

# Tegel Group Holdings Limited – Securities Trading Policy and Guidelines

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This securities trading policy and guidelines (**Policy**) was approved by the board of directors (**Board**) of Tegel Group Holdings Limited (**Company**) on 2 May 2016.

This Policy applies to all directors (**Directors**), officers and employees of the Company and its subsidiaries who intend to trade in the Company's shares and other securities or financial products. In the case of Directors, the Chief Executive Officer, all members of the management team and their direct reports, this Policy continues to apply for a period of six months from the date on which that person ceases to be a Director or from the effective date of termination of that person's employment, as the case may be. In this Policy "trade" includes buying or selling securities, or agreeing to do so, whether as principal or agent. It does **not** include subscription for, or the issue of, new securities in the Company.

In addition to this Policy, further more specific and stringent rules also apply to trading in the Company's securities by Directors and certain senior employees, or employees performing certain functions (see below under **Additional Trading Restrictions for Restricted Persons**).

## 1. Introduction and purpose

1.1 This document details the Company's policy on, and rules for dealing in, the following securities (**Restricted Securities**):

- (a) the Company's ordinary shares listed on the NZX Main Board (**NZX**) and the Australian Securities Exchange (**ASX**); and
- (b) any debt securities issued by the Company; and
- (c) any other securities or financial products of the Company or its subsidiaries, and any derivatives (including futures contracts listed on an authorised futures exchange) in respect of the Company securities, from time to time.

1.2 The requirements imposed by this Policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand, Australia and any other country where those securities may be listed or traded.

1.3 If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with the Company's Chief Financial Officer (**CFO**), before dealing with any securities covered by this Policy.

## 2. Fundamental Rule – Insider trading is prohibited at all times

2.1 If you possess "**material information**" (refer to definition below), then **whether or not** you are a Restricted Person (as defined further below), you must **not**:

- (a) trade Restricted Securities;
- (b) advise or encourage others to trade, or hold any Restricted Securities; or
- (c) pass on the material information to others.

2.2 The prohibitions apply regardless of how you learn of the information, and regardless of why you are trading.

2.3 The prohibition on insider trading applies not only to information concerning the Company's securities. If you have material information in relation to listed securities of another issuer (including futures contracts listed on an authorised futures exchange over listed securities) then you must not trade in those securities either.

### 3. **Insider trading laws**

3.1 If you have any **material information**, it is illegal for you to:

- (a) trade in Restricted Securities;
- (b) advise or encourage another person to trade or hold Restricted Securities;
- (c) advise or encourage a person to advise or encourage another person to trade or hold Restricted Securities; or
- (d) pass on the material information to anyone else - including colleagues, family or friends - knowing (or where you ought to have known) that the other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, Restricted Securities.

3.2 This offence, called "**insider trading**", can subject you to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or the Company, for any loss suffered as a result of illegal trading. The principal insider trading prohibition in New Zealand is Part 5 of the Financial Markets Conduct Act 2013. The principal insider trading prohibition in Australia is set out in section 1043A of the *Corporations Act 2001* (Cth) (**Corporations Act**).

### 4. **Confidential information**

4.1 In addition to the above, you also have a duty of confidentiality to the Company. You must not reveal any confidential information concerning the Company or its subsidiaries to a third party (unless that third party has signed a confidentiality agreement with the Company or the relevant subsidiary (as the case may be) and you have been authorised to disclose the confidential information or you are required by law to reveal that information), or to use confidential information in any way which may injure or cause loss to the Company or its subsidiaries, or use confidential information to gain an advantage for yourself. You should require that external advisers keep the Company's and its subsidiaries' information confidential.

### 5. **What is "material information"?**

5.1 "**Material information**" is information that:

- (a) a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of quoted securities of the Company; and
- (b) relates to the securities of the Company or the Company itself, rather than to securities generally or listed issuers generally.

5.2 Information is generally available to the market if it has been released as an NZX or ASX announcement, or investors that commonly invest in the Company's listed securities can readily obtain the information (whether by observation, use of expertise, purchase or other means).

- 5.3 It does not matter how you come to know the material information (including whether you learn it in the course of carrying out your responsibilities, or in passing in the corridor, in a lift or at a social function).
- 5.4 Information includes rumours, matters of supposition, intentions of a person (including the Company), and information, which is insufficiently definite to warrant disclosure to the public.
- 5.5 As the Corporations Act applies to Restricted Securities traded in Australia, material information also includes "**Inside Information**" for the purposes of section 1043A of the Corporations Act. Inside Information is information that:
- (a) is not generally available; and
  - (b) if it were generally available, would, or would be likely to, influence persons who normally invest in securities, in deciding whether to acquire or dispose of the relevant securities.
- 5.6 Information is generally available if it:
- (a) is readily observable;
  - (b) has been made known in a way that is likely to bring it to the attention of persons who normally invest in the relevant type of securities, and a reasonable time for the information to be circulated has since passed; or
  - (c) consists of deductions, conclusions or inferences drawn from information that has been made known in that way or is readily observable.
- 5.7 In order to minimise the risk of insider trading, the Company must immediately disclose to the market Material Information that is not otherwise excluded from disclosure, as set out in the Company's Continuous Disclosure Policy.

## 6. **What are some examples of material information?**

- 6.1 The following list is illustrative only. Material information could include information concerning:
- (a) the financial performance of the Company;
  - (b) a possible change in the strategic direction of the Company;
  - (c) a possible acquisition or sale of any business or company by the Company;
  - (d) entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements that are not publicly known;
  - (e) a possible change in the Company's capital structure;
  - (f) a change in the historical pattern of dividends;
  - (g) the senior management team of the Company changes;
  - (h) a possible change in the regulatory environment affecting the Company;
  - (i) a material legal claim by or against the Company; or

(j) any other unexpected liability,

which has not been released to the market.

6.2 The range of possible material information is very wide, so if you are planning to buy or sell any the Company securities and you have any doubts, you should discuss it confidentially with the Company's CFO.

## 7. **Exceptions**

7.1 This Policy does not apply to acquisitions of securities through an issue of new listed securities, such as an issue of new debt securities or new shares on the exercise of options, under a rights issue, or a dividend reinvestment plan.

## 8. **Short-term trading discouraged**

8.1 You should not engage in short term trading (the buying or selling of listed securities within a one-month period), unless there are exceptional circumstances discussed with the Company Secretary first, and then approved by the Chair of the Audit and Risk Committee.

8.2 Short-term trading can be a key indicator of insider trading, particularly if undertaken on a regular basis or in large amounts. Therefore, to reduce the risk of an allegation of insider trading, do not trade listed securities on a short-term basis.

## 9. **Fixed trading plan defence**

9.1 Trading of the Company's securities under a fixed trading plan will not breach the law in New Zealand if the fixed trading plan was entered into at a time when an investor had no inside information and in entering the fixed trading plan, the investor did not intend to evade the prohibition on trading on material information.

9.2 A fixed trading plan is a plan that is fixed for a period of time during which the investor cannot withdraw from the plan or influence trading decisions after the plan has begun. While there is no similar defence under the Australian insider trading prohibitions, such conduct is not likely to breach section 1043A of the Corporations Act.

## 10. **If in doubt, don't**

10.1 The rules contained in this Policy do not replace your legal obligations. The boundary between what is (and what is not) in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical actually may be insider trading. If in doubt, don't.

## 11. **Breaches of policy**

11.1 Strict compliance with this Policy is a condition of employment. Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

## 12. **Monitoring of trading**

12.1 The Company may monitor the trading of Directors and employees as part of the administration of this Policy.

12.2 The Financial Markets Authority, the NZX, ASX and the Australian Securities and Investments Commission and governance advisers take an interest in whether the Company is complying with its Securities Trading Policy.

13. **Application of Policy**

- 13.1 The Board may approve updates, amendments to and exemptions to this Policy from time to time, which may be implemented by written notice to you and/or posting on the Company's intranet.
- 13.2 To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this Policy prevails over them.

Last updated 2 May 2016.

## ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS

### 1. Persons covered by trading restrictions on Restricted Securities

1.1 The additional trading restrictions set out below apply to:

- (a) all Directors, both during the period in which that person is a Director and for a period of six months from the date on which that person ceases to be a Director;
- (b) the Chief Executive Officer, all members of the management team and their direct reports, both during their term of employment and for a period of six months from the effective date of termination of their employment;
- (c) the administrative staff of the executive offices;
- (d) all employees in the finance department;
- (e) trusts and companies controlled by such persons; and
- (f) anyone else notified by the Company Secretary from time to time.

1.2 Persons covered by these additional restrictions are called "**Restricted Persons**". Employees and Directors will be considered responsible for the actions of trusts and companies controlled by them. In this respect, "control" is not to be construed in a technical way, but by looking at how decisions are made in practice.

1.3 The Company's share trading policy may apply to the Company securities held by family members of Restricted Persons. If in doubt, Restricted Persons should consult with the Company Secretary before trading in Restricted Securities.

### 2. Blackout periods

2.1 Restricted Persons **must not** trade in Restricted Securities on either NZX or ASX during any of the following blackout periods:

- (a) the period from the close of trading on [1 April of each year until 48 hours following the announcement to NZX and ASX of the full year results (ie annual report)];
- (b) the period from the close of trading on [1 October each year until 48 hours following the announcement to NZX and ASX of the half year results (ie half-year report)];
- (c) any other period that the Company specifies from time to time; and
- (d) 30 days prior to release of a prospectus for a general public offer of the same class of Restricted Shares.

### 3. **Exceptional circumstances**

- 3.1 If a Restricted Person needs to trade in Restricted Securities due to exceptional circumstances during a blackout period, the Restricted Person may seek a waiver from the Chair of the Audit and Risk Committee to trade in Restricted Securities (using the attached ***Request for Consent to Trade in Listed Securities*** form (**Request for Consent Form**)). All applications for consent will be processed on a confidential basis.
- 3.2 In the case of proposed trading during a blackout period by a Director, the Request for Consent Form must be signed by the Chair of the Board or, in his or her absence, the Chair of the Audit and Risk Committee and in the case of proposed trading by the Chair of the Board, the Request for Consent Form must be signed by the Company Secretary and the Chair of the Audit and Risk Committee.
- 3.3 Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Board.
- 3.4 An application from a Restricted Person to trade during a blackout period must set out the circumstances of the proposed dealing, including an explanation as to the reason the waiver is requested. A waiver will only be granted if:
- (a) the circumstances giving rise to the request are deemed “exceptional” by the Board or its delegate, or fall within a recognised category of exceptional circumstances (ie severe financial hardship or compulsion by court order); and
  - (b) the application is accompanied by sufficient evidence (in the opinion of the person from whom consent is sought under this Policy) that the trading of the relevant Restricted Securities is the most reasonable course of action available in the circumstances.
- 3.5 If a waiver is granted to trade during a blackout period, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to trade in Restricted Securities will be two trading days from the date of notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.
- 3.6 Unless otherwise specified in the notice, any dealing permitted during a blackout period must comply with the other sections of this Policy (to the extent applicable).

### 4. **Trading outside blackout periods**

- 4.1 Before trading in Restricted Securities at any time outside of a blackout period, Restricted Persons must, in writing:
- (a) notify the Company Secretary of their intention to trade in securities, and seek consent to do so (using the Request for Consent Form);
  - (b) confirm that they do not hold material information; and
  - (c) confirm that there is no known reason to prohibit trading in any Restricted Securities.
- 4.2 In the case of proposed trading by a Director, the Request for Consent Form must be signed by the Chair of the Board, or, in his or her absence, the Chair of the Audit and Risk Committee, and in the case of proposed trading by the Chair of the Board, the

Request for Consent Form must be signed by the Company Secretary and the Chair of the Audit and Risk Committee.

- 4.3 A consent given for a Restricted Person to trade outside the blackout period is only valid for a period of 10 trading days after notification. Consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.

## 5. **The outcome of any application for consent**

- 5.1 The Company's decision on any application for consent is final. It is not obligated to provide reasons for any decision made.

- 5.2 Applications approved for trading, based on an appropriate factual disclosure, will mean that a person will not be considered in breach of their employment obligations under the Company's policies. Consent does not in itself exclude the possibility of either civil or criminal liabilities still arising under relevant legislation.

## 6. **Requirements after trading**

- 6.1 A Restricted Person must advise the Company Secretary promptly following completion of any trade, and the Restricted Person must comply with any disclosure obligations that he or she has under Part 5 of the Financial Markets Conduct Regulations 2014 and the listing rules of any relevant stock exchange.

## 7. **Exclusions**

- 7.1 The additional trading restriction for Restricted Persons (as contained in this Policy) does not apply to:

- (a) the following categories of passive trades:
  - (i) acquisition of Restricted Securities through an activated and disclosed dividend reinvestment plan;
  - (ii) acquisition of Restricted Securities through a share purchase plan available to all shareholders;
  - (iii) acquisition of Restricted Securities through a pro rata rights issue of Restricted Securities; and
  - (iv) the disposal of Restricted Securities through the acceptance of a takeover offer;
- (b) trading that does not result in a change to the beneficial interest in the Restricted Securities; and
- (c) a disposal of Restricted Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.

## Request for Consent to Trade in Listed Securities

To: **The Chair of the Board / Chair of the Audit and Risk Committee / Company Secretary**  
(delete as applicable) of Tegel Group Holdings Limited (the **Company**)

In accordance with the Company's **Securities Trading Policy and Guidelines** and **Additional Trading Restrictions for Restricted Persons (Policy)**, I request that the Company's consent be given to the following proposed transaction to be undertaken either by me or persons associated with me, within the timeframe specified under the Policy. I acknowledge that the Company is not advising or encouraging me to trade or hold securities and does not provide any securities recommendation.

**Name:** \_\_\_\_\_

**Name of registered holder transacting (if different):** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Description and number of securities:** \_\_\_\_\_ ordinary shares (or specify) \_\_\_\_\_

**Type of proposed transaction:** Purchase / sale / other (specify) \_\_\_\_\_

**Reason for proposed transaction (if transaction is to occur during a 'blackout period'):**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**To be effected/conducted:** On market / off-market trade / other (specify) \_\_\_\_\_

**Likely date of transaction (on or about):** \_\_\_\_\_

I declare that I do not hold information that:

- is not generally available to the market; and either
- would have a material effect on the price of the Company's securities if it were generally available to the market; or
- if it were generally available, would, or would be likely to, influence persons who normally invest in securities in deciding whether to acquire or dispose of the relevant securities,

I know of no reason to prohibit me from trading in the Company's securities and certify that the details given above are complete, true and correct.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

The Company hereby **consents / does not consent** to the proposed transaction described above.

Any consent is conditional on the proposed transaction being completed within 10 trading days, or where the trade is to occur during a blackout period, within two trading days, of the date of notification of this consent, and in compliance with ***the Company's Securities Trading Policy and Guidelines*** and ***Additional Trading Restrictions for Restricted Persons***.

The **Chair of the Audit and Risk Committee / Chair of the Board / Company Secretary** on behalf of **Tegel Group Holdings Limited**:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_