

# Securities Trading Policy and Guidelines

## 1. Policy Statement

- 1.1 This Policy applies to all directors, executives (“officers”) and employees of South Port New Zealand Ltd (SPNZ) and its subsidiaries who intend to trade in SPNZ’s listed securities. In this policy, ‘**trade**’ includes buying or selling listed securities, or agreeing to do so, whether as principal or agent, but it does not include subscriptions for, or the issue of, new securities.
- 1.2 In addition to this policy and guidelines, further more specific and stringent rules also apply to trading in SPNZ securities by directors and certain employees (refer Appendix 1 **Additional Trading Restrictions for Restricted Persons**).

## 2. Introduction and Purpose

- 2.1 This document details SPNZ’s policy on, and rules for dealing in the following securities (**Restricted Securities**):
- SOUTH PORT NEW ZEALAND LIMITED ORDINARY SHARES; and
  - Any other listed securities of SPNZ or its subsidiaries, and any listed derivatives (including futures contracts listed on an authorised futures exchange) in respect of SPNZ securities, from time to time.
- 2.2 Unless the context otherwise requires, expressions used in the policy shall have the meaning given to them in the Financial Markets Conduct Act 2013 or any subsequent legislation.
- 2.3 The Securities Commission has issued an approved procedure for Company Officers selling securities; this policy does not replace that procedure.
- 2.4 The requirements imposed by the policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand and any other country where those securities may be listed.

***If you do not understand any part of this policy, or how it applies to you, you should raise the matter with the Finance Manager before dealing with any securities covered by this policy.***

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### 3. Basic Principles

- 3.1 The Board views it as desirable that officers, particularly directors, should hold securities as a long term investment.
- 3.2 Officers shall only buy or sell securities in conformity with this policy and the Additional Trading Restrictions for Restricted Persons.
- 3.3 Officers should not buy or sell securities on considerations of a short term nature even though dealing may not breach the Act. Generally speaking, a sale within six months of purchase will be regarded as a breach of this requirement. The Board of SPNZ may determine the period which, in any given circumstances, constitutes a short term.
- 3.4 The restrictions on buying and selling contained in this policy should be regarded as equally applicable to any buying or selling:
  - a) By the officer’s spouse or dependent children;
  - b) By a company where the officer is deemed to hold or have an interest or right in or over the applicable securities;
  - c) By a trust or a managed fund either where the officer has a beneficial interest or is a trustee or manager and can influence the decision of that trust or managed fund in the investment of funds.

### 4. Short term trading discouraged

- 4.1 Employees and directors should not engage in short term trading (the buying or selling of listed securities within a six month period), unless there are exceptional circumstances discussed with and approved by the Finance Manager.
- 4.2 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.

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

- 5.1 If you have any **material information**, it is illegal for you to:
  - trade SPNZ’s listed securities;
  - advise or encourage another person to trade or hold SPNZ’s listed securities;
  - advise or encourage a person to advise or encourage another person to trade or hold SPNZ’s listed securities; or
  - pass on the **material information** to anyone else – including colleagues, family or friends – knowing (or whether you ought to have known) that the

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other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, SPNZ’s listed securities.

5.2 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 SPNZ, for any loss suffered as a result of illegal trading.

## 6. Confidential information

6.1 In addition to the above, you also have a duty of confidentiality to SPNZ. You must not reveal any confidential information concerning SPNZ to a third party (unless that third party has signed a Confidentiality Agreement with SPNZ and you have been authorised to disclose the confidential information), or to use confidential information in any way which may injure or cause loss to SPNZ, or use confidential information to gain an advantage for yourself. You should ensure that external advisers keep SPNZ information confidential.

## 7. What is “material information”?

- 7.1 “Material information” is information that:
  - Is not generally available to the market; and
  - If it were generally available to the market, would have a material effect on the price of SPNZ’s listed securities.
- 7.2 Information is generally available to the market if it has been released as an NZX announcement, or investors that commonly invest in SPNZ’s listed securities can readily obtain the information (whether by observation, use of expertise, purchase or other means).
- 7.3 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, or at a social function).
- 7.4 Information includes rumours, matters of supposition, intentions of a person (including SPNZ), and information, which is insufficiently definite to warrant disclosure to the public.

## 8. Examples of material information

- 8.1 The following list is illustrative only. Material information could include information concerning:
  - The financial performance of SPNZ;
  - A possible change in strategic direction of SPNZ;
  - The introduction of an important new product or service;
  - A possible acquisition or sale of any assets or company by SPNZ;

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- Entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known;
  - A possible change in SPNZ’s capital structure;
  - A change in the historical pattern of dividends;
  - Senior management changes;
  - A material legal claim by or against SPNZ; or
  - Any other unexpected liability,
- which has not been released to the market.

## 9. Exceptions

- 9.1 This Policy does not apply to:
- Acquisitions and disposals by gift or inheritance; or
  - Acquisitions through an issue of new listed securities, such as an issue of new shares on the exercise of options, under a rights issue, or a dividend reinvestment plan.

## 10. If in doubt, do not trade

- 10.1 The rules contained in this policy do not replace your legal obligations. The boundary between what is (and 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, do not trade!

## 11. Breaches of Policy

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

## 12. Monitoring of trading

- 12.1 SPNZ monitors the trading of shares by directors and employees as part of the administration of this policy.

## 13. Application of Policy

- 13.1 The Board of SPNZ has approved this policy. 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 or posting on SPNZ’s website.
- 13.2 To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this policy prevails over them.

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## APPENDIX 1 - ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS

### Persons covered by Restricted Securities Trading Restrictions

The additional trading restrictions set out below apply to:

- all Directors of SPNZ; and
- the Chief Executive and all senior officers (including the Executive Assistant) of SPNZ and any subsidiary (all Chief Executive direct reports); and
- trusts and companies controlled by such persons; and
- any other employee, secondee, consultant, adviser or contractor in possession of material non-public information; and
- anyone else notified by the Chief Executive from time to time.

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.

A person will continue to be a Restricted Person for six months following the date on which that person ceases to occupy the role that caused them to be a Restricted Person.

### Identity of holder

Securities shall only be sold or purchased in the officer’s own name or in the name, or on behalf, of the officer’s spouse or child or in the name of a company where notice of the existence of that company and the officer’s beneficial interest therein has been given to the Board of SPNZ.

Securities registered in a name other than those referred to above nevertheless come within this policy.

### Registered dealings periods

Securities in SPNZ must not be sold or purchased by directors or officers of SPNZ unless:

- notice of the intended sale or purchase in the form set out as Appendix 2 has been given to SPNZ; and
- The proposed sale or purchase has been authorised by the Board of SPNZ or by an authorised officer of SPNZ for and on behalf of SPNZ; and
- Notice of that authorisation has been given to all directors of SPNZ prior to the next Board meeting of SPNZ.

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**Additional trading restrictions for Restricted Persons (trading window)**

Restricted Persons are prohibited from trading in any Restricted Securities during the following specific “black-out” periods:

- 60 days prior to SPNZ’s interim balance date, until the first trading day after the half-year results are released to NZX; and
- 60 days prior to SPNZ’s year-end balance date, until the first trading day after the full-year results are released to NZX; and
- During changes to the company’s capital structure – from the date there is management commitment to seek approval for the funds raising until the first day after the market is informed, or from 30 days prior to the release of a prospectus until the first day after public release; and
- During any significant corporate activity, acquisition or divestment – from the day that there is a realistic prospect of a transaction arising until after full public disclosure is generally available to the market.

Restricted Persons are not permitted to trade any Restricted Securities during a “black-out” period unless SPNZ’s Board provides a specific exemption.

In addition, the Finance Manager or Chief Executive may notify Restricted Persons of additional “black-out” periods from time to time (without the need for explanation to those affected).

Restricted Persons are not permitted to trade any Restricted Securities during a “black-out period” unless SPNZ’s Board provides a specific exemption (refer Appendix 2). The Board may consider granting a specific exemption in cases of severe financial hardship (that cannot be satisfied otherwise than by trading Restricted Securities) or other exceptional circumstances, and any such exemptions shall be in the Board’s absolute discretion.

***Please note that if you hold material information you must not trade Restricted Securities at any time – regardless of these periods.***

**Requirements before trading**

Before trading in Restricted Securities, at any time, Restricted Persons must, in writing:

- Notify SPNZ’s Finance Manager or Chief Executive of their intention to trade in securities, and seek consent to do so (using the Request for Consent to Trade in Listed Securities form attached); and
- Confirm they do not hold material information; and
- Confirm that there is no known reason to prohibit trading in any Restricted Securities.

The officer shall be provided with a written acknowledgement consenting to or declining the proposed transaction.

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A consent is only valid for a period of 15 trading days after notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.

### **Requirements after trading**

A Restricted Person must advise the Finance Manager or Chief Executive promptly following completion of any trade, and the Restricted Person must comply with any disclosure obligations it has under the Financial Markets Conduct Act 2013.

An Officer's Dealing Register shall be maintained by the Company. There shall be recorded the time of receipt of particulars of each notification received from a director or officer; any circumstances the Company or a director considers appropriate to record; the decision and the time it was notified.

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**APPENDIX 2 - REQUEST FOR CONSENT TO TRADE IN LISTED SECURITIES**

**To: Finance Manager or Chief Executive, South Port NZ Ltd**

In accordance with South Port NZ Ltd’s Securities Trading Policy and Guidelines, Additional Trading Restrictions for Restricted Persons, I request South Port NZ Ltd’s consent be given to the following proposed transaction to be undertaken either by me or persons associated with me, within 15 trading days of approval being given. I acknowledge South Port NZ Ltd is not advising or encouraging me to trade or hold securities and does not provide any securities recommendations and that I remain responsible for my own compliance with the Financial Markets Conduct Act 2013 in relation to any transaction in SPNZ’s securities.

**Name:**

**Name of registered holder**

**Transacting** (if different):

**Address:**

**Position:**

**Description and number of securities:**

**Type of proposed transaction:**

Purchase / Sale / Other (*specify*)

**To be transacted:**

On NZX / Off-Market Trade / Other (*specify*)

**Likely date of transaction:**

(on or about)

I declare that I do not hold information which:

- Is not generally available to the market; and
- Would have a material effect on the price of SPNZ’s listed securities if it were generally available to the market; and
- That I do not intend to sell any securities so purchased within a period of six months following the above transaction; and
- That I believe the transaction will be at a fair value for the securities being transacted; and
- That I request SPNZ to consent to the transaction as set out above.

I know of no reason to prohibit me from trading in South Port NZ Ltd’s listed securities and certify that the details given above are complete, true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

South Port NZ Ltd hereby **consents / does not consent** to the proposed transaction described above. Any consent is conditional on the proposed transaction being completed within 15 trading days of the date of this consent, and in compliance with South Port NZ Ltd’s Securities Trading Policy and Guidelines and Additional Trading Restrictions for Restricted Persons.

\_\_\_\_\_  
Name:  
On behalf of South Port NZ Ltd

\_\_\_\_\_  
Date

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