



Make a *Difference*

Share Trading Policy

May 2021



Executive Summary

This document sets out the security trading policy (**Policy**) that applies to Ricegrowers Limited (“the **Company**”) and its subsidiaries (together, the **Group**).

Some aspects of this Policy apply to all Group employees (**Employees**) and directors (**Directors**), while other aspects only apply to the following persons (each a **Designated Person** and together, **Designated Personnel**):

- Directors;
- Employees who are members of the Corporate Management Team of the Company (**Senior Executives**); and
- in certain circumstances, other Employees who have been identified by the Chairman of the Company (**Chairman**) or the Company Secretary of the Company (**Company Secretary**) as having, or potentially having, information that is or may become inside information.

Designated Personnel must also take steps in relation to trades by their Connected Persons (as defined in section 3.8).

For the purpose of this Policy, **Securities** may include shares, options, derivatives, managed investment products, and any other securities of the Company that are able to be traded on a financial market.

A. Ricegrowers Limited

The B Class Shares of the Company are listed on the Australian Securities Exchange (**ASX**). This means that the Company must comply with both the *Corporations Act 2001* (Cth) (**Act**) and the rules governing the listing of securities on the ASX (**Listing Rules**).

B. Australian Law

The Listing Rules and the Act contain several provisions which require listed bodies to make immediate disclosure of material price sensitive information to the market via the ASX. The ASX is responsible for maintaining and enforcing compliance with its Listing Rules. Compliance with the Listing Rules is a requirement for admission to the official list and for continued listing. The Listing Rules are contractually binding and may also be enforced under the Act.

C. Trading Policy

Listing Rule 12.9 requires the Company to have a trading policy that regulates trading in its Securities by its Designated Personnel during a prohibited period and to give a copy of that trading policy to ASX for release to the market. The trading policy must comply with the requirements of Listing Rule 12.12. Under Listing Rule 12.12, the trading policy must include, at a minimum, the Company’s closed periods, the restrictions on trading that apply to the Company’s Designated Personnel, any trading that is not subject to the trading policy, any exceptional circumstances in which the Company’s Designated Personnel may be permitted to trade during a prohibited period with prior written clearance and the procedures for obtaining such prior written clearance.

D. Directors to Notify ASX of Interests

Listing Rule 3.19A.2A requires the Company to notify ASX, within 5 business days, of any changes to a notifiable interest of a Director of the Company, including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided.

E. Review of Policy

The Policy will be reviewed on a regular basis by the Disclosure Committee, who may suggest proposed amendments to the Policy. It is likely that this Policy will change over time to reflect legislative changes and developments of best practice.

1 Purpose

The Company recognises the importance of preventing insider trading and ensuring market confidence in trading of the Company's Securities.

The purpose of this Policy is to:

- reinforce the Company's commitment to the restrictions on Securities trading imposed by law and to describe the process implemented by it to ensure compliance;
- ensure that all Employees and Directors are aware of the legal restrictions on trading whilst in possession of inside information;
- ensure that all Employees and Directors comply with the Act and Listing Rules, and ensure they are aware of the consequences of breaching the restrictions on securities trading;
- provide guidance to all Employees and Directors on the type of information that would be considered inside information;
- provide guidance to the Directors on when to disclose any interest to the ASX; and
- preserve confidence in the ASX market on which the Company's Securities are quoted.

2 Prohibition on Insider Trading

2.1 General

The insider trading provisions of the Act prohibit a person possessing inside information about the Group (i.e. information that is not generally available to the public) from:

- acquiring or disposing of a Security or entering in an agreement to acquire or dispose of Securities, or exercising options over Securities (referred to as "trading" in Securities);
- procuring someone else to trade in Securities; or
- either directly or indirectly providing that information to another person where they know or ought reasonably to know that the person is likely to trade in Securities or procure someone else to.

If you have any questions about whether a proposed trading or other action in relation to your Securities is permitted, please contact the Company Secretary. Note that the insider trading laws apply to trading in securities of any company if you possess inside information about that company.

2.2 Interpretation

Section 1042A of the Act defines **inside information** as follows:

1. Inside information means information in relation to which the following are satisfied:

- (a) the information is not generally available; and
 - (b) if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of a Security.
2. For the purposes of Section 1042C of the Act, information is considered to be **generally available** if:
- (a) it consists of readily observable matter; or
 - (b) both of the following subsections apply:
 - (i) 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 might be affected by the information; and
 - (ii) since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
 - (c) it consists of deductions, conclusions or inferences made or drawn from either or both of the following:
 - (i) information referred to in paragraph 2(a);
 - (ii) information made known as mentioned in paragraph 2(b)(i).

Under Section 1042D of the Act, a reasonable person would be taken to expect information to have a material effect on the price or value of a particular Security if the information would, or would be likely to, influence persons who commonly acquire the Security in deciding whether or not to acquire or dispose of the Security.

3 The Group's Policies

3.1 Insider Trading Restrictions on All Employees and Directors

All Employees and Directors are prohibited from trading in the Company's Securities while in the possession of inside information concerning the Group, or if the Company has notified them that they must not trade its Securities. Trading includes applying for, acquiring or disposing of the Company's Securities.

In addition, while in possession of inside information the Employees and Directors must not advise others to trade in the Company's Securities, or communicate information to another person knowing that the person may use the information to trade in, or procure someone else to trade in, the Company's Securities.

3.2 The Front Page Test

It is important that public confidence in the Group is maintained. It would be damaging to the Group's reputation if the market or the general public perceived that Employees or Directors might be taking advantage of their position in the Group to make financial gains (by trading Securities on the basis of inside information).

As a guiding principle, Employees and Directors should ask themselves:

*If the market was aware of all the current circumstances, could I be perceived to be taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper? (The **Front Page Test**)*

If an Employee or Director is unsure about this test, they should consult the Company Secretary.

Where any approval is required for a trade under this Policy, approval will not be granted where the trade would not satisfy the Front Page Test.

3.3 Blackout Periods for All Employees and Directors

All Employees and Directors must not trade (e.g. buy or sell) the Company's Securities during any of the following **blackout periods**:

1. the period from the close of trading on the ASX on 30 April each year, or if that date is not a trading day, the last trading day before that day, until the trading day following the announcement to ASX of the Group's annual results;
2. the period from the close of trading on the ASX on 31 October each year, or if that date is not a trading day, the last trading day before that day, until the trading day following the announcement to ASX of the Group's half yearly results; and
3. any other period specified by the board of directors of the Company (**Board**) from time to time.

3.4 Restrictions on Short-Term Trading and Short-Selling

Directors and Employees are expected to adopt a long-term attitude to their investment in the Company's Securities. Consequently, they **must** not engage in short-term or speculative trading in the Company's Securities. Short-term trading includes buying and selling Securities on market within a 3 month period, and entering into other short term dealings (for example, forward contracts). Selling Securities received on vesting of entitlements under an employee, executive or director equity plan within 3 months of the vesting date is not a short-term trade.

Employees and Directors must not trade Company's Securities on a speculative basis, including short-selling. Short-selling involves buying and selling Securities in the hope that they can be bought back at a lower price in the future to close out the short position at a profit.

3.5 Further Restrictions on Trading by Designated Personnel

1. Designated Personnel may only trade (e.g. buy and sell) the Company's Securities during the following periods (**trading windows**), and only if they are not in possession of any inside information that has not been disclosed to ASX:
 - (a) the period of 4 weeks commencing on the next trading day following the release to ASX of the Company's half yearly results;
 - (b) the period of 4 weeks commencing on the next trading day following the release to ASX of the Company's annual results;
 - (c) the period 4 weeks commencing on the next trading day following the Company's Annual General Meeting;
 - (d) the duration of the offer period for an offer of the Company's Securities made pursuant to a prospectus, product disclosure statement, cleansing notice or other form of disclosure document issued by the Company; and

- (e) any other period determined by the Board.
2. All other times of the year (to those outlined above), and any blackout periods, are referred to as **prohibited periods** and, subject to the provisions of this Policy, Designated Personnel are not permitted to buy or sell the Company's Securities at any of those times.
3. During the trading windows outlined in paragraph 1 of this section 3.5, the Board may impose an embargo upon trading in the Company's Securities if it considers it appropriate.
4. Before trading, Designated Personnel must comply with the requirements in section 4.

3.6 Special Circumstances Exception

The Company may, in very limited circumstances, provide written approval to an Employee or a Designated Person seeking to trade in the Company's Securities during a blackout period or a prohibited period (as applicable to them under sections 3.3 and 3.5).

A request for approval must be submitted to the Chairman (or in the case of an application from the Chairman, to the Chair of the Finance and Audit Committee) in writing and must provide evidence that each of the following requirements is satisfied:

1. the person is experiencing severe financial hardship or other exceptional circumstances (**special circumstances**);
2. after investigating all reasonable alternatives, the sale of the Company's Securities is the only practical way of addressing the special circumstances;
3. the person does not possess any inside information.

Rules for granting approval

A decision on the approval will be made at the absolute discretion of the decision maker and will have regard to all relevant considerations including legal issues, whether the sale would adversely affect the Company's interests or reputation (e.g. under the Front Page Test) and the nature of the special circumstances. The decision maker is not obliged to provide reasons for any aspect of their decision, and may revoke their approval at any time. If a request is not approved or an approval is revoked, that fact must be kept confidential.

Following receipt of approval to trade, the trade must occur within 5 business days following approval (or such other time specified in the approval), otherwise the approval is no longer effective and fresh approval must be sought. Approval under this Policy is not an endorsement of the trade. Employees and Directors are responsible for their own compliance with the law.

These rules also apply to any approvals considered under section 4 below.

3.7 Blacklisted Securities

From time to time, the Group may be engaged in certain activities where inside information in relation to Securities of another entity may be available to a Designated Person as a result of their role or position within the Group. The Company wishes to minimise the risk that such persons might be perceived to be engaged in inappropriate dealings, and therefore the Company may blacklist certain securities in relation to particular persons.

Where the Board or the Chairman notifies a Designated Person in writing that they are subject to a blacklist in relation to the securities of a particular entity (**Blacklisted Securities**), that person must not deal in the

Blacklisted Securities from the time period specified in the notice, unless they first comply with the approval requirements set out in section 4 below (as if the Blacklisted Securities were the Company's Securities), and then always subject to the law.

3.8 Connected Persons

Connected Persons are:

- a family member who may be expected to influence, or be influenced by, a Designated Person in his or her dealings with the Company or Company Securities (this may include the Designated Person's spouse, partner and children, the children of the Designated Person's partner, or dependants of the Designated Person or the Designated Person's partner); and
- a company or any other entity which the Designated Person has an ability to control.

Designated Personnel must take appropriate steps to ensure that their "Connected Persons" only trade in Securities in circumstances where the Designated Person to whom they are connected would be permitted to trade under this Policy, for example, by obtaining written approval in accordance with this Policy in respect of the Designated Person's dealings.

4 Approval of Proposed Trade in the Company's Securities by Designated Personnel

4.1 Application

For all periods during which trading is permitted, the procedures in this section 4 must be complied with before any trading in the Company's Securities by a Designated Person is undertaken unless it is a dealing under an Exempt Transaction (as defined in section 7). The rules for granting approval in section 3.6 will apply to all approvals sought under this section 4, including the expiry on approval. If an approver listed below will not be contactable for an extended period, delegations may be established to any other Director to approve proposed trading requests under this section.

4.2 Obligations of the Chairman

Prior to trading in (e.g. buying or selling) the Company's Securities, the Chairman must seek approval from an Independent Non-Grower Director (copying the Company Secretary), in writing, for his or her trade and confirm that he or she is not in possession of any inside information.

4.3 Obligations of other Designated Personnel

Prior to trading in (e.g. buying or selling) the Company's Securities, a Designated Person (other than the Chairman) must seek approval from the Chairman (copying the Company Secretary) for his or her trade, in writing, and confirm that they are not in possession of any inside information.

5 Notification of Trade in the Company's Securities by Directors

5.1 Obligations of the Directors

Directors must notify the Company Secretary of any trade in the Company's Securities (or other changes in their notifiable interests) within 2 days of such trade occurring so that the Company Secretary may notify ASX in compliance with Section 205G of the Act and the Listing Rules.

5.2 Obligations of the Company Secretary

1. The Company Secretary will maintain a register of all trades and holdings in the Company's Securities by Directors.
2. The Company Secretary must notify the ASX of the following interests of the Directors:
 - (a) relevant interests in Securities of the Company or another Group entity;
 - (b) contracts to which the Director is a party or under which the Director is entitled to benefit that confer a right to call for or deliver shares in debentures of or interests in a managed investment scheme made available by the Company or another Group entity.

6 Limiting Risk

Designated Personnel are prohibited from trading in securities issued or created over the Company's Securities by third parties, or trading in associated products. In addition, Designated Personnel may not enter into a transaction that operates to limit the economic risk of their Security holding in the Company, including where those Securities were acquired under an employee, executive or director equity plan operated by the Company and have not vested, or where they are subject to a holding lock or restriction on trading under the terms of such a plan.

7 Dealings Excluded from This Policy

Sections 3.3, 3.4, 3.5, 3.6, 3.8 and 4 of this Policy do not apply to the following types of transactions ("**Exempt Transactions**"):

1. transfer of the Company's Securities that results in no effective change to the beneficial interest in the Securities (e.g. transfers of Securities already held into a family trust or superannuation fund of which the person is a beneficiary);
2. disposal of the Company's Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
3. acquisition of the Company's Securities under a pro rata issue;
4. acquisition of the Company's Securities under a share purchase plan or dividend reinvestment plan;
5. acquisition of the Company's Securities under an employee incentive scheme;
6. trading under a pre-approved non-discretionary trading plan, where a participant did not enter into the plan or amend the plan during a blackout period or prohibited period (as applicable to them), the plan does not permit the person to exercise any influence or discretion in relation to trading under

the plan, and the plan cannot be cancelled during a blackout period or prohibited period (as applicable), other than in exceptional circumstances;

7. a disposal of Securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
8. any other transactions identified by the Board for this purpose.

It is important to note that all Exempt Transactions remain subject to the insider trading provisions of the Act. Employees and Directors should consider any legal or reputational issues (and discuss any concerns they have with the Company Secretary) before proceeding with a proposed trade.

8 Consequences of Breaching This Policy

Failure to comply with the obligations in this Policy may lead to a breach of the Corporations Act and to personal penalties for individuals. Breaches of this Policy may lead to disciplinary action being taken, including termination of employment.