

# Adelaide Brighton Limited

## Award/Share Hedging Policy

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### Introduction

This Policy operates in conjunction with the Company's existing Share Trading Policy to ensure that Awards made under the Company's Performance Share Plan and any future equity incentive plan that the Company may establish (collectively the **Share Plans**), remain "at risk" while those securities are unvested and subject to applicable performance or service conditions.

### Current Performance Share Plan Rules

Under the Company's current Performance Share Plan, eligible executives are granted Awards which entitle the executive to ordinary shares in the Company, subject to the satisfaction of performance conditions. Where performance conditions are satisfied, Awards vest and shares are delivered to the executive on exercise of the Award.

### Purpose

This Policy prohibits certain conduct by executives who hold unvested securities under the Company's Share Plans that seeks to remove the price "risk" attached to those securities.

### Policy

Executives who hold unvested securities under the Company's Share Plans are prohibited from engaging in any conduct that seeks to secure the economic value of securities granted under the Company's Share Plans and remove the element of price risk inherent in the value of those securities, while the securities remain unvested. Prohibited conduct includes, but is not limited to, writing put or call options over the Shares underlying the securities, buying derivative products or otherwise purchasing products or instruments or entering in to other arrangements intended to hedge a "profit" in those securities.

Each participant in the Company's Share Plans is responsible for observing this Policy, and any amendments which may be approved by the Board from time to time.

Any breach of this policy by an executive will be reviewed by the Board and, where appropriate, disclosed to the market.

### Board Discretion

Notwithstanding the terms of this Policy, the Board may waive this Policy in a particular case where the Board forms the opinion that such a waiver will not undermine the purpose of this policy.

## **Transitional Period**

Any hedging or similar arrangements in place on the date of adoption of this Policy, must be disclosed to the Board within 30 days of this Policy coming into effect.

## **Regular review of Policy**

This Board will review this Policy at least once in each year.