

JUNE 2019

Securities Trading Policy



Policy Statement

1. This policy supports compliance with laws prohibiting insider trading in Chorus securities.
2. This policy applies to Directors and all Chorus people, employees and contractors.
3. Additional Rules in Schedule 1 apply to "Restricted Persons".

The rules in this policy do not replace your legal obligations. It is not always clear whether trading or disclosing information is ok. If in doubt, don't.

Fundamental Rule: Do not trade, tip or disclose if you hold material information

4. If you hold material information you must not, directly or indirectly:
 - trade Chorus securities
 - procure, advise or encourage (**tip**) others to trade *or hold* Chorus securities
 - disclose that information to anyone¹ where you know, or reasonably ought to know, they might use that information to:
 - trade Chorus securities, or
 - tip others to trade *or hold* Chorus securities.
5. There are **no** "safe" periods. You cannot do any of the above if you hold material information at the time.
6. Do not unintentionally tip others by disclosing material information.
7. This policy applies to direct and indirect actions, including:

¹ Including colleagues, family, friends, trusts or companies you control.

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- by companies or trusts you control², and
 - trading in which you are involved or instrumental, whether or not the Chorus securities are held or received in your name.
8. It does not matter how you come to know the material information (including whether you learn it carrying out your role, hear it in passing or at a social function). Material information may include rumours, matters of conjecture or supposition or Chorus' intentions or likely intentions.

Breaches of this Policy

9. Breaches of this policy may lead to disciplinary action including dismissal.
10. Breaches must be reported to the General Counsel & Company Secretary immediately.

Avoid Short Term Trading

11. Short term trading could be perceived as insider trading, particularly if undertaken on a regular basis, in large amounts, or around important events which affect the price of Chorus securities.
12. You must not buy and sell Chorus securities within a 3 month period except in exceptional circumstances as approved by the General Counsel & Company Secretary.

Do Not Disclose Material Information

13. Material information must be kept strictly confidential and only disclosed on a "need to know basis" (including internally). Confidentiality arrangements must be in place before disclosure externally.

Chorus' Dividend Reinvestment Plan (DRP) & Equity Schemes

14. This policy applies to all Chorus securities, including those acquired as part of our DRP, equity based incentive and other employee equity schemes (**Equity Schemes**).
15. You must not participate in our DRP or Equity Schemes if you have any material information at the time participation is offered or shares are acquired/issued to you.
16. This may mean you cannot enrol for the DRP or Equity Scheme, or need to withdraw from them (by giving written notice to Chorus' share registrar, Computershare or the General Counsel & Company Secretary).³

² Control is construed in more than just a technical way, including by considering how decisions are made in practice.

³ You will be able to re-enrol when you no longer hold the material information (e.g. once the material information has been released to the market).

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Policy Applies to Trading Anywhere

17. This policy applies whether the trading is to be done in New Zealand or overseas, and whether or not the trading relates to Chorus' New Zealand or foreign securities.

Monitoring

18. Chorus may monitor trading in its securities in administering and enforcing this policy.

Insider Trading Laws

19. Insider trading laws apply in addition to this policy.
20. Those laws cover a broad range of securities - including interests in managed investment schemes, superannuation products, and other financial products which can be traded on financial markets. Breaches of insider trading laws can lead to large fines and/or imprisonment. You could also be sued.
21. A breach by you of insider trading laws in relation to securities issued by other entities is a breach of this policy.
22. You should therefore satisfy yourself of compliance with insider trading laws before making any decisions in relation to those securities.

Seek Advice

23. If in doubt consult the General Counsel & Company Secretary or your own legal adviser.

Definitions

24. **Trade** means applying for, acquiring or disposing of, Chorus securities or agreeing to do so, whether as principal or agent.
25. **Chorus securities** are any Chorus shares, options, derivatives and debt securities, including:
 - ordinary shares listed on the NZX and ASX, and
 - debt securities (including NZX listed bonds and EMTNs listed on the ASX and Luxembourg Stock Exchange).
26. **Material information** is information which:
 - is not generally available to the market, and
 - could have a material effect on the price or value of Chorus securities.
27. Some examples of potentially material information are included in Schedule 2.

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Ownership and Review

Reviewer:	Nominations and Corporate Governance Committee
Ownership:	General Counsel & Company Secretary
Review:	At least every 2 years

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Schedule 1: Additional Rules for Restricted Persons

1. These Additional Rules apply to the following **Restricted Persons**:
 - Chorus Directors and Executives.
 - Direct reports to Chorus Executives.
 - Others designated by the General Counsel & Company Secretary.⁴

No Trading in Black-out Periods

2. Restricted Persons must not trade Chorus securities during black-out periods except in exceptional circumstances with the General Counsel & Company Secretary's prior approval. Exceptional circumstances may include:
 - severe financial hardship, or
 - court or other enforceable undertakings.
3. Chorus' blackout periods are:
 - from 17 December each year (being 2 weeks before Chorus' half-year end) until the end of trading on the day Chorus' half-year results are released (inclusive)
 - from 16 June each year (being 2 weeks before Chorus' year-end) until the end of trading on the day Chorus' full year results are released (inclusive), and
 - other periods determined by the General Counsel & Company Secretary.

Approval Before Trading

4. Outside blackout periods, Restricted Persons may trade Chorus securities provided they:
 - do not hold any material information, and
 - unless one of the exceptions below applies, obtain prior approval as follows:

Restricted Persons ⁵	General Counsel & Company Secretary
General Counsel & Company Secretary	Board Chair
100,000 or more Chorus securities	Board Chair
Chorus Directors	Board Chair
Board Chair	Audit and Risk Management Committee Chair

5. For example, prior approval is required if you wish to:
 - buy, sell or gift Chorus shares or bonds, or

⁴ Designations may be by name, position or business function and be for periods as the General Counsel & Company Secretary determines.

⁵ Other than as noted below.

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- transfer Chorus shares or bonds to a trust.
6. Further detail and requirements regarding approval procedures are on our intranet.

Approval Windows & Revocation

7. Approvals to trade are valid for 10 trading days. A new approval is required if you do not complete your trade in that period.
8. Approvals are deemed to be revoked if you become aware of material information prior to trading.
9. If your request to trade is declined, you must keep this confidential.

Approval Exceptions

10. Approval to trade is **not** required if:
- you acquire Chorus securities, or dispose of rights, under a pro-rata issue
 - you acquire shares under, or start or stop participating in, Chorus' dividend reinvestment plan
 - you start or stop participating in, or acquire shares through vesting under, Chorus' employee equity schemes
 - you acquire shares (or interests in or rights to shares) under, or start or stop participating in, Chorus's equity based incentive schemes (e.g. a long term incentive scheme/"LTI")
 - any restricted shares (or interests in or rights to shares) applicable to you under Chorus's equity based incentive schemes lapse or are forfeited
 - you indirectly and incidentally trade in Chorus securities as a consequence of dealing in securities issued by a managed investment scheme, listed investment company, exchange traded fund or similar investment vehicle managed by a third party which holds Chorus securities as part of its portfolio of securities, or
 - you acquire Chorus securities by inheritance.

Additional Executive & Director Requirements

11. To enable additional market disclosures to be made, Directors and Executives must notify the General Counsel & Company Secretary once any trading is complete even if approval to trade is not required.

Hedging and Similar Arrangements Prohibited

12. Restricted Persons must not enter into any arrangements (including any hedging or derivative transactions) to limit their economic risk in relation to "at-risk" remuneration (including unvested shares, options or rights issued or acquired under Chorus' employee incentive schemes where performance hurdles have not yet been achieved or other conditions have not yet been met).

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Schedule 2: Examples of Potentially Material Information

This list is not exhaustive and illustrative only:

- an unannounced upcoming performance announcement, especially if it contains unexpected results
- Chorus' financial and/or operational performance
- the launch of an important new product or service
- connection and earnings data (actual and forecast)
- changes to Chorus' regulatory environment (including regulatory pricing)
- a possible change in Chorus' strategic direction
- a possible acquisition or sale of any material assets by Chorus
- entry or likely entry into, or termination or likely termination of, material contracts or other business arrangements
- a possible change in Chorus' capital structure
- a change in the of the amount of dividends or dividend policy
- executive management changes, or
- a material legal claim by or against Chorus.