

# **Incitec Pivot Limited**

## Share Trading Policy

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# Incitec Pivot Limited Share Trading Policy

- 1 **Introduction and Purpose** This document summarises the law relating to insider trading and sets out Incitec Pivot’s trading policy on buying and selling shares, options, derivatives (“**Securities**”) of Incitec Pivot Limited and its subsidiaries (“**Incitec Pivot**”).
- 2 **Who does this policy apply to?** This Share Trading Policy applies to all directors, officers, senior management, other employees, and all other associates (contractors, advisors, auditors and consultants) of Incitec Pivot (“**Staff**”).
- 3 **Summary of the policy** All Staff are prohibited from trading in Incitec Pivot Securities during certain specified periods during the year called “Black Out Periods”.

The following illustrates the “Black Out Periods” in general terms. The Black Out Periods are further explained in part 10.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Staff are able to trade in Incitec Pivot Securities during periods other than the Black Out Periods **provided that they do not breach any of the insider trading prohibitions** set out in the Corporations Act 2001 (Cth). These prohibitions are explained in part 5.

This policy also imposes certain additional obligations in relation to trading by Directors and members of the Executive Team of Incitec Pivot (“**Designated Persons**”). These obligations are set out in Schedule 1.

- 4 **Further advice** If you do not understand the summary of the law relating to insider trading set out below or this Share Trading Policy, or if you are confused as to whether the law applies to you, please contact the Company Secretary. You may also wish to seek your own professional legal advice before dealing in Incitec Pivot Securities.
- 5 **The insider trading prohibition** If you have “Inside Information”, as defined in part 6 below, relating to Incitec Pivot, it is illegal for you to:
- (a) **(buy or sell)** buy, sell or otherwise deal in Incitec Pivot Securities or agree to do so; or
  - (b) **(arrange for someone else to buy or sell)** advise, procure or encourage another person to buy, sell or otherwise deal in Incitec Pivot Securities or agree to do so; or

- (c) (“tip” someone else likely to buy or sell) pass on information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

These prohibitions apply equally to derivatives (i.e. options or warrants) over Incitec Pivot Securities.

It does not matter how or in what capacity you become aware of the Inside Information. It does not have to be obtained from Incitec Pivot to constitute Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in Incitec Pivot Securities, nor may you give “tips” concerning Inside Information relating to Incitec Pivot to others, including customers.

It is the responsibility of all Staff to ensure that they do not do any of the things prohibited by the insider trading law. The consequences for breach of this law may be severe.

**These general prohibitions are overriding obligations and apply at all times.**

**6 What is Inside Information?**

Inside Information is information relating to Incitec Pivot which is not generally available but would, if the information were generally available, be likely to have a material effect on the price or value of Incitec Pivot’s Securities (“**Inside Information**”). Information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in Incitec Pivot Securities.

Examples of possible Inside Information include:

- (a) the financial performance of Incitec Pivot against its budget;
- (b) changes in Incitec Pivot’s actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of Incitec Pivot, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of Incitec Pivot;
- (e) changes to the Board of Directors or significant changes in senior management;
- (f) an undisclosed significant change in Incitec Pivot’s market share;
- (g) likely or actual entry into or loss of a material contract;

- (h) likely or actual material acquisitions or sales of assets by Incitec Pivot;
- (i) a proposed dividend or other distribution or a change in dividend policy; or
- (j) a material claim against Incitec Pivot or other unexpected liability.

**7 When is information generally available?**

Information is generally available if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to Australian Securities Exchange Limited (“ASX”) or otherwise brought to the attention of investors in securities, and a reasonable period has elapsed since it was announced or brought to investors’ attention;
- (c) it is derived from information which has been made public; or
- (d) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) or (c) above.

Examples of possible readily observable matters are:

- a change in legislation which will affect Incitec Pivot’s ability to make certain types of investments; or
- a severe downturn in global securities markets.

**8 What are the consequences if you breach the insider trading prohibitions?**

Breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment; and
- (b) civil liability - you can be sued by another party or Incitec Pivot for any loss suffered as a result of illegal trading activities.

Breach of the law or this trading policy or both will also be regarded by Incitec Pivot as serious misconduct which may lead to disciplinary action or dismissal.

**9 Dealing in securities of other companies**

If you have Inside Information relating to a company other than Incitec Pivot which is not “generally available”, the same insider trading rules apply to buying and selling securities in that company. In the course of performing your duties as an employee or officer of Incitec Pivot, you may obtain inside information relating to another company in a variety of circumstances.

For example, another company may provide inside information about itself to Incitec Pivot in the course of a proposed transaction.

- 10 Black Out Periods** All Staff are **prohibited** from dealing in (that is, applying for, acquiring or disposing of) Incitec Pivot Securities during the following “Black Out Periods”:
- (a) 31 March until midday Australian Eastern Standard Time (“**AEST**”) two business days after the release of Incitec Pivot’s half yearly results announcement to the ASX;
  - (b) 30 September until midday AEST two business days after the release of Incitec Pivot’s annual results announcement to the ASX;
  - (c) at any time a prospectus or similar disclosure document has been lodged with ASIC and is open for acceptances; and
  - (d) at such other times as the Board of Directors of Incitec Pivot prohibits.

- 11 Exemption process** In Exceptional Circumstances, and subject always to compliance with the law, written exemptions may be granted from the operation of this policy by a person who is one of the following officers of Incitec Pivot:
- Chairman of the Board of Directors (“Chairman”);
  - Managing Director;
  - General Counsel and Company Secretary.

Any approval or exemption obtained under this Policy is subject to the person to whom the exemption is granted complying with the remainder of this policy and their individual responsibility to comply with the law.

“Exceptional Circumstances” means:

- (a) severe financial hardship such as a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Incitec Pivot Securities;
- (b) a court order, court enforceable undertaking, or other legal or regulatory requirement requiring a sale of the relevant Incitec Pivot Securities; or
- (c) other circumstances considered by the Managing Director or the Chairman (or, where the Managing Director or the Chairman is the person to whom the exemption is to be granted, by the other of them) to be so exceptional that the sale or disposal of the relevant Incitec Pivot Securities is the only reasonable course of action.

**12 Company share and option plans**

If Staff (other than non-executive Directors of Incitec Pivot) participate, or are eligible to participate, in an Incitec Pivot employee share, option or other equity plan (“**Plan**”), then:

- (d) applications to participate in the relevant Plan;
- (e) acquisitions of Incitec Pivot’s Securities (as applicable) under the relevant Plan; and
- (f) variations of instructions in relation to levels of participation in the relevant Plan,

may be made at any time whether or not during the Black Out Period(s).

For the avoidance of doubt, if non-executive Directors of Incitec Pivot participate or are eligible to participate in an Incitec Pivot non-executive director share plan then:

- (a) applications to participate in the relevant Plan;
- (b) acquisitions of Incitec Pivot’s Securities (as applicable) under the relevant Plan; and
- (c) variations of instructions in relation to levels of participation in the relevant Plan,

may only be made in compliance with this Share Trading Policy and may not be made during the Black Out Periods.

**13 Employment and Monitoring of Compliance**

A copy of Incitec Pivot’s Share Trading Policy will be available on Incitec Pivot’s website.

All new Designated Persons will be required to complete an “**Acknowledgment by Employee/Director**” (Schedule 3) as part of their induction procedure. All new directors will be required to provide this completed form to the Company Secretary.

# Schedule 1 - Special rules for Designated Persons

- 1. Who is a Designated Person?** A **Designated Person** means Directors and each member of the Executive Team or other such persons as the Company Secretary nominates.
- 2. Prior notification** If a Designated Person proposes to deal in Incitec Pivot Securities (which includes entering into an agreement to deal) they must first:
- (a) complete and forward a “Notification Form to Deal in Incitec Pivot Securities” in the form of Part A of Schedule 2 to the Company Secretary or his/her delegate; and
  - (b) receive acknowledgment in the form of Part B of Schedule 2 signed by the Company Secretary or his/her delegate (or, in the case of the Company Secretary wishing to trade, the Chairman of the Board or the Managing Director) before they deal in Incitec Pivot Securities.

The notification must state that the Designated Person is not in possession of any Inside Information.

Notification of any dealing in Incitec Pivot Securities under this policy and the completion of Part B of the Notification Form to Deal in Incitec Pivot Securities does not constitute approval of the dealing by or on behalf of Incitec Pivot.

- 3. Confirmation** In addition to providing advance notice under paragraph 2 above, Designated Persons must confirm in writing to the Company Secretary or his/her delegate (or in the case of the Company Secretary wishing to trade, the Chairman of the Board or Managing Director) when the dealing in Incitec Pivot Securities has occurred, the number of Incitec Pivot Securities affected and the relevant parties to the dealing.
- 4. Dealing in financial products issued over Incitec Pivot Securities by third parties** Designated Persons are not permitted to deal at any time in financial products such as options, warrants, futures or other financial products issued over Incitec Pivot Securities by third parties such as banks and other institutions.
- An exception may apply where Incitec Pivot Securities form a component of a listed portfolio or index product.
- 5. Limiting economic risk** Designated Persons are not permitted to enter into transactions in products associated with Incitec Pivot Securities which operate to limit the economic risk of their security holding in Incitec Pivot (eg hedging arrangements).

## Schedule 2 - Notification Form to Deal in Incitec Pivot Securities

### Part A - For completion by Designated Person

Name of Designated Person	
Nature of agreement/dealing (sale/purchase/subscription) including number/value	
Proposed date of transaction (ie proposed completion date)	

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of Incitec Pivot Securities; and
- (b) the transaction in Incitec Pivot Securities described above does not contravene the Share Trading Policy of Incitec Pivot.

Signed:.....

Dated: .....

### Part B - For completion by the Company Secretary/Chairman of the Board/Managing Director

I acknowledge:

- (i) the confirmations given by the Designated Person; and
- (ii) in addition, that the proposed trading in Incitec Pivot Securities described above does not fall within a Black Out Period during which time all Staff are prohibited from trading.

This acknowledgment expires 5 business days after the date that it has been provided. The Designated Person must provide further notification of any dealing in Incitec Pivot Securities occurring after the expiry of that 5 business day period (or any other dealing in Incitec Pivot Securities which is otherwise not described in Part A above).

Name: .....

Title:.....

Signature:.....

Dated: .....

**The completed form is to be sent to the Company Secretary or his/her delegate or, if the Company Secretary wishes to deal in Incitec Pivot Securities, the Chairman of the Board or the Managing Director.**

## Schedule 3 - Acknowledgment by Employee/Director

I have read and understood the document entitled Policy on Dealings in securities of Incitec Pivot and its subsidiaries (“**Share Trading Policy**”) and agree to be bound by and to comply with the Share Trading Policy.

Signature: .....

Name: .....

Business Unit: .....

Dated: .....

**Please return completed form to the Company Secretary.**