



Ridley Corporation Limited

Securities Trading Policy

This policy sets out the Ridley Corporation Limited (**Ridley** or **Company**) policy on dealing in the Company's securities by all directors, officers and employees of Ridley and its controlled entities (**Ridley Staff**). If in doubt about whether to trade or you are uncertain about any aspect of this policy, please contact the Company Secretary.

Purpose of the Policy

The purpose of this policy is to enable you to be aware of the legal restrictions on trading in Ridley Securities while you are in possession of non-public, price sensitive information, to avoid conduct known as 'insider trading,' and to assist in maintaining market confidence in the trading of Ridley Securities.

Ridley Policy

In addition to the requirements of law, it is Ridley policy that Ridley Staff should not engage in short-term trading of Ridley Securities. Any trading should only be conducted when not in possession of inside information and (in the case of directors and Senior Executives) in the trading windows outlined below.

Directors and Senior Executives have additional responsibilities, which are set out in this policy. Some aspects of this policy also extend to or affect Close Associates of Directors and Senior Executives (as defined below).

Summary of insider trading

Broadly speaking, a person will be guilty of insider trading if:

- (i) that person possesses information in relation to a company which is not generally available to the market and which, if it were generally available to the market, would be likely to materially affect the price or value of that company's securities (ie information that is "price sensitive"); and
- (ii) that person:
 - acquires, disposes of or engages in other dealings in securities in the company (which includes shares, options, debentures and other rights and interests in securities);
 - procures someone else to acquire, dispose of or engage in other dealings in securities in the company; or

- passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to acquire, dispose of or engage in other dealings in the securities or procure someone else to do so.

In this policy, price sensitive information which is not generally available to the market is referred to as "inside information".

Insider trading can arise in relation to Ridley Securities and in relation to the securities of any other company in relation to which a person possesses inside information. Note that it does not matter whether the information was obtained as a result of the Ridley Staff member's role with Ridley or through other sources.

The prohibition does not apply to subscriptions for new shares by Ridley Staff made under an employee share scheme. However, the prohibition will apply to the disposal of shares which have been acquired under such a scheme.

Trading windows

Ridley directors and Senior Executives are permitted to deal in Ridley Securities when they are not in possession of inside information, have received prior approval and during the following times:

- (i) the period of one month commencing two business days after the release of the half-yearly and annual results; and
- (ii) the period of one month commencing two business days after the annual general meeting.

Periods other than these trading periods are referred to as "Closed Periods," where trading in Ridley Securities is prohibited.

Changes to participation in the Dividend Reinvestment Plan and the Employee Share Scheme can only be made within the trading windows.

The Board may reduce the period of the above trading windows at any time.

Outside trading windows

If a Ridley director or Senior Executive wishes to trade during any other time, he or she must first seek prior written approval. Directors must have the prior written approval of the Chairman, whilst Senior Executives must seek the prior written approval of the Managing Director. If the Chairman intends to transact, he is required to notify and obtain approval from the Managing Director.

Approval will only be granted in exceptional circumstances to trade Ridley Securities, and full details will be tabled at the following Board meeting.

Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Chairman or Managing Director, as appropriate.

A Ridley director or Senior Executive wishing to trade outside a trading window must seek approval in writing setting out the details of the circumstances of the proposed dealing, the reasons why the request is made, including an explanation as to the severe financial hardship or other exceptional circumstances, and a statement that the Director or Senior Executive is not in possession of any price sensitive information that has not been released to the market. Approval will only be granted if the application is accompanied by sufficient evidence that the proposed dealing is the most reasonable course of action available in the circumstances. Any approval is valid for 5 business days unless a shorter period is specified.

Derivatives or hedging

Ridley directors and Senior Executives must not enter into any derivative contract relating to a Ridley Security, or any other transaction that is designed or intended to securitise, or limit the economic risk of holding, a Ridley Security.

Approval and notification – Directors and Senior Executives

Directors and Senior Executives are required to notify and receive approval in writing before and after any dealing in Ridley Securities as follows:

- (i) Directors – notify and receive approval in writing from the Chairman of the intention to transact in Ridley Securities. If the Chairman intends to transact, he is required to notify the Managing Director. The notification must include the number of securities involved and the anticipated timing of any transaction.
- (ii) Senior Executives – notify and receive approval in writing from the Managing Director of the intention to transact in Ridley Securities. The notification must include the number of securities involved and the anticipated timing of any transaction.
- (iii) Directors - within two business days after transacting notify the Company Secretary in writing of the transaction. The Corporations Act 2001 requires directors to give written notice to the Australian Securities Exchange (**ASX**) of particulars of dealings within five business days. It is the responsibility of each director to ensure they notify the Company Secretary who will then give notice to the ASX.

The notification must include the following:

- name of shareholder and, if not the director, the relationship to the director;
- date of transaction;
- type of transaction (such as sale or purchase, on-market or off-market);
- number of securities; and
- price of securities.

No notification to the Company Secretary is required for acquisitions under the Dividend Reinvestment Plan or Employee Share Scheme.

Dealings by Close Associates

This policy extends to the Close Associates (as defined below) of directors and Senior Executives in relation to Ridley Securities. This means that each director and Senior Executive must take all reasonable steps to ensure that their Close Associates comply with this policy in relation to Ridley Securities. This includes taking all reasonable steps to ensure that their Close Associates do not engage in insider trading or short-term dealings in Ridley Securities or deal in Ridley Securities during an applicable Closed Period, and that their Close Associates comply with the notification and approval procedure outlined above if that would be required for the dealing by the director or Senior Executive in the Ridley Securities.

Definitions

- (i) Close Associates

Close Associate means, in relation to a director of Ridley or Senior Executive:

- (a) a family member of that director or Senior Executive who may be expected to influence, or be influenced by, that director or Senior Executive in his or her dealings with Ridley Securities (this may include that director's or Senior Executive's spouse, de facto partner and children who live at home, the children of that director's or Senior Executive's spouse or de facto partner who live at home, or dependants of that director or Senior Executive or that director's or Senior Executive's spouse or de facto partner); and
- (b) a company, trust or other entity which is controlled by that director or Senior Executive (whether alone or jointly with any other Close Associate).

(ii) Senior Executives

Senior Executives comprise Chief Executive Officers of the agriproducts and salt business units, the Corporate Head Office executives and other executives designated as such by the Managing Director, including all Key Management Personnel as defined by Australian Accounting Standards.

The Company Secretary will maintain a listing of Senior Executives covered by this policy. Senior Executives will be notified if this policy applies to them.

(iii) Short term trading

Short term trading may include trading in Ridley Securities for short-term profits, generally in circumstances where securities are disposed within 12 months of the date of acquisition. The disposal of shares from the exercise of employee options is not classified as short-term trading, but is otherwise covered by this policy.

(iv) Ridley Securities

Ridley Securities comprise Ridley Corporation Limited securities that are listed on the ASX, any options issued by Ridley or any of its subsidiary entities and any options, rights, debentures, derivatives or other financial products related to Ridley which are covered by the insider trading provisions of the *Corporations Act*.

Employee Share Scheme

This policy does not apply to the regular acquisition of Ridley Securities in accordance with the Employee Share Scheme.

Long Term Incentive Plan

Subscriptions for new Ridley shares by Senior Executives under the Long Term Incentive Plan are not governed by this policy, but sales of Ridley Securities acquired under the Long Term Incentive Plan are governed by this policy.

Breaches

Ridley will treat breaches of this policy very seriously. Insider trading is a criminal offence punishable by fine or a jail term. In addition, the insider trader, and any other persons involved, may be liable for civil penalties or to compensate third parties for any resulting loss. Breaches of this policy may result in disciplinary action.