

APPENDIX D: EBOS SECURITIES TRADING POLICY

This EBOS Securities Trading Policy applies to Directors and Employees (including Senior Managers) of EBOS Group Limited and its subsidiaries in relation to trades or other dealings in EBOS Securities.

The Policy is intended to facilitate compliance with the New Zealand Financial Markets Conduct Act 2013 (*Act*), the Australian Corporations Act 2001(Cth) (to the extent applicable), the NZX Listing Rules, the ASX Listing Rules and related guidance. This Policy sets out in detail the New Zealand laws regarding insider trading and market manipulation. The Australian insider trading and market manipulation laws are not identical but they are similar.

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;
- (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.

(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 EBOS Securities.

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

Examples of information that *may* be Material Information include, but are not limited, to:

- (i) a significant proposed acquisition of or sale to another company or business;
- (ii) a possible change in strategic direction;
- (iii) material industry information which is not publicly known;
- (iv) a change in credit rating or a material breach of a banking covenant;
- (v) an imminent announcement about EBOS’s financial performance, forecasts or a change to its financial position or forecasts;
- (vi) a recommendation or declaration of a dividend or a change in the historical pattern of dividends;
- (vii) an undisclosed profit forecast;
- (viii) a significant change in the volume of business which is not publicly known or reflected in the latest financial statements;
- (ix) the termination of or entry into material contracts; and
- (x) a change in Senior Managers or Directors.

(e) **Who is a “Restricted Person”?**

Restricted Persons are persons 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.

The following persons are automatically deemed to be Restricted Persons:

- (i) Directors;
- (ii) Senior Managers and direct reports to EBOS’ Chief Executive Officer (CEO) or Chief Financial Officer (CFO);
- (iii) legal and company secretariat Employees;
- (iv) any other selected individuals nominated by the CEO, and
- (v) any other person that has authority and responsibility for planning, directing and controlling the activities of EBOS, whether directly or indirectly,

whether or not the individual holds EBOS Securities or EBOS Securities are held or Traded in the name of the individuals holding the above positions or that of their spouse or domestic partner, dependents, any associate, or a person controlled by or acting on the direction or recommendation of the Restricted Person, and any company or trust that the Restricted Person may have a controlling interest in (*Restricted Persons' Associates*). Directors and Employees will be considered responsible for the actions of all such persons and entities. In this respect, "control" is not to be construed in a technical way but by looking at how decisions are made in practice.

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

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

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

"Trade" means:

- (i) acquire or dispose of; but
- (ii) 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, Senior Managers and Employees will always have to form a view as to whether they have Material Information before trading in EBOS Securities.*

RULES

Rule 1 Restricted Persons must not Trade in Blackout Periods.

In addition to ensuring compliance with the insider trading provisions in New Zealand and Australia, if you are a Restricted Person you must not deal in EBOS Securities during the following prohibited periods (except in accordance with this policy):

- (a) the following closed periods:
 - (i) from 1 January to the close of trading on the business day after EBOS' half yearly results are announced to NZX and ASX; and
 - (ii) 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, (*Blackout Periods*).

Exceptional circumstances

If you are a Restricted Person and you consider that you need to Trade in EBOS Securities

during a Blackout Period due to exceptional circumstances, you must seek the prior written approval of the CEO using the Request for Consent form attached to this Policy and provide full details of the relevant circumstances. Examples of exceptional circumstances could be: (1) severe financial hardship where the Restricted Person has a pressing financial commitment that cannot be satisfied otherwise than by selling EBOS Securities; or (2) compulsion by court order, court enforceable undertakings or other legal requirement.

Approval will only be granted if the CEO considers, in their sole and absolute discretion, that the circumstances giving rise to the request are “exceptional”.

If approval is granted, you will be notified in writing and, notwithstanding Rule 4, you must complete the approved Trade within two business days from the date of notification of approval.

Approval does not mean that the Restricted Person is released from complying with the rest of this Policy or relevant insider trading laws – Trading is still prohibited if a Restricted Person who has secured approval is an Information Insider. In those circumstances, the approval will automatically be deemed to have been withdrawn.

NOTES

- 1 *Warning: A person who possesses Inside Information is generally prohibited from trading under applicable insider trading laws regardless of whether this Policy has imposed a Blackout Period or not.*

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 the CEO (refer Rule 3).

The statutory exceptions *in New Zealand* 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:
 - (i) the trading took place on that other persons specific instructions; and
 - (ii) before trading, that other person was not informed by you of the Inside Information; and
 - (iii) that other person was not advised or encouraged by you to instruct you to Trade.
- (d) trading that results from a takeover offer under the New Zealand Takeovers Code;
- (e) entering into an agreement to acquire or dispose of EBOS Securities at a fixed price under a future takeover offer that complies with the New Zealand Takeovers Code; or

- (f) 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 New Zealand 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 the CEO.*
- 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 the CEO.*

Rule 3 *Whenever you wish to Trade you must complete the Request for Consent form attached to this Policy and obtain the consent of the CEO before Trading (unless an Exception applies).*

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.

The Consent can be given or refused in the CEO’s discretion without giving any reasons. The decision to grant or not grant Consent should be made judiciously. Generally, Consent will not be granted if EBOS is likely in the short term to release a periodic financial report or other financial data that might surprise the market or make an announcement of market sensitive information for the purposes of its continuous disclosure obligations.

The decision to refuse to give Consent is final and binding on the person seeking the Consent. If the Consent is not given, the person seeking the Consent must keep the information confidential and not disclose it to anyone.

The Consent (once obtained) remains valid for a period of 15 days.

A Consent can be withdrawn if new information comes to light or there is a change in circumstances.

For the avoidance of doubt, the giving of any Consent under this Policy is not an endorsement of your dealing and you must ensure your own compliance with the law, including the laws against insider trading.

You do not need to seek the consent of the CEO for the following Trading (each an *Exception*):

- (a) the acquisition of EBOS Securities through a dividend reinvestment plan;
- (b) applying for, or acquiring, EBOS Securities as a participant in an employee incentive scheme;
- (c) the acquisition of EBOS Securities as a result of a pro rata rights issue offer made to you;
- (d) the acquisition of EBOS Securities through a share purchase plan made available to all eligible shareholders; or

- (e) the disposal of EBOS Securities under an equal access buy-back, takeover offer or scheme of arrangement or the disposal of rights acquired under a rights issue.

Even though you do not need the consent of the CEO, your Trading is otherwise subject to this Policy (for example, Rule 2 'Don't Trade in EBOS Securities if you are an Information Insider' still applies even though you do not need CEO consent) and the relevant insider trading laws in New Zealand and Australia.

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 dependents except with the written consent of the CEO.*

The Trade must be conducted in your name or the name of, or on behalf of, your spouse or dependents, unless the written consent of the CEO to do otherwise is given.

Rule 6 *Avoid Short Term Trading.*

You must not buy and sell EBOS Securities over a period of three months or less (*short term trading*) 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 Restricted Persons may engage in short term trading unless there are exceptional circumstances discussed with and approved in writing by the CEO.

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

You are not permitted to have margin lending arrangements in relation to EBOS Securities as the terms may require EBOS Securities to be sold during a Blackout Period or when you possesses Inside Information. A margin lending arrangement would include:

- (a) entering into a margin lending arrangement in respect of EBOS Securities;
- (b) transferring EBOS Securities into an existing margin loan account; and
- (c) selling EBOS Securities to satisfy a call under a margin loan except where the holder of EBOS Securities has no control over the sale.

Restricted Persons may not enter into or continue with any margin loan arrangements to fund the acquisition of EBOS Securities or in relation to which EBOS Securities may be used as a security against repayment of the loan. This restriction extends to Restricted Persons' Associates.

You should consult the CFO if you are uncertain as to whether an arrangement would be classified as a margin lending arrangement, before entering into it.

Rule 8 *No hedging on unvested entitlements*

Restricted Persons are prohibited from entering into hedging arrangements (whether through the use of derivatives or otherwise) to limit their exposure in relation to unvested entitlements. This includes unvested shares, options or rights issued or acquired under

any employee incentive schemes where performance hurdles have not yet been achieved or other conditions have not yet been met.

A Restricted Person shall not enter into any transaction (including any hedging or derivative transaction) which will limit that person's economic risk in relation to such unvested shares, options or rights.

Rule 9 *Don't advise or encourage Trading (Tip).*

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

Rule 10 *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:

- (a) Trade EBOS Securities; or
- (b) continue to hold EBOS Securities; or
- (c) advise or encourage another person to Trade or hold them.

Rule 11 *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:

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

Rule 12 *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:

- (a) with respect to the extent of active trading in EBOS Securities; or
- (b) with respect to the supply of, demand for, price for trading in, or value of EBOS Securities.

Rule 13 *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 you other than for required work purposes.

Rule 14 *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. If you are unsure whether appropriate confidentiality arrangements are in place, you should first discuss this with the General Counsel before disclosing any Inside Information.

Rule 15 *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.*

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

Rule 16 *Directors’ and Senior Managers’ Trading must be disclosed to EBOS, NZX and ASX.*

Trading in EBOS Securities by a Director must be advised to NZX and ASX within 5 trading days in order to comply with obligations under both the Act and the ASX Listing Rules.

All Trades in EBOS Securities by a Senior Manager must be disclosed to NZX (and will also be disclosed on ASX) within:

- (a) in the case of any of the following acquisitions or disposals, 20 working days after the acquisition or disposal:
 - (i) an acquisition under an employee share purchase scheme;
 - (ii) an acquisition under a dividend reinvestment plan;
 - (iii) an acquisition under a share top-up plan;
 - (iv) an acquisition or a disposal that results from an arrangement approved under Part 15 of the Companies Act 1993;
 - (v) a prescribed acquisition or disposal; or
- (b) in any other case, 5 trading days after the Trade.

Only Employees who are Senior Managers need to make NZX and ASX disclosures described below.

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 General Counsel.

It is your responsibility to ensure that the disclosure notices under the Act and, in the case of Directors only, under the ASX Listing Rules (*Disclosure Notice*) are prepared and disclosed within the statutory timeframes. The General Counsel or their delegate can assist Directors and Senior Managers with preparing Disclosure Notices and making the disclosure. A copy of the Disclosure Notices will be placed in EBOS's Interests Register and released to the NZX and ASX. You must provide all information required to submit a Disclosure Notice to the General Counsel or their delegate within the statutory timeframes.

If you have not received confirmation from the General Counsel or their delegate that the Disclosure Notice (either prepared by you or prepared by EBOS with information supplied by you) has been released on NZX/ ASX within 1 working day of providing the information/Disclosure Notice, 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 EBOS, NZX and ASX and for you to ensure that this is done.

Rule 17 *If in doubt - Don't!*

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

A breach of insider trading law or this Policy by you can have serious consequences for you and EBOS. If you breach the law it may result in a criminal conviction which may include fines and imprisonment. You should seek authoritative advice if you are unclear in any way about the application of the law or this Policy to you.

A breach of the law, this Policy, or both, will also be regarded by EBOS as serious misconduct which may lead to disciplinary action including dismissal.

Rule 18 *Chief Executive Officer trading.*

Where the CEO proposes to make any Trade, unless an Exception applies, the consent of the Chair shall be required and in any such instance any reference to the consent of the CEO in this Policy shall be read as a reference to the Chair's consent.

The Consent can be given or refused in the Chair's discretion without giving any reasons. The decision to grant or not grant Consent should be made judiciously. Generally, Consent will not be granted if EBOS is likely in the short term to release a periodic financial report or other financial data that might surprise the market or make an announcement of market sensitive information for the purposes of its continuous disclosure obligations.

Rule 19 *Director trading.*

Where a Director proposes to make any Trade (including where that Director considers exceptional circumstances apply), unless an Exception applies, the prior written consent of the Chair shall be required and in any such instance any reference to the consent of the CEO in this Policy shall be read as a reference to the Chair's consent.

Where the Chair proposes to make any Trade (including where the Chair considers exceptional circumstances apply), unless an Exception applies, the prior written consent of the Chair of the Audit & Risk Committee shall be required and in any such instance any reference to the consent of the CEO in this Policy shall be read as a reference to the Chair of the Audit & Risk Committee's consent.

Alternatively, a Director (including the Chair) may seek the prior consent of the Board to Trade at a meeting of the Board, in which case the consent, if provided, shall be recorded in the minutes for that meeting.

The Consent can be given or refused in the relevant Chair or the Board's discretion without giving any reasons. The decision to grant or not grant Consent should be made judiciously. Generally, Consent will not be granted if EBOS is likely in the short term to release a periodic financial report or other financial data that might surprise the market or make an announcement of market sensitive information for the purposes of its continuous disclosure obligations.

DEFINITIONS

In this Policy:

Board means the board of Directors of EBOS Group Limited

Directors means a director of EBOS Group Limited

EBOS means EBOS Group Limited

EBOS Securities means:

- (a) any share in, or debenture of, EBOS;
- (b) an option over an unissued share in, or debenture of, EBOS;
- (c) a renounceable or non-renounceable right to subscribe for a share in, or debenture of, EBOS;
- (d) any derivative products issued over or in respect of EBOS securities; and
- (e) any other EBOS quoted financial products

Employees means an employee of EBOS Group Limited or a subsidiary of it

Senior Manager, in relation to a person (A), means 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 A (for example, a chief executive or a chief financial officer)

APPROVAL

This Policy is approved by the Board of EBOS.

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 (provide full details of purchase/sale/subscription/gift/receipt/other):

The transaction will be conducted on (tick one):

NZX: _____

ASX: _____

Neither: _____

If “Neither”, how will the transaction be conducted:

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

Reasons for the transaction:

4 Representations

I hereby declare:

- 4.1 having regard to the insider trading provisions set out in the Financial Markets Conduct Act 2013 and the Australian Corporations Act (to the extent applicable), 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.
- 4.3 the securities are to be sold or purchased in my own name or in the name of or on behalf of my spouse or dependents; and
- 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

Signature

Date

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 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. This Consent may be revoked at any time.

Chief Executive Officer

Date