

## CONTINUOUS DISCLOSURE POLICY

Playing fair is one of our Fletcher Building values and it's an important principle that applies as much to our dealings with shareholders, as it does to our people or business partners.

It's only fair that current and potential investors get timely, accurate, complete and equal access to information about company plans or activities which might affect our share price. We also have obligations to the NZX and ASX, on which our shares are listed.

Your full support for this disclosure policy will help build confidence, and trust in us, from all of those we deal with.

### NEED TO KNOW

- Information that may be material to the value of our financial products (as defined below), including Fletcher Building shares, must be released to the NZX and ASX promptly and without delay once a Senior Manager becoming aware of that information, unless an exemption to our disclosure obligations applies.
- Material information must also not be released to any third party until that information has been disclosed to the market, or unless an exemption to the disclosure obligation applies.
- Where a disclosure exemption applies and material information is to be provided to a third party before its release to the NZX and ASX, employees must ensure that measures are in place to maintain the confidentiality of that information, such as a legally-binding confidentiality agreement.
- You should consider on a continual basis whether you have become aware of any material information.
- If you become aware of any information which could be material then you must report it to the General Manager of your relevant business unit promptly and without delay so they can take appropriate action.
- All potentially material information is to be advised to our internal Disclosure Committee.
- Fletcher Building will release material Information to the NZX and ASX in line with our market obligations, unless there is an applicable exemption under the listing rules.
- Only the Disclosure Committee may determine whether or not to comment on rumours or market speculation.
- If you have any doubt about whether something needs to be disclosed, contact your supervisor or a member of Fletcher Building's legal team.

**This policy applies to:** All members of the Board and Executive, all employees of Fletcher Building and affiliated entities, as well as consultants, contractors and other service providers where they have a relevant contractual obligation to Fletcher Building or one of our businesses.

**Printing this policy?** All our official policies are updated electronically and available on Matrix so before relying on a printed copy please check you have the latest version.

## **POLICY DETAIL**

### **Definitions**

Material information in relation to Fletcher Building, means any information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of the Company's financial products, and that relates to particular financial products, Fletcher Building, rather than to financial products generally or listed companies generally.

Examples of information which is likely to be material include:

- A change in financial forecast or expectation;
- Entering into a significant transaction;
- A recommendation or declaration of a dividend or distribution
- Giving or receiving a notice of intention to make a takeover;
- Any proposed change in the general nature of the business.

Other examples can be found in [Schedule 1](#) in the policy guidance notes below.

Financial Products includes Fletcher Building Limited ordinary shares, Fletcher Building Industries Limited capital notes, any other quoted financial products of Fletcher Building or its subsidiaries, and any listed derivatives issued or created over or in respect of financial products of Fletcher Building or its subsidiaries.

### **Commitment and responsibility**

#### **Release of information**

The Company will release material information concerning it and its financial products to the NZX and ASX promptly and without delay upon becoming aware of that information, unless an exemption to those disclosure obligations applies and the Company chooses not to disclose, in reliance on that exemption. Exemptions are set out in [Schedule 2](#).

Only the Group General Counsel and Company Secretary (or his or her nominee) may release disclosures to the NZX and ASX.

Material information must not be released to any third party, until it has been disclosed to the NZX and the ASX, or unless an exemption to the disclosure obligation applies and that third party is bound by confidentiality obligations.

#### **Awareness**

Fletcher Building is deemed to be "aware" of information if, and as soon as, a director or a Senior Manager has or ought reasonably to have, come into possession of the information in the course of the performance of their duties. A "Senior Manager" is 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 the issuer (e.g. the CEO or CFO). All members of the Executive Committee should consider themselves to be Senior Managers for the purpose of this policy.

This policy is designed to ensure that information is appropriately escalated to senior management in order to enable appropriate disclosures to be made.

#### **Keeping information confidential**

Employees must not make unauthorised disclosures of information about the Company; including its related companies and its customers.

Where confidential information is to be provided to a third party, employees must ensure that measures are in place to maintain the confidentiality of that information, such as a legally binding confidentiality agreement.

The number of people with access to confidential, material (or potentially material) information should be limited to the minimum. Consideration should be given as to how to limit access to only those people who absolutely require the information to undertake their business role.

### **Disclosure obligations**

The Board has established a Disclosure Committee to oversee compliance with this policy. All information which is potentially material must be reported to a member of the Committee promptly and without delay.

The Disclosure Committee comprises the Chief Executive Officer, Chief Financial Officer, the Group General Counsel and Company Secretary and the Head of Investor Relations.

- The Disclosure Committee will determine if a matter is to be referred to the Board for consideration.
- If the matter does not need to be referred to the Board, the Committee will determine if information needs to be disclosed to the NZX and ASX.
- Unless a matter is required to be referred to the Board for consideration, the Disclosure Committee may approve stock exchange announcements.

The roles and responsibilities of the Committee and Board approval processes are set out as [Schedule 3](#) in the guidance notes.

### **Blackout periods**

No unreported or prospective financial results or performance of the Group may be discussed with analysts or investors or other third parties in the period from 1 January until the release of the Company's half year results, or from 1 July until the release of the Company's full year results.

This is because potentially material information is in the process of being generated during these blackout periods. The Chief Executive Officer or Chief Financial Officer may grant specific exceptions to this requirement.

### **Trading Halts**

To facilitate an orderly, fair and informed market it may be necessary to request a trading halt from a stock exchange. The Board will make all decisions relating to a trading halt.

### **Consequences of breach**

Failure to comply with this Policy may lead to a breach of applicable legislation, stock exchange listing rules or other regulations which may result in directors or other officers of the Company incurring personal liability.

It may also be a breach of the Code of Conduct and/or the terms of your relevant employment contract. Disciplinary action, including termination of employment in serious cases, may be taken against any person who fails to comply with this policy.

### **Communication of information**

#### **Analysts and investor briefings**

The Board has authorised the Board Chair, Chief Executive Officer, Chief Financial Officer and Head of Investor Relations to represent the Company in its communications with investors and analysts.

No other Company employees are authorised to communicate with investors or analysts on behalf of the Company unless authorised by the Board Chair or a member of the Disclosure Committee.

## **Financial calendar**

The Company is to follow a calendar of regular disclosure to the market on its financial and operational results. The calendar should include expected dates for the release of half year and full year results, annual shareholder meetings, investor days and the Company's involvement in major investment conferences.

## **Rumours and market speculation**

Fletcher Building has a policy of not responding to rumours or market speculation and this policy should be observed by employees at all times. The Company may issue a statement in relation to rumours or market speculation where:

- the Company considers it has an obligation at that time to make a statement to the market about a particular matter;
- the Company is required to make an announcement to prevent a "false market" in the Company's financial products; or
- it is required to respond to a formal or informal request from the NZX or ASX for information.

The Disclosure Committee will decide whether it is appropriate to issue any such statements.

## **News releases on market updates**

All news releases that are provided to the stock exchanges will be posted on the Company's website as soon as practicable after the announcements, and are to be maintained on the website for at least one year. Routine, non-material information provided to the stock exchanges does not need to be posted.

## **Authorised spokespersons**

Unless otherwise approved by the Board Chair or the Chief Executive Officer, the nominated Company spokespersons are the:

- (a) Board Chair (or Chair of the Audit & Risk Committee in the Chair's absence);
- (b) Chief Executive Officer;
- (c) Chief Financial Officer;
- (d) Head of Investor Relations;
- (e) Head of Communications.

No other person may speak for or on behalf of the Company to the media or any other third party in relation to material information, or otherwise.

## **GUIDANCE NOTES – MARKET DISCLOSURE POLICY**

The following section of our policy provides additional schedules and/or procedural notes to help ensure Fletcher Building continues to meet its disclosure obligations.

### **Responsibility and Training**

Senior executives (including divisional chief executives and business unit general managers) are responsible for identifying material information within their area of responsibility and for escalating such information to the Disclosure Committee. Senior executives are also responsible for ensuring that their direct reports also identify and escalate to them any such information they become aware of.

### **Reporting of matters**

Senior executives will be made aware of this policy and should immediately report all potential material information (i.e. any information that is potentially disclosable under the continuous disclosure rules) to a member of the Disclosure Committee.

Non-executive Directors who become aware of potentially material information should immediately report it to either the Board Chair or a member of the Disclosure Committee.

### **Consideration of matters**

At each Executive Committee meeting the Executive will specifically consider whether there are matters relating to continuous disclosure requiring discussion. Where there are any events or circumstances that might require consideration under this policy they are to be escalated to the Disclosure Committee.

At each Board meeting the Board will specifically consider whether there are any matters requiring disclosure.

### **Documenting decisions by the Disclosure Committee and Board**

Where continuous disclosure matters are discussed by the Disclosure Committee and/or the Board, a record should be kept which sets out the details of the matters discussed, the nature of the discussion and the decisions made. Where a decision is made not to release material information, in reliance on an applicable disclosure exemption, details of the reasons for reliance should be recorded in the minutes, including a reference to any expert advice received.

### **Routine announcements of an administrative nature**

Stock exchange announcements that are routine announcements of an administrative nature including, but not limited to, changes in directors' interests and notifications of the issue of new securities may be approved by one member of the Disclosure Committee.

### **Dealing with potential leaks of confidential information**

Where there is a reasonable likelihood of material information being "leaked" or where material information is released to a third party, the Company should be prepared with a draft announcement ready for release if that material information becomes public.

### **Analyst and investor briefings**

The Company recognises the importance of its relationships with investors (both retail and institutional) and analysts. From time to time the Company conducts analyst and investor briefings. In these cases the following protocols will apply:

- (a) No material information will be disclosed at these briefings unless it has been previously released to the NZX and ASX.

- (b) If material information is inadvertently released it will promptly and without delay be released to the NZX and ASX and placed on the Company's website.
- (c) Questions at briefings that deal with material information not previously disclosed will not be answered.
- (d) A member of the Disclosure Committee should be either present at, or briefed of discussions held during, investor or analyst briefings.
- (e) The Company will not endorse, or be seen to endorse, analyst reports or the information they contain.

## **SCHEDULE 1**

### **EXAMPLES <sup>1</sup>OF MATERIAL INFORMATION**

While there can be no definitive list of the type of information that is material, some examples of information that is likely to be material are set out below.

- A change in the Company's financial forecast or expectation.
- The appointment of a receiver, manager, liquidator in respect of any loan, trade credit, trade debt, borrowing or financial products held by the Company or any of its Subsidiaries.
- A transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets.
- A recommendation or declaration of a dividend or distribution.
- A recommendation or decision that a dividend or distribution will not be declared.
- Undersubscription or oversubscription to an issue of securities, such as shares.
- A copy of a document containing market sensitive information that the entity lodges with an overseas stock exchange or other regulator which is available to the public.
- Giving or receiving a notice of intention to make a takeover.
- Any proposed change in the general nature of the business of an Issuer or its group.
- A disposal or acquisition (including entering into any agreement or option to do so) of quoted financial products of another issuer carrying 5% or more of the votes attaching to any class of financial products of that issuer.
- The acquisition or disposition of financial products in the Company carrying 5% or more of the votes attaching to any class of financial products of that Issuer.
- Acquisition or disposition, by whatever means of assets of any nature (including entering into any agreement or option to do so) where the gross value of those assets, or the consideration paid or received by the Company, represents more than 10% of the Average Market Capitalisation of the Company.

Other information that may be material includes:

- Major operational issues such as product failure/recall, flood or fire at a premises, major equipment failure or key supplier default.
- The commencement or announcement of a regulatory enquiry, or a regulatory raid.
- Senior management changes.
- A material legal claim by or against Fletcher Building.
- A major or significant health & safety, environmental or product quality issue.
- Any unexpected material liability.
- A possible change in the strategic direction of Fletcher Building.
- Entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known.

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<sup>1</sup> These examples include those contained in the NZX Guidance note, Continuous Disclosure 1 January 2019, as well as other examples that may be relevant to Fletcher Building.

## **SCHEDULE 2**

### **EXEMPTIONS**

The NZX listing rules <sup>2</sup> set out the circumstances when material information need not be disclosed.

1. One or more of the following apply:
  - (a) The release of the information would be a breach of law;
  - (b) The information concerns an incomplete proposal or negotiation
  - (c) The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (d) The information is generated for the internal management purposes; or
  - (e) The information is a trade secret; and
2. The information is confidential and its confidentiality is maintained; and
3. A reasonable person would not expect the information to be disclosed.

It is the role of the Disclosure Committee and/or the Board to ultimately determine whether the exemptions apply. Employees should not decide that an exception may apply and should therefore always escalate any concerns to the Disclosure Committee, as required under this policy.

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<sup>2</sup> NZX Listing Rule 3.1.2

## **SCHEDULE 3**

### **DISCLOSURE COMMITTEE AND BOARD APPROVAL PROCESS**

#### **1. Role and Responsibilities of Disclosure Committee**

- 1.1 The Board has delegated responsibility to the Disclosure Committee for:
- (a) ensuring that adequate processes and controls are in place for the identification of material information and the release of material information when required;
  - (b) reviewing material information and determining whether it must be disclosed and whether the decision to disclose to the market should be referred to the Board;
  - (c) determining whether it is necessary to request a trading halt while the Company assesses relevant information; and
  - (d) overseeing compliance with relevant continuous and periodic disclosure requirements.
- 1.2 All decisions of the Disclosure Committee are to be documented, including where a matter is considered for disclosure and a decision is made not to disclose. In each case, the reason(s) for each decision will be documented at the time by the Disclosure Committee and retained by the Company.

#### **2. Disclosure Officers**

- 2.1 The Company's Disclosure Officers are the Chief Financial Officer, Group General Counsel and Company Secretary, and the Head of Investor Relations.
- 2.2 The Group General Counsel and Company Secretary will be the primary Disclosure Officer.
- 2.3 Either the Head of Investor Relations or the Chief Financial Officer may act as the alternate Disclosure Officer in the Group General Counsel and Company Secretary's absence.
- 2.4 The Disclosure Officers are responsible for:
- (a) ensuring that announcements are communicated to relevant stock exchanges in accordance with applicable laws, listing rules and regulations;
  - (b) administering this Policy;
  - (c) communicating with NZX and ASX on listing rule matters; educating directors, officers and employees on the Company's disclosure obligations, policies and procedures and raising awareness of the principles underlying continuous disclosure;
  - (d) ensuring this Policy is reviewed and updated periodically as necessary; and
  - (e) maintaining an accurate record of all announcements sent to the NZX and ASX.

#### **3. Board Approval Process**

- 3.1 Board approval is required in respect of matters that are clearly within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to the Company.

Such matters will include:

- (a) financial results;
- (b) earnings guidance;
- (c) dividend policy or declarations or determinations;
- (d) the entry into, and cessation of, any trading halt;
- (e) company-transforming transactions or events;
- (f) significant corporate actions;
- (g) resignations and appointments of Directors and the CEO; and
- (h) any other matters that are determined by the Disclosure Committee to be of fundamental significance to the Company.

All decisions of the Board relating to the Company's continuous disclosure obligations are to be documented in Board minutes and should include a detailed discussion of the matters discussed, the nature of the discussion and the decisions made.

- 3.2 Where an announcement is to be considered and approved by the Board, the Disclosure Committee should provide the Board with all relevant information necessary to ensure that it is able to fully appreciate the matters dealt with in the announcement.

**If Board approval cannot be obtained**

- 3.3 If:

- (a) an announcement would ordinarily be put to the Board for its consideration and approval prior to release; and
- (b) the announcement must promptly and without delay be disclosed to the market in order for the Company to comply with its continuous disclosure obligations; and
- (c) it is impractical to obtain timely Board approval

any two of the following three individuals, acting jointly, may authorise the disclosure to ensure the Company's compliance with its continuous disclosure obligations:

- (d) the Board Chair;
- (e) the Chair of the Audit and Risk Committee; and
- (f) the Chief Executive Officer.

**Rapid response process**

- 3.4 If that approval is still not able to be obtained due to the unavailability of the individuals listed above, then two Group A + two Group B members as below may approve the stock exchange announcement for release.

GROUP A	GROUP B
The Board Chair	Chief Executive Officer
Audit and Risk Committee Chair, in the Board Chair's absence	Chief Financial Officer
Any director	Group General Counsel and Company Secretary
	Head of Investor Relations