

# Insider Trading Policy

## **Introduction**

In the course of performing your duties for Kirby Corporation and its subsidiaries and affiliates (collectively, the “Company,” “we” or “us”), you may, at times, have information about us or another company that is not generally available to the public. Because of your relationship with us, if you are aware of material nonpublic information about the Company, federal and state securities laws prohibit you from trading in the Company’s securities or providing material nonpublic information to others who may trade on the basis of that information. This policy addresses your obligations to us and under the law, to prevent actual (or even the appearance of) insider trading, and to protect our reputation for integrity and ethical conduct.

This policy applies to all directors, officers and employees of the Company, as well as their family members or other persons with whom they have a relationship or who are under their influence or control, as described below. Certain additional restrictions apply to directors, executive officers and certain key employees of the Company. Those restrictions are described in a separate supplemental policy that is distributed to the persons affected.

## **General Policies**

The purchase or sale of Company stock while in possession of material nonpublic information, as well as the disclosure of material nonpublic information to others who then trade in Company stock, are prohibited by the federal securities laws. Insider trading violations are pursued vigorously by the government and the possible civil and criminal penalties can be severe. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and their supervisory personnel if they fail to take reasonable steps to prevent insider trading by Company personnel.

In addition, an employee’s failure to comply with the Company’s Insider Trading Policy may subject the employee to Company-imposed sanctions, including termination of employment, whether or not the employee’s failure to comply results in a violation of law.

The Company has adopted this Insider Trading Policy to satisfy the Company’s obligation to take steps to prevent insider trading, to help Company employees avoid the severe consequences associated with violations of the insider trading laws and to preserve the Company’s reputation for integrity and ethical conduct, particularly in relation to the public market for its securities. Questions about a proposed transaction in Company stock should be directed to the Chief Financial Officer, Vice President and Controller or General Counsel.

## **No Trading While in Possession of Material Nonpublic Information**

Company employees who are aware of material nonpublic information relating to the Company may not, directly or through family members or other persons or entities, (a) buy or sell Company stock (other than pursuant to a preapproved trading plan that complies with SEC Rule 10b5-1), or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside the Company, including family and friends. If you disclose material nonpublic information to another person who then trades in Company stock, you are subject to the same penalties as the person trading, even if you receive no personal benefit. In addition, a Company employee who, in the course of working for the Company, learns of material nonpublic information about another company with which the Company does business, including a customer or supplier, may not trade in that company's securities until the information becomes public or is no longer material.

## **Guidance on Understanding Material, NonPublic Information**

### ***What information is "material"?***

Material information is any information that a reasonable investor would consider important in making a decision to buy, hold, or sell securities. Any information that could be expected to affect a company's stock price, whether it is positive or negative, should be considered material. Some examples of information that ordinarily would be regarded as material are:

- projections of future earnings or losses or other earnings guidance,
- earnings that are inconsistent with the consensus expectations of the investment community,
- a pending or proposed merger, acquisition or tender offer,
- a pending or proposed acquisition or disposition of a significant asset,
- the gain or loss of a significant customer or supplier or a significant contract,
- significant litigation or governmental investigation,
- a change in dividend policy, the declaration of a stock split or an offering of securities, or
- a major change in management.

### **When information is "public"**

If you are aware of material nonpublic information, you may not trade until the information has been disclosed broadly to the marketplace (such as by press release or an SEC filing) and the investing public has had time to absorb the information fully. To avoid the appearance of impropriety, generally, information should not be considered fully absorbed by the marketplace until the second full business day after the information is released. For example, if the Company makes an announcement before the market opens on a Monday, an employee should not

trade in Company stock until Tuesday. If the announcement is made after the market opens on a Monday, an employee should not trade in Company stock until Wednesday. Disclosure of material nonpublic information whether orally, in writing or via social media is prohibited.

**Transactions by Family Members** The insider trading policy also applies to your family members who reside with you, anyone else who lives in your household and any family members who do not live in your household but whose transactions in Company stock are directed by you or are subject to your influence or control.

### **Transactions Under Company Plans**

**Stock option exercises.** The insider trading policy does not apply to the exercise of an employee stock option, including the use of shares to pay the exercise price or the use of shares subject to an option or shares of restricted stock to satisfy tax-withholding requirements. The policy does apply, however, to any sales of stock as part of a broker-assisted cashless exercise of an option, or any other market sale to generating the cash needed to pay the exercise price of an option or taxes on the exercise of an option or the vesting of restricted stock.

**401(k) Plan.** The Company's insider trading policy does not apply to purchases of Company stock in the 401(k) plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. The policy does apply, however, to certain elections you may make under the 401(k) plan, including an election to increase or decrease the percentage of your periodic contributions that will be allocated to the Company's stock fund and an election to make a transfer of an existing account balance into or out of the Company's stock fund.

### **Additional Prohibited Transactions**

Company employees may not (a) engage in short sales of Company stock (b) pledge Company stock as collateral for a loan or hold Company stock in a margin account or (c) engage in transactions involving other financial instruments that are designed to, or have the effect of, hedging or protecting against any decline in the market value of any Company stock held, directly or indirectly, by such person. Hedging transactions include, but are not limited to, prepaid variable forward contracts, equity swaps, exchange funds, short sales and puts, calls, collars or similar options to buy or sell Company stock. The preceding sentence is not an exhaustive list and this policy is intended to apply to all transactions that establish protection against a decline in the market price of Company stock. This prohibition does not relate to the exercise of stock options granted by the Company. This paragraph of the Company's Insider Trading Policy is effective February 6, 2017. Any transactions entered into prior to that date that would otherwise not be permitted by this policy may continue until they expire according to their terms, but may not be renewed or extended.

**When in doubt, you should either consult with the Company's Chief Financial Officer, Vice President & Controller or its Vice President & General Counsel prior to trading or assume that the information is material and nonpublic, treat it as confidential and not trade in Company stock.**

### **Violations of Insider Trading Laws**

Penalties for trading on or communicating material nonpublic information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include imprisonment, criminal fines, civil penalties and civil enforcement injunctions. Employees who violate this Policy may be subject to disciplinary action by the Company, including termination of employment.