

STAFF CODE OF CONDUCT

1 Introduction

- 1.1 The Takeovers Panel is the principal regulator of takeovers in New Zealand. It is a publicly funded Crown entity with responsibilities to shareholders, Code companies, market participants, the public, the government of the day and Parliament.
- 1.2 Members of the Panel must act in accordance with their collective and individual statutory duties under the Crown Entities Act 2004. The Panel has adopted this Staff Code of Conduct for its employees to ensure that the practices and procedures of the whole organisation meet the high standards of integrity and efficiency expected of the State Services in New Zealand.
- 1.3 Compliance with this Staff Code of Conduct is essential to the employment relationship between Panel employees and the Panel.
- 1.4 The Panel expects all of its employees to conduct themselves with integrity in every aspect of their association with the Panel and particularly as set out in this Staff Code of Conduct. Failure to comply with the provisions of this Staff Code of Conduct in a material respect may be considered to constitute serious misconduct in terms of Panel employees' employment contracts.
- 1.5 The Panel expects all of its employees to be ethical and always conduct themselves with integrity. For conduct to be ethical and undertaken with integrity, means that Panel employees act:
 - (a) fairly;
 - (b) impartially;
 - (c) responsibly; and
 - (d) trustworthily.
- 1.6 Relevant statutory requirements are set out in Schedule 1 to this Staff Code of Conduct.

2 General conduct

Treating persons fairly and with respect

- 2.1 The Panel's employees are expected to treat fairly the persons with whom they deal on the Panel's behalf.
- 2.2 Advice given by Panel employees to the Panel, to assist it in its decision-making, must be based on accurate information and must take into account only relevant considerations. The considerations that are relevant will be determined by the statutory and policy context of the matter that gives rise to the advice. The views of the Chief Executive or General Counsel as to the relevance of considerations dealt with in the advice should be reflected in the advice.

- 2.3 The Panel has a statutory obligation to comply with the principles of natural justice when exercising its enforcement and exemption powers. Panel employees should follow the guidelines for complying with the rules of natural justice that are set out in the Panel's Procedures Manuals (Procedures Manual (#53752), and Misleading or Deceptive Conduct and the Takeovers Code (#89546)).
- 2.4 Panel employees are expected to be courteous and to contribute to the smooth functioning of the workplace by:
- (a) avoiding all forms of discrimination;
 - (b) avoiding any bullying, harassment or other analogous behaviour that may endanger or cause distress to colleagues or other persons with whom Panel employees come into contact with in the course of their employment;
 - (c) protecting privacy in accordance with the Privacy Act 1993;
 - (d) respecting and valuing equality and diversity; and
 - (e) otherwise having regard to the safety of others.
- 2.5 In order to help the Panel foster a diverse and inclusive culture, the Chief Executive, General Counsel and Panel members may, from time to time, undergo such training as is appropriate to help them foster a diverse and inclusive culture.
- 2.6 All persons are to be treated with respect by Panel employees. If a member of the public, a market participant, or a government stakeholder treats a Panel employee with disrespect, the Panel employee should request the contact details of the other person (if they are not already known) and politely disengage with that person. The employee should seek the assistance of the General Counsel or Chief Executive to help them to avoid or to resolve any conflict with the other person.
- 2.7 If conflict or if disrespectful behaviour arises between Panel employees that amounts to sexual or racial harassment or bullying, the process in the Panel's **Bullying and Harassment Policy** (#361664) should be followed.
- 2.8 As a general rule, intimate or familial relationships between people with a direct reporting or supervisory role are inappropriate. Any such relationships should be brought to the attention of the Chief Executive or (if the Chief Executive is involved) the Chair, or any other Panel member.

Being professional and responsive

- 2.9 Panel employees are required to conduct themselves professionally at all times and to carry out their duties to further the purposes of the Panel and to assist it to fulfil its statutory functions. Professional conduct includes:
- (a) Panel employees meeting the requirements of their employment contracts with the Panel;
 - (b) for Panel employees who hold practicing certificates as solicitors or chartered accountants, the conduct that is required by their applicable professional codes of ethics and this Staff Code of Conduct; and
 - (c) for all other Panel employees, the conduct described in this Staff Code of Conduct.
- 2.10 The Panel exercises statutory discretions, makes enforcement decisions, develops policies and makes recommendations to the Government on changes to the law. In order to assist the Panel to undertake

these discretionary activities appropriately, Panel employees must always act fairly and impartially in their advice to the Panel, and they must record processes transparently.

- 2.11 The Panel's responsiveness to stakeholders should be demonstrated by Panel employees providing services within agreed performance standards, and seeking, when practicable, to shorten the delivery time and improve the quality of service to the Panel and its stakeholders.

Making the Panel accessible and effective

- 2.12 The public has a right to access information from and about the Panel. Panel employees are encouraged to contribute to the accessibility of the Panel by always being helpful and courteous to members of the public and to practitioners who make enquiries to the Panel.
- 2.13 The Panel must meet the objectives agreed each year with the Minister of Commerce under the Panel's output agreement. To help the Panel to achieve these objectives, Panel employees must always endeavour to provide a 'value for money' service, both to the market and to the Panel.

Making a difference to the well-being of New Zealand and its people

- 2.14 As State servants, Panel employees should be imbued with the spirit of service to the community. Accordingly, Panel employees are encouraged to continuously endeavour to provide a more efficient, effective, economical and sustainable professional service to the Panel and to other stakeholders in the takeovers market.
- 2.15 The relationship of Panel employees to the public should be distinguished by goodwill and impartiality, underpinned by trustworthiness and a sound sense of fairness and respect for the rights of others.
- 2.16 If a Panel employee has concerns about conduct shown by their colleagues, which could harm the Panel's reputation, they should advise the Chief Executive of their concerns unless:
- (a) the Chief Executive is involved in the relevant conduct, in which case the Panel employee should advise the Chairperson¹ of the Panel (or another Panel member) of the relevant conduct; or
 - (b) the Panel employee would feel more comfortable advising the Chairperson of the Panel (or another Panel member) of the conduct.
- 2.17 Further to paragraph 2.15 above, the Panel has adopted a policy whereby any Panel employee may raise any relevant matter directly with any Panel member. Panel employees are encouraged to direct any matters with the Chairperson of the Panel. However, there may be circumstances where it would be inappropriate to raise a matter with the Chairperson (for example, if the Chairperson was personally involved). Where this is the case, the Panel employee should feel free to raise the matter with any Panel member. In addition, in the case of any bullying or harassment, employees should feel free to raise the matter with any Panel member (see the **Bullying and Harassment Policy** #361664 for further details).
- 2.18 If the conduct in respect of which the Panel employee has concerns involves serious wrongdoing, the procedures in the Panel's **Protected Disclosures Policy** (#362570) should be followed.

¹ A reference to the Chairperson of the Panel includes, as appropriate, any Acting Chairperson of the Panel (being the Deputy Chairperson or any duly appointed Temporary Deputy Chairperson, exercising all of the functions and powers of the Chairperson in accordance with clause 5 of Schedule 5 of the Crown Entities Act).

3 Acting impartially

Maintaining political neutrality

- 3.1 The Panel has a responsibility to the Government to undertake its functions and duties in a politically neutral manner. Therefore, Panel employees should do nothing that would undermine the Panel's ability to support the good government of New Zealand, regardless of the political composition of the Government.

Select Committee attendance

- 3.2 If Panel employees are required to attend the deliberations of a Parliamentary Select Committee, they should be aware that they contribute as part of the executive wing of government. There must be no surprises for the Minister of Commerce resulting from the Panel employees' contribution to the Committee. In cases of uncertainty as to the Minister's expectations regarding the Panel employees' contribution, the direction of the Panel should be sought.

Being politically active

- 3.3 This Staff Code of Conduct provides the basis for ongoing trust in the integrity of the State Services. It protects Panel staff by setting out clear expectations, so that everyone knows their obligations and what is required of them.
- 3.4 Panel staff must be politically neutral while acting as a Panel employee. Staff must remember to leave politics at the door when acting as a Panel employee. This means Panel employees:
- (a) must take care about when and how they express any political views;
 - (b) must not express political views in a way that could be taken as a comment about the Panel; and
 - (c) must ensure that they will not be seen as speaking on behalf of the Panel.
- 3.5 More generally, Panel staff must never do anything that will bring the Panel into disrepute. In particular, Panel staff must not use Panel assets for political activities, or conduct political activities using Panel equipment, facilities or information technology systems. This includes, but is not limited to, not using a Panel email address for sending emails, and not using the Panel's premises or other physical resources, for personal political activities.
- 3.6 In terms of Panel employees' activities outside of work:
- (a) In general, Panel employees have the same political rights and freedoms as other members of the public.
 - (b) Staff are free to take an active interest in political matters. In the great majority of cases, it is acceptable for staff to belong to, and to play an active role in, a political party in their personal capacity. This includes helping with activities like fundraising or leaflet drops.
 - (c) However, the more senior a staff member is, the more care that person needs to take. In general, senior staff members and those who have direct contact with Ministers should avoid active involvement in political activity if it could be seen as conflicting with their political neutrality obligations. For example, senior Panel staff should generally not take on very public roles (e.g., being a party spokesperson) within a political party.

Standing for election to Parliament

- 3.7 The obligations to take leave of absence for public servants standing for election are set out in sections 52 and 53 of the Electoral Act 1993.² The procedure set out below takes into account those obligations:
- (a) the staff member must inform the Chief Executive in writing of his or her intention to seek nomination as a candidate for election to Parliament as soon as practicable after making the decision to seek nomination;
 - (b) standing as a candidate results in the staff member being required to take leave (which may be paid leave if he or she has an existing annual leave entitlement or leave without pay), to avoid any conflict of interest and to maintain the Panel's political neutrality;³
 - (c) the Chief Executive will determine, after consultation with the staff member, when to place the staff member on leave. Leave is to commence, at the latest, on nomination day (being the date appointed in the writ for that election as the latest day for the nomination of candidates);
 - (d) if the staff member is not nominated as a candidate, he or she may resume duty for the Panel on the next working day after nomination day;
 - (e) if the staff member is not elected as a Member of Parliament, he or she may resume duty for the Panel on the next working day after the election results are declared; and
 - (f) if the staff member is elected as a Member of Parliament he or she, on being declared elected, is considered to have vacated his or her position with the Panel and to have resigned, effective from the date of the election.

Personal beliefs must not affect the carrying out of duties

- 3.8 The carrying out of Panel employees' duties must be undertaken in accordance with the standards set out in this Staff Code of Conduct and not be undermined by any personal conviction or particular ethical viewpoint that a Panel employee may hold.
- 3.9 Panel employees must obey all lawful and reasonable instructions given by the Panel or by the Chief Executive, and work as directed. The decision-making responsibilities of Panel employees must always be exercised for the benefit of the Panel, not to suit the employee's personal beliefs.

Providing robust and unbiased advice to the Panel

- 3.10 Every piece of advice provided by Panel employees to the Panel must be honest, impartial, comprehensive and objective. That is, Panel employees must provide 'free and frank' advice to the Panel. It should be transparent and should not contain unclear or hidden agendas. It should have regard to the concepts of public good and public interest.

Respecting the authority of the Government

- 3.11 Panel employees should always be mindful that the Panel is accountable to the Minister of Commerce, that the Panel is part of the executive wing of government, and that the way Panel employees (and Members) carry out their roles will influence the confidence that the community has in the good government of New Zealand.

² The definition of 'public servant' in the Electoral Act is broad and would include employees of Crown entities such as the Panel.

³ While on leave, the staff member is still subject to this Staff Code of Conduct, although it is recognised that while campaigning for a political party the candidate will be likely to be making statements that are not politically neutral.

- 3.12 The authority of the Government and the role of Parliament must always be respected. It would be unacceptable for Panel employees, whether in their personal capacity or as a member of a union or a professional association, to comment on matters of government or Panel policy if they:
- (a) use or reveal any information gained in the course of Panel work if that information is not already known or readily available to the public;
 - (b) purport to express or imply the Panel's view;
 - (c) act in a way that constitutes a personal attack on a Minister or on State servants; and
 - (d) criticise in such strong or persistent terms that their ability to impartially perform their duties for the Panel is called into question.
- 3.13 Maintaining confidence means ensuring there are “no surprises” regarding policy implementation and delivery. Panel employees must consult and liaise with the Chief Executive to ensure that the Minister of Commerce is advised in advance of circumstances that would be likely to impinge on the Government's responsibilities, any major strategic initiatives, or issues that may attract public interest or political comment.

4 Acting responsibly

Acting lawfully and objectively

- 4.1 Panel employees with the authority to make financial decisions for the Panel must always act within the scope of that authority. Any such authority is expressed in the **Panel's Procurement Policy** (#362559) and **Financial Delegations Policy** (#362559).
- 4.2 Panel employees are required, under section 57A of the State Sector Act, to comply with the standards set out in the State Services Code of Conduct. A copy of that code is **attached** to this Staff Code of Conduct.

Using the Panel's resources carefully and for intended purposes

- 4.3 All Panel policies and procedures for expenditure of Panel funds and use of Panel resources must be complied with at all times. The Panel's **Sensitive Expenditure Policy** (#361702), **Staff Travel Policy** (#362577) and Use of Panel **Mobile Device Policy** (#361698) set out clear guidance on travel expenditure and acceptable use of Panel equipment and facilities.
- 4.4 Personal use of the Panel's IT equipment must be in accordance with the Panel's Sensitive Expenditure Policy. Panel employees should always be very aware if they use the Panel's web-based resources for personal communications that their Panel email address will be attached to any messages that they send.
- 4.5 Staff should consider the appropriateness of the Panel's name and contact details being associated with the personal messages they send or the websites they visit. Judgement needs to be exercised to ensure that the Panel is not in any way brought into disrepute.
- 4.6 Anti-social websites, particularly those containing violent, prurient, intimidating or extremist content should never be accessed from the Panel's IT resources.

Treating information with care and using it only for proper purposes

- 4.7 The proper management of the information that comes to, or is generated by, the Panel is central to its integrity as part of the State Services.

- 4.8 The General Counsel is the Panel's official information officer and privacy officer. Any queries regarding the handling of official information or private information should be directed to the General Counsel.
- 4.9 The Panel routinely receives and sends confidential information. All confidential information to which Panel staff have access must be kept strictly confidential except as required by law or authorised by the Panel for a proper purpose. It is a term of Panel employees' employment contracts that the strictest confidentiality be maintained in respect of matters coming to employees' attention while working for the Panel.
- 4.10 Panel employees and office holders are deemed to be officials for the purposes of sections 105 and 105A of the Crimes Act 1961. These provisions make it an offence for Panel employees and office holders to be involved in bribery or to use or disclose any information held by the Panel for personal gain.
- 4.11 In addition, the Panel's legal staff owe duties of confidentiality under the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (the Lawyers' Conduct Rules). See, in particular, Chapter 8 of the Lawyers' Conduct Rules.

Improving the performance and efficiency of the Panel

- 4.12 The Panel is required to perform efficiently, effectively, economically and with a spirit of service to the public. Accordingly, Panel employees should:
- (a) be vigilant as to the sustainability implications of their activities;
 - (b) always act in the public interest;
 - (c) consider the ways in which they can improve the effectiveness of the Panel; and
 - (d) take responsibility for improving their own performance.

5 Acting trustworthily

Acting honestly

- 5.1 Panel employees are expected to act honestly. The obligation as a State Services employee to act honestly arises at any time when the consequences of dishonest conduct may have an impact on public trust or on the confidence that Ministers, Parliament, or others in the State Services, can have in the Panel.
- 5.2 In addition, the Panel's legal staff have duties to avoid misleading or deceptive conduct (or conduct which is likely to mislead or deceive) under the Lawyers' Conduct Rules.
- 5.3 Panel employees are expected to:
- (a) be truthful and open, and true to themselves;
 - (b) act always with a focus on accuracy and authenticity;
 - (c) act with professional courage; and
 - (d) correct any errors as soon as possible.
- 5.4 Panel employees are expected to *not*:
- (a) act on the premise that the end justifies the means;

- (b) deceive or knowingly mislead any person associated with the Panel; and
- (c) encourage misunderstanding of issues or tell half-truths.

Striving for excellence

- 5.5 Panel employees can demonstrate a spirit of service to the public by working to the best of their abilities and striving for excellence in all that they do for the Panel.
- 5.6 Public confidence in the Panel is enhanced by the ability to communicate and explain how decisions and outcomes have been reached. In turn, this requires the keeping of accurate records that can be readily accessed. Every Panel employee has a part to play in the keeping of accurate records regarding all matters concerning the Panel. The creation and maintenance of full and accurate records of the Panel's affairs is also a requirement of the Public Records Act 2005.
- 5.7 Panel employees should strive to improve the quality and quantity of their contribution to the Panel's outputs. Panel employees should act collegially by supporting their co-workers through sharing their knowledge and expertise.
- 5.8 Panel employees are encouraged to take personal development opportunities to increase their skills and the value they can add to the Panel.

Ensuring that actions are not affected by personal interests or relationships

- 5.9 Panel employees must not seek to further any personal interests through their position with the Panel. The actions of the Panel's employees should always be able to bear close public scrutiny.
- 5.10 Panel employees should not engage in any activity in their own time that would conflict with their ability to perform their duties for the Panel.
- 5.11 Panel employees are expected to act in an ethical way at all times in identifying situations of conflict of interest. A conflict of interest means a conflict between a public duty and private and/or personal interests. Personal interests can be financial or relate to family, friends or associates. Conflicts of interest may be actual, potential or perceived.
- 5.12 If a Panel employee believes he or she may have a conflict of interest in respect of any work assigned to him or her, it should be discussed with the Chief Executive (or in the case of the Chief Executive, the Chair). Panel employees should take a cautious approach to disclosure – if in doubt, employees should disclose. If a conflict is identified, the employee must withdraw from work on that matter where continuing to work on the matter would be inappropriate. If an employee continues to work on that matter, such safeguards as are appropriate in the particular circumstances may be put in place.
- 5.13 Any financial product trading by Panel employees (whether as a holder or controller) in financial products of a Code company must be disclosed as soon as practicable to the Office Manager for recording in the Staff Disclosures interests register. The Office Manager reminds staff twice each year about disclosing their interests in financial products.
- 5.14 Any concerns about how conflicts of interest are managed should be directed in the first instance to the Chief Executive.

Never misusing an employee position for personal gain

- 5.15 The Panel has a duty to ensure that its employees act in a manner consistent with the Panel's objectives, functions, current statement of intent and output agreement. Accordingly, the roles, responsibilities and

powers exercised by Panel employees must always be applied, and the Panel's resources used, only for the intended purpose and in the intended way.

- 5.16 Panel employees must be objective in the way they manage their work, and act fairly, consistently, and transparently. They must work impartially, not be influenced by personal motives, not show favouritism and not misuse public resources for a personal benefit.

Declining gifts or benefits that could result in an obligation or perceived influence

- 5.17 Panel employees need to take great care about accepting any form of benefit that is not provided by the Panel itself. Using an official position for personal gain is a form of dishonesty that is likely to impact on public confidence in government and in the State Services.
- 5.18 No Panel staff member may accept any inducement, gift, gratuity, or benefit from any person where it is offered to gain an advantage in respect of any matter before the Panel, or where acceptance might reasonably be perceived to secure such an advantage for any person (an "inducement gift"). For example, the opportunity to "network" is not a sufficient reason for accepting hospitality that is unrelated to the Panel's core role.
- 5.19 Any gift that is not an inducement gift, to the value of \$50 or more, that is received by a Panel employee in the course of their work must be declared to the Panel by entry in the Gifts Register that is maintained by the Office Manager. The Gift Register will record what is done with the gift or benefit. Any gifts of this nature which are offered but declined should also be declared and entered in the Gifts Register. If there is any doubt as to whether the value of the gift is less than \$50, it should be declared.
- 5.20 All gifts and benefits accepted by the Chief Executive will also be disclosed through the annual Chief Executive expense disclosure process.
- 5.21 This requirement applies equally to gifts or opportunities offered to the Panel executive as a whole, such as donations to a staff social club or staff discount arrangements. The Staff Travel Policy (#105721) and Sensitive Expenditure Policy (#107958) should be referred to for the Panel's policy on loyalty schemes and on social and hospitality issues.
- 5.22 Ceremonial gifts that are presented to the Panel must remain the property of the Panel, reflecting the relationship that gave rise to the gift.

Avoiding activities that may harm the reputation of the Panel or the State Services

- 5.23 As a general principle, what Panel employees do in their personal lives is of no concern to the Panel. However, if private activities of Panel employees should interfere with their work performance or reflect badly on the Panel or on the integrity or standing of the State Services, the Panel has a legitimate interest in those activities.
- 5.24 Panel employees are expected to avoid any kind of unlawful behaviour or incidents involving a breach of trust that would be likely to bring the Panel into disrepute. They must always ensure that their actions do not compromise the Panel in any way.
- 5.25 Before starting a business activity or accepting any additional employment or engagement, whether or not it is for payment, Panel employees must obtain the written approval of the Chief Executive. Before giving approval, the Chief Executive should be satisfied, on the basis of the information provided by the Panel employee, that the secondary or additional employment:
- (a) would not conflict with the Panel employee's duties;
 - (b) would have no adverse effect on the Panel employee's efficiency or performance; and

(c) could be performed wholly in the Panel' employee's own time.

6 Holding or controlling financial products in Code companies

6.1 The Panel acknowledges that Panel employees may participate in New Zealand's capital markets, including by investment in Code company financial products. Ownership of financial products may assist Panel employees to better understand the dynamics of New Zealand's capital markets from a shareholder's point of view. While ownership of financial products is accepted, Panel employees must:

- (a) disclose the nature and extent of any financial products which they or their associates hold or control in any Code company in accordance with paragraphs 6.13 to 6.18 (inclusive) below;
- (b) be careful to avoid conflicts of interest; and
- (c) be careful to buy and sell financial products lawfully.

6.2 In order to avoid any real or perceived conflict of interest, the Chief Executive will not hold or control financial products in Code companies.

Insider trading is prohibited

6.3 Panel employees must act lawfully in carrying out their duties as employees. Without limiting that obligation, Panel employees must be particularly mindful of the prohibition against insider trading set out in the Financial Markets Conduct Act 2013.

6.4 An 'information insider' is any person who:

- (a) has material information about a listed issuer that is not generally available to the market;
- (b) knows or ought reasonably to know that the information is material information; and
- (c) knows or ought reasonably to know that the information is not generally available to the market.

6.5 'Material information' (in relation to a listed issuer) is information that:

- (a) a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of quoted financial products of the listed issuer; and
- (b) relates to particular financial products, a particular listed issuer, or particular listed issuers, rather than to financial products generally or listed issuers generally.

6.6 If a Panel employee possesses material information about a listed issuer then the Panel employee must not:

- (a) trade (buy or sell), or
- (b) disclose insider information to another person if the employee knows or ought reasonably to know that the other person will or is likely to trade relevant financial products or advise or encourage others to do so; or
- (c) trade or hold the listed issuer's financial products, or pass on the material information to others.

6.7 This prohibition applies regardless of how the Panel employee learns of or acquires the information.

- 6.8 Information about potential or current takeovers, including, for example, that a takeover is imminent or that changes to the terms of a current takeover are imminent, is almost certain to be material information. Material information can also include matters of supposition, intentions and confidential information that have been disclosed to Panel employees as part of the Takeovers Code process. If that material information has not been made public through the Takeovers Code process, then the Panel employee is an information insider.
- 6.9 In summary, if a Panel employee has any material information about a listed company which is not public knowledge, it is illegal for the Panel employee to:
- (a) trade the company's quoted financial products;
 - (b) advise or encourage another person to trade or hold the company's quoted financial products;
 - (c) advise or encourage a person to advise or encourage another person to trade or hold the company's quoted financial products; or
 - (d) pass on the information to anyone else, **including family or friends**.
- 6.10 For the purposes of this policy, the same inside information rules apply to information about non-listed Code companies. If a Panel employee possesses material information about a non-listed Code company, then the Panel employee must not trade in the company's financial products, advise or encourage others to do so, or pass on the information to anyone else, including family and friends.
- 6.11 Any breach of insider trading rules is the personal responsibility and a potential liability of the Panel employee, not of the Panel. The offence of insider trading can subject a Panel employee to criminal liability including substantial fines and/or imprisonment, and civil liability which may include being sued by another party for any loss suffered as a result of illegal trading.
- 6.12 Panel employees should consult with the Chief Executive and/or the General Counsel, but ultimately, it is the responsibility of each Panel employee to determine before buying or selling financial products whether they are an information insider, and have therefore become an insider. Remember, liability is presumed, even if the Panel employee is unaware of the sensitivity of the information.

Disclosure and management

- 6.13 A Panel employee who holds or controls (or has an associate who holds or controls) financial products in a Code company should disclose:
- (a) the holding to the Chief Executive and/or the General Counsel as soon as practicable after commencement of employment, acquisition of financial products or formation of associate relationship (as applicable); and
 - (b) any disposal or other material change in the holding referred to in paragraph (a) as soon as practicable after the disposal or other change (as applicable).
- 6.14 Panel employees should assume that while any Takeovers Code process in respect of a company is imminent or current all Panel employees are information insiders in respect of that company (see paragraphs 6.3 - 6.12 above regarding insider trading).
- 6.15 In the event that a Panel employee is the offeree under a Code offer, the Panel employee must:
- (a) make sure the Chief Executive and General Counsel are aware of the holding of financial products (this is in addition to the general requirement to disclose holdings of financial products);

- (b) not be the responsible officer or supervise the responsible officer for the takeover offer or any matter arising out of the takeover offer;
 - (c) not have or be given access to information the Panel receives on the takeover offer during the course of the Code process;
 - (d) not review any relevant files; and
 - (e) avoid conversations with staff on the takeover offer; and
- 6.16 Neither a Panel employee nor any of their associates should buy or sell target company shares during the course of a takeover process (except to accept an offer).
- 6.17 Notwithstanding anything else in this policy, Panel employees may, except as restricted by law:
- (a) acquire or dispose of financial products by gift or through or by inheritance without restriction; and
 - (b) acquire financial products through an issue of new financial products, such as an issue of shares on the exercise of options, under a rights issue, or a dividend reinvestment plan.
- 6.18 The boundary between what is (and is not) in breach of the law or this policy may not always be clear. If in doubt, the appropriate action is not to trade. Panel employees should discuss this policy with the General Counsel if they have any questions about its application.

7 Conscience is a guide, but needs testing against the Staff Code of Conduct

- 7.1 When considering whether any activity would be acceptable or not, Panel employees should consider what their conscience is telling them. They should also consider the collective conscience of their colleagues; a reluctance to openly discuss an activity may reflect an innate awareness that the activity is not acceptable.
- 7.2 However, sometimes things that seem acceptable to a particular age group or cultural outlook would nevertheless conflict with the standards of integrity and conduct set out in this Staff Code of Conduct. The Staff Code of Conduct, in both letter and spirit, provides the standards against which any Panel employee's principles should be measured.

21 August 2018

Schedule 1 – Statutory and other requirements

Crown Entities Act

- 1 Under sections 49 to 51 of the Crown Entities Act, it is a collective duty of the members of the Panel, acting together as a board, to ensure that the Panel:
 - (c) acts in a manner consistent with its objectives, functions, current statement of intent and output agreement with the Minister of Commerce;
 - (d) performs its functions efficiently, effectively and in a manner consistent with the spirit of service to the public; and
 - (e) operates in a financially responsible manner by prudently managing its assets and liabilities, and endeavouring to ensure its long-term financial viability.

Statement of Intent and Output Agreement

- 2 Under its annual statements of intent, the Panel promotes public accountability by providing transparent information regarding its intended operations over the medium term. These public statements provide the bases against which its actual performance can be assessed.
- 3 The Panel's annual output agreements with the Minister establish the performance expectations for the Panel's provision of outputs each year. The output agreements enable the Minister to monitor and hold the Panel accountable for its performance of its outputs.

State Services Commission code of conduct

- 4 Sections 57 and 57A of the State Sector Act 1988 require the Panel (as a Crown entity) and its employees to comply with the standards of integrity and conduct issued by the State Services Commissioner. In June 2007 the State Services Commissioner issued a code of conduct that applies to the Panel. The code of conduct includes standards of responsibility on State Services entities and their employees to act lawfully and objectively and to use the organisation's resources carefully and only for intended purposes.
- 5 While the statutory accountability obligations fall on the Panel as a Crown entity, the Panel is a 'people organisation'. In order to achieve its statutory obligations its employees must perform their duties effectively and efficiently. They must act with integrity and be imbued with a spirit of service to the public.
- 6 The Panel has adopted this Staff Code of Conduct to set the benchmark for the standards of behaviour that it expects all its employees to meet in every activity in which they provide services to, or represent, the Panel, as well, in some respects, as in their private affairs.

Other ethical codes

- 7 Panel employees who hold practising certificates as solicitors or who are chartered accountants are bound to observe their applicable professional ethics at all times. Panel employees who hold other professional memberships may observe any relevant professional codes of ethics to the extent that these do not conflict with their Panel employment obligations, the statutory functions of the Panel, or this Staff Code of Conduct.
- 8 For the purposes of observing professional codes of ethics, Panel solicitors and accountants should keep in mind that their client is the Panel and they are expected, subject to those codes of ethics, to act at all times in the interests of the Panel. A failure to meet the applicable rules of professional ethics may be considered to constitute a breach of this Staff Code of Conduct.