

Securities Trading Policy and Guidelines

Overview

Introduction

This securities trading policy and guidelines (**Policy**) applies to all directors (**Directors**), officers and employees of Tourism Holdings Limited (**thl**) and its subsidiaries who intend to trade in **thl** listed securities (in New Zealand). 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 subscription for, or the issue of, new securities.

In addition to this Policy and Guidelines, further more specific and stringent rules also apply in respect of **thl**'s securities, to Directors and certain employees (see [Additional Trading Restrictions for Restricted Persons](#)).

Context

This Policy is part of the **thl Policy Suite**. For a list of all Policies in this Suite with links to each document, please refer to the [thl Policy Suite Table of Contents](#) on *thehub*.

Policy particulars

Effective Date	21 February 2017
Review Date	January 2017
Policy Owner	Mark Davis, Chief Financial Officer
Audience	Directors, Officers and employees of thl

Policy

1. Objectives

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

- **thl** ordinary shares listed on the NZX Main Board (**NZX**); and
- any other listed securities of **thl** or its subsidiaries, and any listed derivatives (including futures contracts listed on an authorised futures exchange) in respect of **thl** securities, from time to time.

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 Chief Financial Officer (CFO) before dealing with any securities covered by this Policy.

1.1

Fundamental Rule - Insider trading is prohibited at all times

If you possess “material information” (refer to definition below), then **whether or not** you are a Restricted Person below, you must not:

- trade Restricted Securities;
- advise or encourage others to trade, or hold any Restricted Securities; or
- pass on the material information to others.

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

The prohibition on insider trading applies not only to information concerning **thl**'s securities. If a person has material information in relation to listed securities of another issuer (including futures contracts listed on an authorised futures exchange), that person must not trade in those securities.

1.2

Insider trading laws

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

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

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 **thl, 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.**

1.3

Confidential information

In addition to the above, you also have a duty of confidentiality to **thl**. You must not reveal any confidential information concerning **thl** or its subsidiaries to a third party (unless that third party has signed a confidentiality agreement with **thl** 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 *thl*, or use confidential information to gain an advantage for yourself. You should ensure that external advisers keep *thl* information confidential.

1.4

What is “material information”?

“Material information” 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 *thl*'s quoted securities; and
- relates to *thl*'s securities or *thl* itself, rather than to securities generally or listed issuers generally.

Information is generally available to the market if it has been made known to those who commonly invest in *thl*'s listed securities and a reasonable period for that information to be disseminated has passed (if it is released as an NZX announcement, it will immediately be considered generally available), or if such investors can readily obtain the information (whether by observation, use of expertise, purchase or other means).

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 in a lift, or at a social function).

Information includes rumours, matters of supposition, intentions of a person (including *thl*), and information, which is insufficiently definite to warrant disclosure to the public.

What are some examples of material information?

The following list is illustrative only. Material information could include information concerning:

- the financial performance of *thl*;
- a possible change in the strategic direction of *thl*;
- the introduction of an important new product or service;
- a possible acquisition or sale of any assets or company by *thl*;
- 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 *thl*'s capital structure;
- a change in the historical pattern of dividends;
- senior management changes;
- a material legal claim by or against *thl*; or
- any other unexpected liability,

which has not been released to the market.

The range of possible material information is very wide, so if you are planning to buy or sell any Restricted Securities and you have any doubts, you should discuss it with the CFO.

1.5

Exceptions

This policy does not apply to:

- acquisitions and disposals by gift or inheritance;
- 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.

1.6

Short term trading discouraged

You should not engage in short term trading (the buying or selling of listed securities within a 6 month period), unless there are exceptional circumstances discussed with and approved by the CFO first, and then approved by the Chair of the Audit and Risk Committee.

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.

Principles

1. **If in doubt, don't**

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, don't!

- 1.1 **Breaches of Policy**

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.

- 1.2 **Monitoring of trading**

thl may monitor the trading of Directors and employees as part of the administration of this Policy.

- 1.3 **Application of Policy**

The board of Directors (**Board**) of *thl* 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 posting on *thl*'s intranet.

To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this Policy prevails over them.

Additional Trading Restrictions for Restricted Persons

1. **Persons covered by Restricted Securities Trading Restrictions**

The additional trading restrictions set out below apply to:

- all Directors;
- the Chief Executive Officer (**CEO**), all members of the senior management team and their direct reports;
- the administrative staff of the senior management team;
- all employees in the finance department;
- trusts and companies controlled by such persons;
- anyone notified by the CFO from time to time; and
- anyone participating in the Long Term Incentive Scheme.

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.

1.1 **Blackout periods**

Restricted Persons must not trade in Restricted Securities on NZX during any of the following blackout periods:

- the period from the close of trading on 1 June of each year until 48 hours following the announcement to NZX of **thl**'s full year results;
- the period from the close of trading on 1 December each year until 48 hours following the announcement to NZX of **thl**'s half year results; and
- any other period that **thl** specifies from time to time.

Exceptional circumstances

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 Board to trade in Restricted Securities (using the attached Request for Consent to Trade in Listed Securities form (**Request for Consent Form**)). In the absence of the Chair of the Board, the Request for Consent Form must be signed by the Chair of the Audit and Risk Committee. In the case of proposed trading by the Chair of the Board, the Request for Consent Form must be signed by the CEO and the Chair of the Audit and Risk Committee. All applications for consent will be processed on a confidential basis.

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:

- 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
- 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.

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.

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).

1.2

Requirements before trading

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

- notify the CEO of their intention to trade in securities, and seek consent to do so (using the Request for Consent Form attached);
- confirm that they do not hold material information; and
- confirm that there is no known reason to prohibit trading in any Restricted Securities.

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 CEO and the Chair of the Audit and Risk Committee.

A consent is only valid for a period of 10 trading days after notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.

1.3

The outcome of any application for consent

thl's decision on any application for consent is final. It is not obligated to provide reasons for any decision made.

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 *thl*'s policies. Consent does not in itself exclude the possibility of either civil or criminal liabilities still arising under relevant legislation.

1.4

Requirements after trading

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

1.5

Trading Expectations

To assist with trading by Restricted Persons, when approved, *thl* has arrangements with First NZ Capital and Forsyth Barr to help to facilitate sales or purchases with a minimum number of transactions and within a single consent period (10 working days). The use of these arrangements is strongly encouraged.

Appendix

- 1 The attached form 'Request for Consent to Trade in Listed Securities' must be completed and submitted to the relevant person for approval and appropriate signoff.
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REQUEST FOR CONSENT TO TRADE IN LISTED SECURITIES

To: The Chief Financial Officer, Tourism Holdings Limited

In accordance with **thl's** Securities Trading Policy and Guidelines, Additional Trading Restrictions for Restricted Persons, I request **thl's** consent be given to the following proposed transaction to be undertaken either by me or persons associated with me, within 10 trading days, or where the trade is to occur during a blackout period, within 2 trading days, of the date of notification of consent being given. I acknowledge **thl** not advising or encouraging me to trade or hold securities and does not provide any securities recommendation.

Name	
Name of registered holder transaction (if different)	
Address	
Position	
Description and number of securities:	
Type of proposed transaction Purchase / sale /other (specify)	
Reason for proposed transaction (if transaction is to occur during a 'blackout period')	
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
- a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of **thl's** quoted securities.

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

Signature

Date

thl 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 2 trading days, of the date of notification of this consent, and in compliance with **thl's Securities Trading Policy and Guidelines and Additional Trading Restrictions for Restricted Persons.**

The **Chair of the Board / Chair of the Audit and Risk Committee / CEO** on behalf of **Tourism Holdings Limited:**

Signature: _____

Name: _____

Date: _____

Signature: _____

Name: _____

Date: _____