

### 1. INTRODUCTION

Incitec Pivot is committed to the promotion of investor confidence by ensuring that trading in its securities takes place in an informed market.

### 2. PURPOSE

The purpose of this policy is to:

- (a) inform Incitec Pivot's employees, officers and contractors about Incitec Pivot's continuous disclosure obligations imposed by law; and
- (b) describe Incitec Pivot's processes aimed at providing timely disclosure of information which may have a material effect on the price or value of Incitec Pivot securities.

### 3. APPLICATION

This policy applies to all employees, officers and contractors of Incitec Pivot and its subsidiaries.

### 4. OUTLINE

The role of employees, officers and contractors of Incitec Pivot is to immediately report any potentially price sensitive information to a Disclosure Officer so the matter can be assessed to determine whether any information should be released to the market.

It is the role of the Disclosure Officers to assess whether or not an event or information may be potentially price sensitive.

There are three substantive parts to this policy:

- Part 5 – explaining Incitec Pivot's continuous disclosure obligations and the operation of the ASX Listing Rules;
- Part 6 – which discusses the processes for identifying and reporting potentially price sensitive information within Incitec Pivot; and
- Part 7 – which discusses other practical measures for employees, officers and contractors to follow to ensure Incitec Pivot meets its continuous disclosure obligations.

### 5. CONTINUOUS DISCLOSURE REPORTING OBLIGATIONS

#### 5.1 What is Incitec Pivot's continuous disclosure obligation?

Incitec Pivot is required to comply with the continuous disclosure obligations under the ASX Listing Rules and the Corporations Act 2001 (Cth). ASX Listing Rule 3.1 provides that:

*Once Incitec Pivot is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Incitec Pivot securities, Incitec Pivot must immediately tell ASX that information.*

## 5.2 What does "immediately" mean?

For the purpose of ASX Listing Rule 3.1, "immediately" means "promptly and without delay". The standard of promptness expected by the market and ASX and ASIC is very high; doing something "promptly and without delay" means doing it as quickly as it can be done in the circumstances (acting promptly) and not deferring, postponing or putting it off to a later time (acting without delay).

In some circumstances, ASX may expect that price sensitive information be announced to the market as soon as Incitec Pivot becomes aware of it. In other circumstances, "promptly and without delay" may mean after the potential price sensitive information has been analysed and properly considered by Incitec Pivot.

See section 6.1 below, which sets out the obligations of employees, officers and contractors to immediately report potentially price sensitive information within Incitec Pivot.

## 5.3 What is "price sensitive information"?

Information that is "price sensitive information" needs to be disclosed to ASX under ASX Listing Rule 3.1, unless an exception applies at the time.

**Price sensitive information** is information that a reasonable person would expect to have a material effect on the price or value of Incitec Pivot securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of Incitec Pivot's securities.

In assessing whether information needs to be disclosed to ASX, it may assist to ask the following questions:

- Would this information influence my decision to buy or sell Incitec Pivot shares at their current market price?
- Would I feel exposed to an action for insider trading if I were to buy or sell Incitec Pivot shares at their current market price, knowing the information had not been disclosed to the market?

If the answer to either question is "yes", then the information may be price sensitive information which Incitec Pivot must immediately (that is, promptly and without delay) disclose to ASX, and assuming an exception to immediate disclosure does not apply at that time.

"Information" is given a broad meaning and will extend beyond pure matters of fact to matters of opinion and intention.

It is the role of the Disclosure Officers (see section 6.2 below) to assess whether information may require disclosure to ASX. All of Incitec Pivot's employees, officers and contractors have a role in ensuring that information that may be price sensitive information is reported promptly and without delay so it can be referred to Disclosure Officers to be assessed (see section 6.1 below).

In assessing whether disclosure is required, Disclosure Officers will have regard to the fact that the test is an objective one.

## 5.4 Examples of price sensitive information

Importantly, it is often the consequences or implications of an event (rather than an event itself) for Incitec Pivot that will cause the event to be price sensitive. This is not limited to information that is financial in character or that is measurable in financial terms. Assessing whether disclosure is required is the role of the Disclosure Officers.

Examples of events that may give rise to a need to inform ASX of price sensitive information include:

- an event materially impacting on Incitec Pivot's operations or business (including, for example, natural disasters, environmental incidents or plant outages);
- an event materially adversely impacting on a production target for Incitec Pivot. If the event means that Incitec Pivot is unlikely to be able to meet a production target for the period, it may require disclosure;

- a material change in Incitec Pivot's financial performance (either positive or negative), which is materially different from the prior corresponding period, or from broking analysts' consensus forecast for Incitec Pivot's performance for the period;
- a material acquisition or disposal;
- entering into a material customer or supplier contract;
- a decision to proceed with a new plant or facility or a decision to reduce capacity at a plant or facility;
- an event materially impacting on the costs or timing of construction of a major project or new facility;
- material legal proceedings commencing against Incitec Pivot or its management.

***This is not an exhaustive list. If you are in any doubt about whether an event may be price sensitive information, you should immediately report it for reporting to a Disclosure Officer (see section 6.1 below).***

### **5.5 Are there exceptions to continuous disclosure requirements?**

Under ASX Listing Rule 3.1A, Incitec Pivot is not required to disclose specific information while **each** of the following conditions is satisfied in relation to the information:

- (a) one or more of the following conditions apply:
- it would be a breach of a law to disclose the information;
  - the information concerns an incomplete proposal or negotiation;
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for the internal management purposes of Incitec Pivot; or
  - the information is a trade secret; **and**
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; **and**
- (c) a reasonable person would not expect the information to be disclosed.

As soon as any one of these elements is no longer satisfied the exception no longer applies.

Confidentiality is a critical element that needs to be met for an exception to apply. Accordingly, if Incitec Pivot is relying on an exception it must ensure that potentially price sensitive information is kept confidential (as a matter of fact). As "confidential" means "secret", keeping information confidential requires taking steps to ensure that Incitec Pivot has in place suitable and effective arrangements to control how information is used and disclosed.

Regardless of the steps Incitec Pivot takes, confidentiality may be lost if the information is disclosed in other circumstances (regardless of whether the disclosure is in breach of confidence) or otherwise becomes known. ASX may also determine that information is no longer confidential.

Indicators that the confidentiality of a matter may have been lost include:

- where there is rumour circulating or media comments about the information and the rumour or comment is reasonably specific; or.
- a significant movement in price or traded volumes occurs which cannot otherwise be explained.

If confidentiality is lost, Incitec Pivot may be required to make an announcement to ASX.

See section 5.10 below for more information about responding to market speculation and rumours.

## **5.6 ASX can require Incitec Pivot to disclose information to the market**

Incitec Pivot **must** immediately provide ASX with the information it requests where ASX considers that there is, or is likely to be a false market in Incitec Pivot's securities. ASX Listing Rule 3.1B deals with this matter.

ASX may consider that there is false market in Incitec Pivot's securities where, for example, there is speculation by the media about a particular matter combined with a material change in the market price or traded volume of Incitec Pivot's securities.

The exceptions in ASX Listing Rule 3.1A **do not** apply to a request from ASX under this rule.

## **5.7 Information must be given to ASX first**

Incitec Pivot must not release the information that is for release to the market to any person (eg analysts, institutional investors, customers or suppliers or the media) until it has given the information to ASX and has received an acknowledgment that ASX has released the information to the market.

This means if Incitec Pivot employees, officers or contractors become aware of potentially price sensitive information, it is important that this information is immediately reported to a Disclosure Officer (see section 6.1 below). For example, potentially price sensitive information about production issues or new projects should not be reported externally (eg to customers or suppliers) unless it has first be disclosed to ASX for release to the market (or you have been specifically authorised (eg on a confidential basis)).

As soon as possible after ASX confirms an announcement, the announcement should be posted on Incitec Pivot's website under the "Announcements" area of the Investor Relations page.

## **5.8 Trading halts and voluntary suspension**

Incitec Pivot may request a trading halt to prevent the trading of its securities on an uninformed basis. The Disclosure Officers are responsible for determining whether a trading halt is necessary and are authorised to make a request to ASX for a trading halt. Unless expressly authorised by a Disclosure Officer, no other person is authorised to make an application for a trading halt.

A request to ASX for a voluntary suspension may only be made by a Disclosure Officer with the approval of the Board (or Board committee).

## **5.9 Continuous disclosure and periodic disclosure**

The continuous disclosure obligations under the ASX Listing Rules are in addition to Incitec Pivot's other disclosure obligations (for example, financial and periodic reporting obligations).

If Incitec Pivot becomes aware of price sensitive information shortly before it is to announce its full year or half year results, Incitec Pivot may need to disclose that information to ASX in advance of releasing its full year or half year results (unless an exception to disclosure applies).

## **5.10 Market speculation and rumours**

Market speculation and rumours, whether substantiated or not, have the potential to impact Incitec Pivot.

Incitec Pivot's general policy on responding to market speculation and rumours is that the company does not respond to market speculation or rumours (unless required by the Listing Rules or requested by ASX).

Employees must observe this policy at all times. However, the Disclosure Officers may provide a response in the following circumstances:

- in order to correct speculation if it contains factual errors that could materially affect the company;
- in order to prevent the creation of a false market;
- where it believes, or ASX notifies it that, the price sensitive information is no longer confidential; and

where ASX asks for disclosure under ASX Listing Rule 3.1B.

## **6. IDENTIFYING AND REPORTING PRICE SENSITIVE INFORMATION**

### **6.1 Obligations on employees, officers and contractors**

It is the role of the Disclosure Officers to determine whether information is price sensitive.

To enable the Disclosure Officers to determine whether information needs to be disclosed to the market, all employees, officers and contractors of Incitec Pivot must immediately report any event or occurrence that could be potentially price sensitive information to one of:

- (a) their manager;
- (b) their head of department; or
- (c) a Senior Manager or member of the Executive Team.

Upon receiving a report regarding potentially price sensitive information, the recipient must immediately report the details to a Disclosure Officer.

For example, a major outage that will have a material impact on Incitec Pivot's production must be immediately reported internally. Potentially price sensitive information should not be disclosed to third parties unless it has first be disclosed to ASX for release to the market (or you have been specifically authorised).

It is important that all potentially price sensitive information, regardless of whether its consequences are fully known, be **immediately** reported in the manner described above. Under the ASX Listing Rules, Incitec Pivot is deemed to be aware of information if it is known by anyone within the entity and it is of such significance that it ought reasonably have been brought to the attention of a Disclosure Officer in the normal course of performing their duties.

### **6.2 Decisions about price sensitive information and announcements**

Except as otherwise provided in this policy, all disclosures of price sensitive information (or potentially price sensitive information) to ASX must be first approved by two Disclosure Officers.

The Disclosure Officers are the Managing Director & CEO, the CFO and the Company Secretary.

Recognising the need to ensure that price sensitive information is disclosed to ASX promptly and without delay, where practicable, approval will also be sought in advance from the following persons in relation to proposed announcements to ASX:

- (a) from the CFO, where the proposed announcement quotes or incorporates financial information;
- (b) from the Chairman of the Board or, where the Chairman cannot be contacted, from the Chairman of the Audit and Risk Committee, where the information to be announced is a significant material disclosure; and
- (c) from the Board, where the announcement contains information intended to update the market's expectations concerning Incitec Pivot's earnings for a period.

### **6.3 Company Secretary**

The Company Secretary has been authorised to be Incitec Pivot's point of contact for communication with ASX in relation to listing rule matters. The Company Secretary:

- (a) has authority to file administrative announcements with ASX without seeking approval from the other Disclosure Officers or any other person; and
- (b) may lodge announcements with ASX regarding price sensitive information, approved in accordance with this policy.

## **7. OTHER PRACTICAL MATTERS**

To ensure that potentially price sensitive information is not disclosed in a way that contravenes this policy or the ASX Listing Rules, employees, officers and contractors of Incitec Pivot must also comply with the following matters.

### **7.1 Authorised spokespersons and public comments**

Incitec Pivot's authorised spokespersons are:

- Chairman;
- Managing Director & CEO;
- Company Secretary; and
- CFO.

Other employees, officers or contractors of Incitec Pivot must not speak to the media, investors, market analysts or other parties, about Incitec Pivot matters, unless they have been specifically authorised to do so by an authorised spokesperson.

Public comments about Incitec Pivot should be limited to information that Incitec Pivot has already released publicly through ASX. An authorised spokesperson should avoid commenting on other non-public price sensitive matters. For example, comments by the authorised spokesperson on market analysts' financial projections should be confined to errors in factual information. Any response which may suggest that Incitec Pivot's or the market's current guidance or projections are incorrect should be avoided. Any change in guidance should be released to ASX before commenting to anyone outside Incitec Pivot.

If a question by a person outside Incitec Pivot can only be answered by disclosing unreleased price sensitive information, the question must not be answered or should be taken on notice. The information must be released to ASX before responding.

### **7.2 Handing inquiries and requests for information**

All inquiries and requests for information from:

- analysts or investors must be referred to the Investor Relations Manager;
- the media must be referred to the Group Corporate Affairs Manager, or a member of the manager's team.

Any material information to be provided to analysts, investors or the media, including material to be presented at an analyst briefing must be approved by the CFO and Company Secretary.

Prior to release to journalists, all non-price sensitive media releases must be approved by the Group Corporate Affairs Manager. If there is any doubt as to whether a media release contains price sensitive information, it must also be approved by a Disclosure Officer prior to release.

Slides and presentations to be used in analyst or media briefings must be given to ASX prior to the briefing and posted on the Incitec Pivot website after confirmation of release to the market by ASX.

### **7.3 Public comments and social media**

Except as provided in this policy, no employee, officer or contractor may make external comments (whether orally or by publication) regarding Incitec Pivot's business or operations without authorisation from an authorised spokesperson.

This general prohibition includes comments via the internet, social media or social networking technologies. For example, employees, officers or contractors of Incitec Pivot should not comment about Incitec Pivot or its business or operations on:

- external social networking sites (eg Facebook, MySpace, LinkedIn);
- online discussion forums and blogging sites, including micro blogs (eg Twitter);
- video and photo sharing sites (eg YouTube, Flickr);
- online encyclopaedias (eg Wikipedia); and
- any other websites that allow individual users to publish information.

### **7.4 No embargos**

Incitec Pivot may only disclose price sensitive information to a person once it has given the information to ASX and has received an acknowledgment that ASX has released the information to the market. Incitec Pivot will not disclose price sensitive information under an "embargo" arrangement.

In unusual circumstances, it may be necessary for Incitec Pivot to announce price sensitive information outside the times ASX is able to receive and process announcements (eg over a weekend or late in the evening). The Disclosure Officers will determine the appropriate course of action, however, price sensitive information must be lodged with ASX before it is given to a third party, so that it is available for ASX to process as soon as possible when ASX re-opens.

### **7.5 Briefing black-out period**

To minimise the risk of selective or inadvertent disclosure, in the two month period leading up to the annual results announcement or in the one month period before the scheduled publication of any other results or outlook statements, Incitec Pivot's policy is not to permit employees, officers or contractors to participate in interviews or briefings.

### **7.6 Inadvertent disclosure**

If an inadvertent disclosure by an authorised spokesperson or other person occurs, a Disclosure Officer must be notified immediately. If the disclosed information is price sensitive, it must be released to ASX and then posted on Incitec Pivot's website. If the information is not price sensitive it may nevertheless be preferable to post it on Incitec Pivot's website in order to ensure that everyone has access to the same information.

The fact that price sensitive information released other than through ASX may become generally available is not an excuse for failing to disclose it to ASX.

The Investor Relations Manager (in consultation with the CFO and Company Secretary) will review comments made at analysts and investor presentations after they have concluded to ensure that there was no inadvertent disclosure of price sensitive information, or if information was disclosed that an announcement is made to the market in accordance with this policy (after consultation with Disclosure Officers).

## **8. CONTRAVENTION & PENALTIES**

Incitec Pivot contravenes its continuous disclosure obligations if it fails to immediately notify ASX of information required by ASX Listing Rule 3.1 to be disclosed. If Incitec Pivot contravenes this obligation intentionally, recklessly or negligently by failing to immediately (ie promptly and without delay) notify ASX of information:

- that is not generally available; and
- that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of Incitec Pivot securities,

it, and its officers, may be guilty of an offence under the Corporations Act.

If Incitec Pivot contravenes its continuous disclosure obligations, it may face criminal liability with a monetary fine, civil liability for any loss or damage suffered by any person as a result of Incitec Pivot's failure to disclose relevant information to ASX, or administrative sanctions from ASX. Incitec Pivot's employees, officers (including its directors) or advisers who are involved in the contravention by Incitec Pivot, may also face criminal and civil liability.

Contravention of its continuous disclosure obligations may also lead to adverse publicity for Incitec Pivot and reputational damage.

## **9. OTHER MATTERS**

### **9.1 Continuous disclosure queries**

All queries relating to this policy, or Incitec Pivot's continuous disclosure obligations should be directed to the Company Secretary.

### **9.2 Continuous disclosure awareness**

The Company Secretary will facilitate presentations to relevant senior management and employees to make them aware of:

- the obligations of Incitec Pivot in relation to its reporting obligations; and
- the procedures set out in this policy.

Adopted by the Board with effect from 1 May 2013.

## ANNEXURE A – GLOSSARY OF KEY TERMS

Term	Definition	Reference
<b>Aware</b>	Incitec Pivot becomes aware of information if an officer (as defined in the Corporations Act) has, or ought reasonably to have, come into possession of the information in the course of performance of their duties as an officer of Incitec Pivot.	ASX Listing Rule 19.12
<b>Generally Available Information</b>	<p>Information is generally available if:</p> <ul style="list-style-type: none"> <li>(i) it consists of a readily observable matter; or</li> <li>(ii) without limiting the generality of paragraph (i), both the following subparagraphs apply: <ul style="list-style-type: none"> <li>(A) 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 or value might be affected by the information; and</li> <li>(B) since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed; or</li> </ul> </li> <li>(iii) it consists of deductions, conclusions or inferences made or drawn from the information either or both of the following: a) information referred to in paragraph (i), (b) information made known as mentioned in subparagraph (ii)(A).</li> </ul>	Corporations Act, s 676
<b>Disclosure Officers</b>	The Company Secretary, the Managing Director & CEO and the CFO	
<b>Price sensitive information</b>	<p>Information concerning Incitec Pivot that a reasonable person would expect to have a material effect on the price or value of the Incitec Pivot's securities.</p> <p>A reasonable person would be taken to "expect" information to have a material effect, on the price or value of Incitec Pivot's securities, if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Incitec Pivot securities.</p>	<p>ASX Listing Rule 3.1</p> <p>Corporations Act, s 677</p>