

## APPENDIX E: SHARE TRADING POLICY

This Share Trading Policy is for the Directors, Officers and Employees of EBOS Group Limited (*EBOS*) and its subsidiaries for trades in EBOS securities.

The Policy is intended to ensure compliance with the Financial Markets Conduct Act 2013 ("the *Act*"), the NZX Listing Rules and the ASX Listing Rules.

### BACKGROUND

#### (a) When is information "generally available"

Information is generally available if:

- (i) it consists of readily observable matter or deductions;
- (ii) it has been brought to the attention of investors through an announcement to NZX/ASX or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (iii) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (i) or (ii) above.

Examples of possible readily observable matters are:

- (iv) any publicly announced change in legislation which may affect EBOS' level of future sales and/or profitability; or
- (v) a severe downturn in global securities markets.

#### (b) Who is an "Information Insider"?

A person is an Information Insider of EBOS if that person:

- (i) has Material Information relating to EBOS that is not generally available to the market; and
- (ii) knows or ought reasonably to know that the information is Material Information; and
- (iii) knows or ought reasonably to know that the information is not generally available to the market.

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**(c) What is “Inside Information?”**

“Inside Information” means the information in respect of which a person is an Information Insider of EBOS.

**(d) What is “Material Information?”**

“Material Information”, in relation to EBOS, is information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of listed securities of EBOS.

In essence, once a person has Material Information regarding EBOS, that person becomes an “Information Insider” and the information becomes “Inside Information”.

Possible examples of Material Information are:

- an unannounced significant proposed acquisition of or sale to another company or business;
- material industry information which is not publicly known;
- an unannounced change in credit rating or a material breach of a banking covenant;
- an imminent announcement about EBOS’s financial performance or a change to its financial position;
- an unannounced change in dividend;
- an undisclosed profit forecast;
- a significant change in the volume of business which is not publicly known or reflected in the latest financial statements;
- the termination of or entry into material contracts, which are not publicly known; and
- a change in key senior personnel.

**(e) Who is a “Restricted Employee”?**

Restricted Employees are Employees who, because of their seniority or the nature of their position, are likely to come in contact with key financial, operational, and strategic information about EBOS, that will, or is likely to have, a material effect on the price or value of EBOS securities.

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The following employees are automatically deemed to be Restricted Employees:

- (a) Directors;
- (b) Senior Managers (as defined in section 6 of the Financial Markets Conduct Act 2013) including:
  - (i) Executive Management Team members;
  - (ii) direct reports to the CFO; and
  - (iii) legal and company secretariat employees,

and includes their spouse or de facto, children and any family company or family trust that the Restricted Employee may have an interest in.

The Chief Executive Officer may also nominate selected individuals to be added to the list of Restricted Employees.

The General Counsel maintains a register of Restricted Employees which will be continuously updated to add or remove employees as appropriate.

The General Counsel will notify Restricted Employees when they are added to or removed from the register.

**(f) What is "Trade"?**

"Trade" means:

- (a) acquire or dispose of; but
- (b) does not include acquire, or dispose of, by inheritance or gift.

**NOTES**

- 1 Whether a person will be an Information Insider does not depend on that person's connection with EBOS so that any Material Information coming into the hands of a person will make that person an Information Insider, howsoever that information became known to that person.
- 2 Directors, officers and employees will always have to form a view as to whether they have Material Information before trading in EBOS securities.

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**Rule 1 Restricted Employees must not trade in Blackout periods.**

In addition to ensuring compliance with the insider trading provisions, Restricted Employees must not deal in EBOS securities during the following prohibited periods (except in accordance with this policy):

- a) the following closed periods:
  - a. from 1 January to the close of trading on the business day after EBOS' half yearly results are announced to NZX and ASX; and
  - b. from 1 July to the close of trading on the business day after EBOS' annual results are announced to NZX and ASX; and
- b) any extension to a closed period, and any additional period, as specified by the Board of Directors.

**("Blackout Periods")**

**Rule 2 *Don't trade in EBOS securities if you are an Information Insider.***

If you are an Information Insider (i.e. you possess Inside Information) you must not trade in EBOS securities until the Inside Information becomes public knowledge unless you qualify under any of the following statutory exceptions and have completed the Request for Consent form and obtained the consent of EBOS' Chief Executive Officer (refer Rule 3).

The statutory exceptions to trading as an Information Insider are:

- (a) trading in EBOS securities that is required by statutory enactment;
- (b) the acquisition of EBOS securities under an underwriting or sub-underwriting agreement;
- (c) trading that is undertaken on behalf of another person and:
  - the trading took place on that other persons specific instructions; and
  - before trading, that other person was not informed by you of the Inside Information; and
  - that other person was not advised or encouraged by you to instruct you to trade.

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- (d) - trading that results from a takeover offer under the takeovers code; or
- entering into an agreement to acquire or dispose of EBOS securities at a fixed price under a future takeover offer that complies with the takeovers code; or
- the acquisition or disposal of EBOS securities in performance of an agreement to acquire or dispose of EBOS securities at a fixed price under a future takeover offer that conflicts with the takeovers code.

## NOTES

- 1 Even if any of these statutory exceptions are applicable you must still complete the Request for Consent form and obtain the consent of EBOS' Chief Executive Officer.
- 2 In additions to the exceptions set out above, there are various defences against trading as an Information Insider (for example the "Chinese Wall defence" – refer section 261 of the Act). Even if you are of the view that any of the statutory defences apply to you, you must still complete the Request for Consent form and obtain the consent of EBOS's Chief Executive Officer.

**Rule 3** *Whenever you wish to Trade you must complete the Request for Consent form attached and obtain the consent of EBOS' Chief Executive Officer.*

Failure to comply with this procedure will be treated seriously. Full and accurate disclosure of all relevant facts must be made when completing the Request for Consent form.

**Rule 4** *Trading must be completed within 15 days of such consent.*

A new Request for Consent must be completed and the necessary consent obtained for Trades which will be completed more than 15 days after a previous consent was given.

**Rule 5** *Trade only in your name or the name of your spouse or children except with the written consent of EBOS' Chief Executive Officer.*

The Trade must be conducted in your name or the name of, or on behalf of, your spouse or children, unless the written consent of EBOS' Chief Executive Officer to do otherwise is given.

**Rule 6     *Avoid Short Term Trading.***

Do not buy and sell EBOS securities over a period of three months or less ("short term trading"). In many markets it is assumed to be evidence of insider trading, and is often forbidden. It might give rise to allegations of insider trading particularly if short term trading is done on a regular basis or in large amounts. No person in the EBOS group of companies may engage in short term trading unless there are exceptional circumstances discussed with and approved in writing by EBOS' Chief Executive Officer.

**Rule 7     *Don't engage in margin lending***

Employees are not permitted to enter into margin lending arrangements in relation to EBOS securities as the terms may require EBOS securities to be sold during a Blackout Period or when the Employee possesses Inside Information. Employees should consult the CFO if they are uncertain as to whether an arrangement should be classified as a margin lending arrangement.

**Rule 8     *Don't advise or encourage Trading ("Tip")***

You must not directly or indirectly advise or encourage any person to Trade or hold EBOS securities or advise such person to encourage any other person to Trade or hold EBOS securities even if you do not believe you are an Information Insider.

**Rule 9     *Don't disclose Inside Information to anyone where that person is likely to Trade or Tip EBOS securities.***

You must not directly or indirectly disclose Inside Information to any person if you know or ought reasonably to know or believe that such person will, or is likely to:

- Trade EBOS securities; or
- Continue to hold EBOS securities; or
- Advise or encourage another person to Trade or hold them.

**Rule 10    *Don't make a false or misleading statement or disseminate false or misleading information.***

You must not make a statement or disseminate information where you know or ought reasonably to know that a material aspect of that statement or information is false or that the statement or information

is materially misleading, where the statement or information is likely to:

- induce a person to Trade in EBOS securities; or
- have the effect of increasing, reducing, maintaining, or stabilising the price for trading in those securities; or
- induce a person to vote for, or vote against, a transaction, or to abstain from voting in respect of that transaction.

**Rule 11** *Don't create a false or misleading appearance of trading.*

You must not do, or omit to do, anything which you know or ought reasonably to know will, or is likely to have, the effect of creating, or causing the creation of, a false or misleading appearance:

- with respect to the extent of active trading in EBOS securities; or
- with respect to the supply of, demand for, price for trading in, or value of EBOS securities.

**Rule 12** *Only disclose Inside Information to other persons within the EBOS group of companies when they "need to know" it for the purposes of their job.*

Inside Information must not be freely discussed by employees other than for required work purposes.

**Rule 13** *Don't disclose Inside Information to third parties unless they are covered by express or implied duties of confidentiality.*

Implied duties of confidentiality arise for example with respect to disclosure to legal advisors for the purposes of obtaining legal advice. Express obligations will arise where specific confidentiality agreements are entered into to cover disclosure in specific instances.

**Rule 14** *If you have Inside Information about another company, don't Trade in or Tip the securities of that other company or communicate that Inside Information other than in accordance with the above guidelines.*

If you have information about another company or about an industry which if known by others would make the securities of that other company or a company in that industry more or less valuable, and that information is not available to the public, you could breach the

insider trading laws if you Trade those shares or if you encourage others to Trade in those shares or disclose the information to others where they are likely to Trade or Tip those shares, or encourage others to do so.

**Rule 15** *Directors' and Senior Managers' Trading must be disclosed to NZX and the Australian Securities Exchange within 5 working days at the latest.*

All acquisitions and disposals of relevant interests in the securities by a director or Senior Manager must be advised to NZX and ASX within 5 trading days in accordance with the Financial Markets Conduct Act 2013 (Act) and the ASX Listing Rules.

Not all employees of EBOS will be Senior Managers and those persons who are not officers need not make disclosure to NZX and ASX. Under the Act a "Senior Manager" is a person who is not a director but occupies a position that allows that person to exercise significant influence over the management or administration of EBOS.

In respect of any Trade, if you are unsure as to whether you may be a Senior Manager and thus whether disclosure to NZX and ASX is required, you should raise this with the Chief Executive Officer. Where it is determined that disclosure needs to be made to NZX and ASX, the Chief Executive Officer will then prepare and forward to the NZX and ASX a Default form 2 "disclosure of acquisition or disposal of relevant interest by director or senior manager notice" (the Disclosure Notice) and place a copy of the Disclosure Notice in EBOS's Interests Register. To enable completion of this Disclosure Notice, the following details are required:

- the nature of the director's or Senior Manager's relevant interest, including the circumstances in which it arose;
- the name of the registered holder of the security to which the relevant interest relates or related;
- the number, class, and type of securities to which the relevant interest relates or related;
- when the acquisition or disposal of the relevant interest in the security occurred;
- the consideration paid or received for the acquisition or disposal;
- the nature or type of transaction to which the disclosure relates;

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- the number of securities held prior to the transaction, the number of securities acquired or disposed of in the transaction, and the number of securities held after the transaction;
- where multiple transactions are aggregated in a disclosure notice, the number of transactions the disclosure notice relates to; and
- the date of the last disclosure by the director or Senior Manager.

The Chief Executive Officer will e-mail a copy of the Disclosure Notice being submitted to NZX and ASX to you, as confirmation the disclosure has been made. If confirmation is not received within 1 working day, you should enquire as to why the Trade has not been disclosed yet. Ultimately under the law, it is your responsibility to determine whether you need to file a Disclosure Notice with NZX and ASX and EBOS and for you to ensure that this is done.

**Rule 16** *If in doubt - Don't!*

These rules are not exhaustive. Compliance is not an assurance of immunity from the insider trading law restrictions.

Breach of the law may result in a criminal conviction which may include fines and imprisonment. It may affect conduct which all concerned might consider to be perfectly ethical. Accordingly you should seek authoritative advice if you have any reason to wonder about the application of these guidelines. Breach of the law, this policy, or both, will also be regarded by EBOS as serious misconduct which may lead to disciplinary action or dismissal.

**Rule 17** *Chief Executive Officer trading*

Where the Chief Executive Officer proposes to make any Trade, the consent of the Chairman shall be required and in any such instance any reference to the consent of the Chief Executive Officer in this Policy shall be read as a reference to the Chairman's consent.

**Rule 18** *Director trading*

Where a director proposes to make any Trade, the consent of the Chairman shall be required and in any such instance any reference to the consent of the Chief Executive Officer in this Policy shall be read as a reference to the Chairman's consent.

Where the Chairman proposes to make any Trade, the consent of the Chairman of the Audit & Risk Committee shall be required and in any

such instance any reference to the consent of the Chief Executive Officer in this Policy shall be read as a reference to the Chairman of the Audit & Risk Committee's consent

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## Request For Consent To Trade EBOS Group Limited's Securities

EBOS Group Limited  
P.O. Box 411  
CHRISTCHURCH

**For:** Chief Executive Officer

### 1 Your Description

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

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

Office or Position: \_\_\_\_\_

Employer: \_\_\_\_\_

Division: \_\_\_\_\_

If I receive consent I intend to complete the following transaction within 15 days of that consent:

### 2 Description of Securities

Type/Class: \_\_\_\_\_

Number: \_\_\_\_\_

### 3 Type of Proposed Transaction

Description: Purchase/Sale/Subscription/Gift/Receipt/Other (specify):

\_\_\_\_\_

Will the transaction be conducted on NZX or Australian Securities Exchange?

If "Neither", how will the transaction be conducted:

\_\_\_\_\_

Likely date of transaction (e.g. not before [date], not after [date]):

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Reasons for the transaction: \_\_\_\_\_

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#### 4 Representations

I hereby declare:

- 4.1 Having regard to the insider trading provisions set out in the Financial Markets Conduct Act 2013, I am not in possession of information which if it were generally available to the market would have a material effect on the price of EBOS Group Limited's listed securities.
- 4.2 If this notice relates to a proposed purchase or acquisition of EBOS Group Limited's Securities, I confirm that I will not sell the Securities within six months of their purchase or acquisition;
- 4.3 The Securities are to be sold or purchased in my own name or in the name of or on behalf of my spouse or children;
- 4.4 I believe the transaction will be at fair value.

#### 5 Request

I request EBOS Group Limited's consent to the proposed transaction.

***I certify that the details given above are complete, true and correct***

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Signature

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Date

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Name

**EBOS GROUP LIMITED**  
**CONSENT TO TRADE SECURITIES**

EBOS Group Limited hereby consents to the proposed transaction described above. This consent is conditional upon the proposed transaction being completed within 15 trading days of the date of this consent. If it is not completed within such period this Consent will lapse. A fresh Request for Consent to Trade will then need to be submitted.

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Date

Copies of this consent will be given to members of the Board before EBOS Group Limited's next board meeting.