

Incitec Pivot Limited

Code of Ethics – Compliance Policies and Guide

Adopted by the Board on 21 September 2006

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INCITEC PIVOT LIMITED

INCITEC PIVOT CODE OF ETHICS – COMPLIANCE POLICIES AND GUIDE

1 INTRODUCTION

Incitec Pivot believes that its employees should conduct themselves in an ethical manner at all times. Ethical conduct relates to standards of behaviour characterised not only by complying with the law but also by acting honestly and with integrity.

The manner in which we conduct ourselves, both in our working and private lives, is a major element in the way we are regarded within the business and wider community.

2 POLICY ON ETHICAL BEHAVIOUR

Incitec Pivot is committed to operating to the highest standards of ethical behaviour and honesty and with full regard for the safety and health of its employees, customers, the wider community and the environment. Incitec Pivot employees must act with integrity and honesty in the day to day performance of their jobs and in any situation where their conduct and behaviour could influence respect for the Company.

3 EXPECTATIONS

All Incitec Pivot employees are expected to comply with the policy and conduct their activities on behalf of Incitec Pivot accordingly. Incitec Pivot's management must positively promote the policy by personal example, by giving clear and unambiguous guidance and assistance on its operation, and by ensuring that it is communicated and understood by all Incitec Pivot employees and by third parties who need to be aware of it.

4 KEY REQUIREMENTS THAT MUST BE OBSERVED

All Incitec Pivot employees should:

- comply with the letter and spirit of the laws affecting Incitec Pivot's business;
- comply with the Incitec Pivot Code of Ethics and Incitec Pivot's Policies;
- act honestly and with integrity, and strive to earn and maintain the respect and trust of co-employees, customers and the wider community;
- use Incitec Pivot's resources, including information systems, in an appropriate and responsible way, work safely and with due regard for the safety and well-being of fellow employees, contractors, customers and all persons affected by Incitec Pivot's operations or products;
- avoid situations which involve or may involve a conflict between their personal interests and the interests of Incitec Pivot;
- have due regard for cultural diversity in the workplace; and
- respect the environment and ensure that work activities are managed in an acceptable manner so as to give benefit to society.

5 POLICIES

Incitec Pivot has adopted policies which commit it to meeting its responsibilities in areas where ethical or legal issues arise. These are broadly characterised below:

5.1 Commercial Community

(a) Conflict of interest

Employees should avoid any situation which involves or may involve an actual or perceived conflict between their personal interests and the interests of Incitec Pivot. Any potential conflict must be disclosed.

(b) Trading in Incitec Pivot and other securities

Directors and employees must not, directly or indirectly, buy or sell the shares or other securities of any company, including Incitec Pivot, when in possession of unpublished price sensitive information which could materially affect the value of those securities. Directors and employees must in addition comply with Incitec Pivot's Share Trading Policy.

5.2 Commercial Relations

(a) Competition policy

Incitec Pivot and its employees, while competing vigorously in the marketplace, will comply with the competition/anti-trust laws of those countries in which Incitec Pivot operates.

(b) Product stewardship

Product stewardship is the process by which Incitec Pivot identifies and manages its safety, health and environment (SH&E) performance as applied to the development, manufacture, distribution, marketing, use and disposal of its products (including packaging). The SH&E factors associated with any product from its conception through to ultimate use and disposal must be managed responsibly and ethically.

(c) Privacy Policy

Incitec Pivot is committed to the protection of individual privacy. Incitec Pivot and its employees must comply with the privacy and data protection laws. Incitec Pivot and its employees must observe Incitec Pivot's privacy policy when collecting, using, disclosing and providing access to personal information.

5.3 Employees and Employment Standards

(a) Complying with the law

All employees and third parties who work for Incitec Pivot must comply with the general laws relating to the workplace (such as occupational health, equal opportunity and harassment) as well as the laws and regulations that specifically relate to their work, including, in particular, the competition laws and the laws relating to product liability.

(b) Equity in employment

Recruitment, selection for specific jobs and career progression will be determined by personal merit, competency and the individual's potential to effectively perform the job. Employment decisions will take account of these criteria.

(c) Harassment

Unlawful discrimination and harassment are prohibited by Incitec Pivot and will not be tolerated. Appropriate disciplinary sanctions will be taken if discrimination or harassment is found to have occurred.

(d) Safety and occupational health

Incitec Pivot is committed to managing its activities with concern for the safety of its employees, contractors, customers and all persons affected by Incitec Pivot's operations or products. Incitec Pivot employees will comply with safety policies and practices adopted by Incitec Pivot, the objective of which is to eliminate all incidents and circumstances relating to its operations and use of its products which could lead to injury or illness amongst its employees, contractors, customers and the wider community.

(e) Business practices - gifts and favours

No Incitec Pivot employee will, for themselves or their immediate family, accept any gift or favour from anyone with whom Incitec Pivot does business and which could be construed as being likely to influence improperly the business conduct of the employee or the company.

(f) Business practices – financial inducements

No Incitec Pivot employee will make, or offer to make, any illegal payment to achieve any business objective nor will they offer or accept a bribe, “kickback” or secret commission. Bribery is not only against company policy, it is also an act that attracts criminal prosecution and serious penalties.

No Incitec Pivot employee will, in any transaction, offer, promise or give any payment, gift, rebate or other exchange to or for the benefit of any third party as consideration for performing or refraining from performing the transaction.

(g) Dealing with fraud

Incitec Pivot is committed to maintaining a secure working environment that protects people, company assets and company information from deliberate harm, damage or loss. In appropriate cases, and after proper investigation, Incitec Pivot reserves the right to summarily dismiss employees found to be defrauding the company and, where appropriate, will press for criminal prosecution and seek financial recovery through civil proceedings.

5.4 The wider community

Incitec Pivot is committed to managing its activities with concern for people and the environment, and will conduct its business for the benefit of society and without compromising the quality of life of future generations.

6 FURTHER INFORMATION AND HELP

Incitec Pivot has in place more detailed policies and procedures regarding the issues addressed above. These can be obtained from the following sources:

- your supervisor, manager or human resources officer in your group or workplace (employees only);
- the Incitec Pivot intranet site (employees only)
- the Company Secretary on +61 3 8695 4400.

In any situation where there is doubt, employees should discuss it with their manager or supervisor. All employees are encouraged to comment and contribute to this Code by bringing their ideas and comments to their manager's or supervisor's attention.