



Minimum Shareholding Policy

April 2022

1. PURPOSE

The purpose of this Policy is to increase alignment of the Board and senior executives with the interests of Ricegrowers Limited's (**Company**) B Class Shareholders by requiring that they build over time, and then maintain, a minimum holding of B Class Shares in the Company (**Minimum Shareholding**).

2. SCOPE

2.1 The Policy applies to:

- the Company's Non-executive Directors; and
- members of the Company's Corporate Management Team who are eligible to participate in SunShares, the Company's Long Term Incentive Plan (Executives).

3. INTERESTS COUNTED IN MINIMUM SHAREHOLDING

- Direct holdings in fully paid ordinary B Class Shares;
- Indirect holdings in fully paid ordinary B Class Shares held by:
 - associates (as defined in the ASX Listing Rules). This includes any securities held by a spouse, child, parent, or any entity controlled by such persons; or
 - a trust, private company, superannuation fund or otherwise held for the benefit of the person or their associates.
- Share Rights vested and unexercised.

4. MINIMUM SHAREHOLDING REQUIREMENT

The Minimum Shareholding is set as a fixed number of fully paid ordinary B Class Shares in the Company calculated in accordance with Section 6 of this Policy. This fixed number will be reviewed and recalculated at least once every 3 years by the Board.

5. TIMEFRAME

Non-executive Directors are expected to reach the Minimum Shareholding within four years from time of appointment (or the effective date of this Policy, whichever is later).

If Non-executive Directors have not met their Minimum Shareholding requirement by the deadline, they will be required to apply at least 20% of their Base Director fees¹ towards acquiring fully paid ordinary B Class Shares

¹ 'Base Director fees' means the pre-tax amount payable by or on behalf of SunRice by way of base fees to a Non-executive Director for his/her services as a Director, but excludes:

- any statutory minimum superannuation contribution that SunRice is required to make on the Non-executive Director's behalf in relation to fees.
- any statutory minimum superannuation contribution that SunRice is required to make on the Non-executive Director's behalf in relation to fees.
- fees for being a member of any standing committee of the Board; and
- additional and special remuneration paid out of the funds of SunRice for any extra services performed or special exertions made by the Non-executive Director pursuant to the Constitution.



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until the Minimum Shareholding requirement is met. Non-executive Directors may meet the requirement via purchases on market or via pre-tax sacrifices of fees under the Ricegrowers Limited Non-executive Director Share Rights Plan.

Executives are expected to reach the Minimum Shareholding within 5 years from time of appointment (or the effective date of this Policy, whichever is later).

If Executives have not met their Minimum Shareholding requirement by the deadline, all B Class Shares held by the relevant Executive will be subject to a trading restriction until the Minimum Shareholding requirement is met. Executives may meet the requirement via purchases on market or via pre-tax sacrifices of salary under the Ricegrowers Salary Sacrifice Plan.

6. CALCULATION

The Minimum Shareholding will be reviewed and recalculated every 3 years by the Board.

The Minimum Shareholding is calculated by reference to the volume-weighted average price of the Company's fully paid ordinary B Class Shares over the 12 months prior to the calculation date, and is:

- (i) double the annual Total Fixed Remuneration for the CEO and Managing Director; and
- (ii) the annual Total Fixed Remuneration for the Executives; and
- (iii) the annual base Director fees ²for NEDs.

Total Fixed Remuneration for Executives includes base salary, superannuation plus other short-term benefits and/or allowances.

In the event that a recalculation results in a person exceeding the new holding requirement, the prior holding requirement continues to apply. In the event that the new holding requirement is higher and is not met, an additional 3-year period applies for the incremental increase in holding requirement. However, the original time period to reach the Minimum Shareholding applies to the number of shares calculated in the prior assessment.

If there is significant upwards or downwards movement in the share price such that the retention of the Minimum Shareholding requirement is considered burdensome or insufficiently aligned to shareholders, the board can exercise its discretion to have the Minimum Shareholding requirement recalculated outside of the 3-year interval.

² Base Director fees' means the pre-tax amount payable by or on behalf of SunRice by way of base fees to a Non-executive Director for his/her services as a Director, but excludes:

- any statutory minimum superannuation contribution that SunRice is required to make on the Non-executive Director's behalf in relation to fees.
- any statutory minimum superannuation contribution that SunRice is required to make on the Non-executive Director's behalf in relation to fees.
- fees for being a member of any standing committee of the Board; and
- additional and special remuneration paid out of the funds of SunRice for any extra services performed or special exertions made by the Non-executive Director pursuant to the Constitution.

7. EXEMPTIONS

Exemptions from this Policy are permitted if approved by the Board (or its delegate) at its sole discretion.

Circumstances in which the Board may exempt a person from this Policy include:

- where a disposal is reasonably necessary to enable statutory obligations (for example relating to tax) to be met arising from the operation of a Ricegrowers Limited equity-based incentive scheme or salary/fee sacrifice scheme; or
- when the Policy would contribute to severe financial difficulty or prevent the person from complying with an order of a court of law; or
- if the person is subject to taxation obligations that differ from Australian standards and are more onerous.

If a person proposes to dispose of any B Class Shares that form part of their Minimum Shareholding, they must not do so until they obtain the written approval of the Company in accordance with this Policy.

An application for an exemption should be submitted to the Company Secretary.

8. COMPLIANCE

Compliance with this Policy is by way of self-certification. Compliance testing will be conducted once a year following the release of annual results, based on the security holding of each individual at the date of the compliance testing.

9. DEALINGS IN SECURITIES

All dealings in the Company’s securities are subject to compliance with the law and the Ricegrowers Limited Share Trading Policy (including the specific hedging prohibitions set out in that policy).

This policy is designated a key policy of SunRice and is subject to the periodic review and approval of the SunRice Board.

DOCUMENT CONTROL

Version	Date	Approved by	Sign Off Date
1.0	April 2022	SunRice Board	April 2022