



FINANCIAL PRODUCTS TRADING POLICY

20 July 2017

1. Introduction

The NZX Group's (NZX) directors and employees must comply with the insider trading provisions set out in the Financial Markets Conduct Act 2013.

2. Objective

- 2.1 NZX is committed to having in place procedures and controls to ensure that its directors and employees do not breach the prohibition on insider trading or create any perception of directors or employees trading financial products when they should not do so.
- 2.2 This policy sets out the prohibition on insider trading, together with NZX's restrictions on its directors and employees trading financial products. **This is an important policy. You should take the time to read it and understand how it applies to you. If there is anything that you do not understand, you should contact the General Counsel or Head of Market Supervision.**

3. Application

- 3.1 This policy applies to all directors (including members of NZX Board Committees) and all employees (including any secondee, contractor or consultant) of NZX.
- 3.2 This policy applies to any trading undertaken by a director's or employee's spouse, de facto partner or dependent child or a trust or company which the director or employee controls or exercises significant influence over.

4. Fundamental rule – insider trading is prohibited at all times

- 4.1 In this policy, "material information" is information relating to particular financial products or a particular issuer or issuers that:
 - (a) is not generally available to the market; and
 - (b) if it were generally available to the market, would have a material effect on the price of that issuer's financial products.
- 4.2 Information is generally available to the market if it has been released as an NZX announcement or investors that commonly invest in the relevant financial products can readily obtain the information.
- 4.3 Directors and employees who possess material information about NZX are prohibited from:
 - (a) trading in NZX's financial products;
 - (b) advising or encouraging others to trade or hold NZX's financial products; or
 - (c) advising or encouraging a person to advise or encourage another person to trade or hold NZX's financial products.



- 4.4 Directors and employees are also prohibited from passing on material information about NZX to others where they know (or ought reasonably to know) that the other person will, or is likely to, trade or continue to hold, or advise or encourage someone else to trade or continue to hold, NZX's financial products. This includes passing on material information to the director's or employee's spouse, de facto partner or dependent child or a trust or company which the director or employee controls or exercises significant influence over.
- 4.5 The prohibition on insider trading is not restricted to NZX's financial products. If a director or employee has material information in relation to financial products of another issuer, that director or employee must not trade in those financial products, or advise or encourage another person to do so. The prohibition applies regardless of how the material information is acquired.
- 4.6 Directors and employees involved in trading in financial products for a managed investment scheme managed by Smartshares Limited are prohibited from trading in financial products on their own behalf before trading in financial products for the managed investment scheme in order to gain a price advantage.

5. Restrictions on trading NZX Limited's shares

- 5.1 Directors and employees may not trade in NZX Limited's shares in the following "blackout" periods, unless NZX Limited's Board provides a specific exemption:
- (a) between 31 December and NZX's announcement of full year results;
 - (b) between 31 March and NZX's announcement of first quarter revenue and operating metrics;
 - (c) between 30 June and NZX's announcement of half year results;
 - (d) between 30 September and NZX's announcement of third quarter revenue and operating metrics; and
 - (e) any other period determined by the General Counsel and notified to directors and employees.
- 5.2 Outside of a blackout period, and provided that he/she does not possess material information, a director or employee may trade in NZX Limited's shares. Before trading in NZX Limited's shares, a director or employee must obtain the General Counsel's prior consent to trade. To do this, the director or employee must:
- (a) notify the General Counsel of his/her intention to trade in NZX Limited's shares and provide details of the trade (using [NZX's request to trade form – NZX Limited's shares](#));
 - (b) confirm that they are not in possession of material information that is not generally available to the market; and
 - (c) confirm there is no known reason to prohibit trading in the shares.
- 5.3 Subject to sub-sections 5.4 and 5.5, the General Counsel will review the director's or employee's request for consent and may approve the trade. If the General Counsel approves the trade, the director or employee must make the trade within 48 hours of being notified of the approval.



- 5.4 If a director makes a request for consent, the General Counsel will consult with the Chairperson of the Board before approving or rejecting the trade. If the Chairperson of the Board makes a request for consent, the General Counsel will consult with the Chairperson of the Audit and Risk Committee before approving or rejecting the trade.
- 5.5 If the General Counsel makes a request for consent, the Chief Executive Officer will review the General Counsel's request for consent and may approve the trade.
- 5.6 If, after submitting the request to trade, or before completing an approved trade, the director or employee comes into the possession of material information, he/she must, as the case may be, either withdraw the request to trade or not complete the approved trade, and notify the General Counsel accordingly.
- 5.7 After completing the trade, the director or employee must promptly confirm the details of the trade to requesttotradenzxshares@nzx.com.

6. Restrictions on trading financial products quoted on a market operated by NZX (other than NZX Limited's shares)

- 6.1 For the purposes of this policy, the following people are "Restricted Persons":
 - (a) NZX's Senior Managers;
 - (b) the members of NZX's Regulation Team and NZX's Markets Operation Team;
 - (c) the Head of Funds Management – SuperLife and Head of Operations – NZX Funds Management;
 - (d) the members of SuperLife's Data Analytics Team and SuperLife's Fund Accounting Team;
 - (e) any other people determined by the Head of Market Supervision and notified to those persons; and
 - (f) a spouse, de facto partner or dependent child of a person listed in (a) – (e) above or a trust or company which a person listed in (a) – (e) above controls or exercises significant influence over.
- 6.2 Before trading in financial products quoted on a market operated by NZX (other than NZX Limited's shares), a Restricted Person must obtain the Head of Market Supervision's prior consent to trade. To do this, the Restricted Person must:
 - (a) notify the Head of Market Supervision of his/her intention to trade in financial products quoted on a market operated by NZX and provide details of the trade (using [NZX's request to trade form – financial products quoted on a market operated by NZX \(other than NZX Limited's shares\)](#));
 - (b) confirm that they are not in possession of material information that is not generally available to the market; and
 - (c) confirm there is no known reason to prohibit trading in the financial products.
- 6.3 Subject to paragraphs 6.4 and 6.5, the Head of Market Supervision will review the Restricted Person's request for consent and may approve the trade. If the Head of Market



Supervision approves the trade, the Restricted Person must make the trade within 48 hours of being notified of the approval.

- 6.4 If the Head of Funds Management – SuperLife, the Head of Operations – SuperLife, a member of SuperLife’s Data Analytics Team or a member of SuperLife’s Fund Accounting Team (or a spouse, de facto partner or dependent child of one of these people or a trust or company which one of these people controls or exercises significant influence over) makes a request for consent, the Head of Market Supervision will consult with the Head of NZX Funds Management before approving or rejecting the trade. If the Head of NZX Funds Management makes a request for consent, the Head of Market Supervision will consult with the Chief Executive Officer before approving or rejecting the trade.
- 6.5 If the Head of Market Supervision makes a request for consent, the Chief Executive Officer will review the Head of Market Supervision’s request for consent and may approve the trade.
- 6.6 If, after submitting the request to trade, or before completing an approved trade, the Restricted Person comes into the possession of material information, he/she must, as the case may be, either withdraw the request to trade or not complete the approved trade, and notify the Head of Market Supervision accordingly.
- 6.7 After completing the trade, the Restricted Person must promptly confirm the details of the trade to requesttotrade@nzx.com.

7. Exceptions to restrictions on trading

- 7.1 The restrictions on trading financial products set out in sections 5 and 6 do not apply to:
 - (a) the acquisition or disposal of financial products by gift or inheritance (although the restrictions do apply to any subsequent disposal of financial products acquired by gift or inheritance);
 - (b) the acquisition or disposal of financial products through an issue of new financial products, such as an issue of new shares on the exercise of options, under a rights or bonus issue, or under a dividend reinvestment plan;
 - (c) the acquisition of NZX Limited’s shares as part of the NZX Employee Share Plan;
 - (d) the acquisition or disposal of interests in the Smartshares Exchange Traded Funds or another managed investment scheme managed by Smartshares Limited; and
 - (e) the acquisition or disposal of financial products where the director or employee has authorised a financial adviser or other financial service provider to decide which financial products to acquire or dispose of, and the director or employee is not involved in the decision.

8. Disclosure obligations

- 8.1 Directors and employees must disclose relevant interests in financial products in accordance with subpart 6 of part 5 of the Financial Markets Conduct Act 2013 (as applicable).



8.2 The General Counsel can assist with making the disclosure on a director's or employee's behalf. However, it is the director's or employee's responsibility to ensure that disclosure is made on time and in the correct form.

9. Delegation

9.1 The General Counsel may delegate his/her authority for specific responsibilities under this policy to a member of NZX's Legal Team.

9.2 The Head of Market Supervision may delegate his/her authority for specific responsibilities under this policy to a member of NZX's Regulation Team.

Approver:	NZX Limited Board
Document owner:	General Counsel and Head of Market Supervision
Review:	Annual