Equities, AMP Capital Investors;</li> <li>(v) the Chief investment Officer Listed Assets, AMP Capital Investors;</li> <li>(vi) the Director of Finance, AMP Capital Investors;</li> <li>(vii) the Head of Investment Control, AMP Capital Investors;</li> <li>(viii) the Head of Investment Operations, AMP Capital Investors; and</li> <li>(ix) the CEO China Growth Fund, AMP Capital Investors.</li> </ul>
MC Markets	The mainland Chinese stock exchanges, being the Shanghai and Shenzhen stock exchanges
NAV	Net asset value of AGF
Published NAV	AGF's end-of-month NAV which has been released on ASX
Restricted Staff	Means: <ul style="list-style-type: none"> <li>(i) Key Management Personnel;</li> <li>(ii) any AMP Group officer or employee that has access to, or knowledge of, the daily NAV from time to time; and</li> <li>(iii) any other AMP Group officer or employee that the Head of Risk &amp; Compliance, AMPCI nominates.</li> </ul>
Unrestricted Staff	Any AMP Group officer or employee that is not Restricted Staff

### 3. Insider trading

In accordance with the prohibition on insider trading, a person, including any director, officer or senior group executive of AMP Capital Investors, is prohibited from trading in AGF Securities at a time when that person possesses information which is not generally available and, if the information was generally available, a reasonable person would expect that information to have a materially effect on the price or value of AGF Securities.

Information is generally available if:

- It consists of a readily observable matter; or
- It has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose price might be affected by the information; and since it was made known, a reasonable period for it to be disseminated among such persons has elapsed.

A person in possession of price sensitive information about AGF must not:

- (a) apply for, acquire or dispose of, AGF Securities, or enter into an agreement to do any of those things;
- (b) advise or procure (including but not limited to, inciting, inducing or encouraging) another person to apply for, acquire or dispose of AGF Securities or enter into an agreement to do any of those things; or
- (c) communicate, or cause to be communicated, price sensitive information to another person, whether directly or indirectly, where the person knows or ought reasonably to know that the recipient would, or would be likely to apply for, acquire or dispose of AGF Securities (or procure (including but not limited to, incite, induce or encourage) a third party to do so).

Penalties for insider trading may include criminal or civil liability against the individual or company concerned. Penalties may include fines and jail terms.

## 4. Restrictions on trading in AGF Securities

### 4.1 Guiding Principles

At all times Restricted Staff and Unrestricted Staff must not make use of Inside Information to gain an improper advantage for themselves or any another person, or cause detriment to investors. When in possession of Inside Information, Restricted Staff and Unrestricted Staff must not at any time:

- Trade in the AGF Securities;
- Obtain, arrange or encourage someone else to trade in the AGF Securities; or
- Communicate the Inside Information to anyone who may trade in the AGF Securities.

Notwithstanding the terms on which Restricted Staff may trade in AGF Securities, including during a trading window (as more fully described below), if Restricted Staff or Unrestricted Staff are in possession of any Inside Information, they will be prevented from trading in AGF Securities under the terms of this Policy and the Corporations Act 2001 (Cwlth).

### 4.2 Restricted Staff

Subject to the Guiding Principles outlined in Section 4.1 above, Restricted Staff may only trade in AGF Securities whilst a trading window is open as described in this Policy or whilst Exceptional Circumstances exist. Subject to the circumstances listed in Section 5, Restricted Staff are not permitted to trade in the AGF Securities at any other time.

Restricted Staff that wish to trade AGF Securities, during a trading window must undertake all personal trading in accordance with the AMP Capital Personal Trading Policy and seek pre-approval if required.

Restricted Staff are required to maintain all records of their AGF trading activities including records of contract notes. AMP Capital Investors Risk & Compliance may request copies of such records or perform ad hoc inspections.

### 4.3 Unrestricted Staff

Subject to the Guiding Principles outlined in Section 4.1 above, Unrestricted Staff may trade in the AGF Securities outside of the established trading windows, as well as during the established trading windows. Any trading in AGF Securities is subject to the provisions of the *AMP Capital Investors Personal Trading Policy* including the provision that staff should not engage in short term trading with the expectation of selling within 30 days of acquisition. Staff may apply to the Head of Risk & Compliance, AMPCI for an exemption from the short term trading rule. All requests will be considered but, generally, exceptions will only be granted in limited circumstances.

## 5. Circumstances permitting Restricted Staff to trade outside of a trading window

Restricted Staff may trade in AGF Securities when a trading window is not open in the following circumstances:

- (a) trading which results in no change in the beneficial interest in the AGF securities (for example, transfers of AGF Securities that are already held in a superannuation fund or other scheme in which the Restricted Staff member is a beneficiary);

- (b) an investment in, or trading in units of, a fund or other scheme that may hold investments in AGF (other than a scheme that invests solely in AGF Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Restricted Staff member is a trustee, trading in AGF Securities is allowable by that trust provided that the Restricted Staff member is not a beneficiary of the trust and any decision to trade when the trading window is closed is taken by the trustees or by investment managers independently of the Restricted Staff member;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a distribution reinvestment plan and an equal access buy-back. This 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;
- (f) a disposal of AGF Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; or
- (g) trading under a non-discretionary trading plan and where the trading plan does not permit the Restricted Staff member to exercise any influence or discretion over how, when, or whether to trade.

Restricted Staff may trade in AGF Securities when a trading window is not open, during any of the above circumstances or where Exceptional Circumstances exist, by obtaining written consent from the Head of Risk & Compliance, AMPCI. Written consent may be obtained by emailing a request to the Head of Risk & Compliance, AMPCI detailing the reasons and circumstances why the request to trade AGF Securities outside of the trading window is being made and (where relevant) supplying any supporting evidence. Prior written consent may be provided by electronic delivery via email and is valid for a period of 10 business days.

## 6. Why are Restricted Staff restricted from trading in AGF Securities?

The persons designated as Restricted Staff have been so designated as they will either on a regular basis, or from time to time, have knowledge of, or access to AGF's daily NAV information.

As AGF is structured as a registered managed investment scheme, persons with knowledge of AGF's daily NAV may be considered as being in possession of Inside Information (other than in the circumstances noted in Section 8 when the trading windows for AGF are opened and Restricted Staff are permitted to trade).

This is the case as AGF's NAV is calculated daily by AMP Capital Investors but released to ASX monthly.

The Published NAV for AGF is normally released to the ASX seven business days after month end, and therefore the Published NAV is not the same as the daily NAV calculated on the date that the Published NAV is released.

In both instances, Restricted Staff will be in possession of information that is not Generally Available Information, and which could, if generally available, be reasonably expected to impact on the trading price of AGF.

Knowledge of, or access to, AGF's daily NAV information is only one form of information that may constitute Inside Information under this Policy. Restricted Staff (and Unrestricted Staff) should note that there are other forms of information that can constitute Inside Information. As set out above, staff in possession of Inside Information will be subject to the restrictions set out in Section 4.1 above.

## 7. Calculation of AGF's daily NAV

AGF's main investment objectives are to achieve long term capital growth with a focus on investing in A Shares, and to outperform the S&P/CITIC 300 Total Return Index (expressed in Australian dollars).

As a result, AGF's daily NAV is primarily a function of the prices of the underlying A Shares listed on the MC Markets and the movement in the AUD / CNY exchange rate.

AGF is also permitted to invest in H Shares. As such, AGF's NAV can be impacted to a lesser extent by price movements in these shares.

## 8. Opening of trading windows

In certain limited circumstances, usually in May and October each year, the MC Markets are closed for a period and A Shares cannot be traded. At these times and given certain conditions, which are outlined in the *AMP Capital China Growth Fund - Trading Window and Exceptional Circumstances Conditions and Procedures*, there is the potential for alignment between AGF's daily NAV and Published NAV. In such circumstances, Restricted Staff would not be considered to be in possession of Inside Information in relation to AGF's daily NAV, and consideration will be given to whether a trading window for AGF will be opened for Restricted Staff.

In the event that a trading window can be opened, AMP Capital Investors Risk & Compliance will notify all Restricted Staff and will identify the period of time that the trading window is expected to remain open.

## 9. Notification of trading by directors

The directors of AMP Capital Investors are required to notify the Company Secretary of the details of any changes in their direct or indirect interest in AGF irrespective of whether that change occurred during the opening of a trading window. The Company Secretary will be required to complete and lodge with the ASX the required forms reflecting the directors changed interest within five days of the change occurring.

## 10. What happens if this Policy is contravened?

All Restricted Staff and Unrestricted Staff must comply with this Policy. AMP Capital Investors may take disciplinary action against Restricted Staff or Unrestricted Staff who contravene this Policy, including:

- Re-assessment of bonus qualification/award/profit share; and/or
- Termination of employment or representative's agreement.

## 11. Policy review

The Head of Risk & Compliance, AMPCI is the owner of this Policy and will review this Policy at least every two years to ensure it remains relevant, current and compliant with all applicable laws governing AMP Capital Investors, relevant activities and functions.

## 12. Assistance and additional information

If you are unsure at any time about your obligations under this Policy or insider trading prohibitions under the Corporations Act 2001 (Cwlth), you should contact AMP Capital Investors Risk & Compliance.