

SECURITIES TRADING POLICY

Insider trading is a serious civil and criminal offence with penalties that include imprisonment.

It's important that all those who work for us or have access to information about Fletcher Building and its subsidiaries, understand the law and our policy in relation to financial products trading.

This policy document sets out the basic principles, and also includes the consent process required for those who wish to trade in our shares but have a role, or position which provides them with what could be termed insider information.

SUMMARY

- If you become aware of "material information" that is not available to the market and could impact the price of a financial product (including Fletcher Building Shares), then you must not trade in any related financial products in which you have an "interest" or encourage others to do so
- This prohibition applies to all Fletcher Building "Personnel" as defined in this policy as well as any trust, company, person or entity controlled by any Fletcher Building "Personnel".
- Directors of Fletcher Building, certain senior employees and others considered "Restricted Persons" must obtain prior written consent from the Group General Counsel and Company Secretary any time they wish to trade in Fletcher Building financial products.
- If you have any doubt about whether a proposed trade is lawful then do not trade.
- Never pass "material information" onto others, even within your own team or business unless you have approval from your direct manager.

This policy applies to: All directors, employees and contractors of Fletcher Building Limited and its subsidiaries ("Fletcher Building Personnel"), as well as trusts, companies, persons and other entities controlled by Fletcher Building Personnel. Persons also covered by this policy are any secondees, consultant, adviser or contractor in possession of material non-public information.

Questions about this policy? Discuss with your direct manager, or with Fletcher Building's Group General Counsel and Company Secretary.

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.

INTRODUCTION

"If you don't understand any part of this policy or how it applies to you then before dealing in any of the Company's securities or related financial products you must raise the matter with the Fletcher Building Group General Counsel and Company Secretary, or our General Counsel, Corporate."

Group General Counsel and Company Secretary, Charles Bolt

Purpose and principle

The purpose of this Insider Trading Policy is to regulate trading in Fletcher Building financial products by directors, employees and others, having regard to insider trading prohibitions in the Financial Markets Conduct Act 2013 (NZ) and the Corporations Act 2001 (Australia).

The policy also takes into account relevant laws in other jurisdictions as well as the Company's obligations under the NZX Corporate Governance Code.

The basic principle is that people who have "material" information about a listed company that is not "generally available to the market" are prohibited from trading in financial products of that listed company in which they have an interest, or tipping others off to do so, before that information is published or generally made available to the market.

The policy requirements are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand, Australia and any other country.

Scope and application

This policy applies to all of Fletcher Building's financial products, which include Fletcher Building Limited ordinary shares, Fletcher Building Industries Limited capital notes, any other quoted financial products of Fletcher Building Limited or its subsidiaries, and any listed derivatives issued or created over or in respect of financial products of Fletcher Building Limited or its subsidiaries.

The nature of an "interest" should be interpreted widely.

- It includes, but is not limited to, any trusts, associates, related parties, spouses, and closely-held companies where Fletcher Building Personnel have the ability to influence or control that person or entity.
- If you receive any equity-based incentive remuneration, this policy applies to any trading of those financial products. In particular you must not enter into transactions (through the use of derivatives or otherwise) which limit the economic risk of participating in such equity-based incentive remuneration.
- Any trading that occurs in New Zealand or Australia is subject to this policy and to legislation in both countries. The application of the policy, and the laws are not limited to New Zealand or Australian residents. In addition, conduct outside of Australasia can also be subject to the relevant insider trading legislation.

Exclusions

There are a number of transactions which are excluded from some requirements of this policy. These are detailed in [Schedule 1](#) and include employee share offers, dividend reinvestment, company offers, and capital notes.

POLICY DETAIL

Prohibition on trading

If you possess “material information” that is not generally available to the market, then you must not under any circumstances:

- trade the affected financial products;
- advise, induce or encourage others to trade, or hold any of those financial products
- pass on the material information to others; directly or indirectly, knowing (or where you ought to have known) that the other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, any of those financial products.

Definitions

Material information is information that is not generally available to the market; and a reasonable person would expect, if it were generally available to have a material effect on the price of Fletcher Building’s listed financial products.

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.
- A possible change in the Company’s capital structure particularly if it involves a capital raising or share buyback and any under or over-subscription of any such capital raising or major changes to the Company’s shareholding (including the receipt or giving of a notice of intention to make a takeover bid);
- 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 the Company 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 the Company.
- 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.
- 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.
- Major operational issues such as product failure/recall, flood or fire at a premises, major equipment failure or key supplier default.
- The commencement or cessation of a regulatory enquiry, or a regulatory raid.
- 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.

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

Generally available information is where it has been released as a stock exchange announcement, and a reasonable period of time has elapsed for the information to be disseminated among investors that commonly invest in the Company's financial products. Material information can also be considered generally available where those who commonly invest in the Company's financial products can readily obtain the information; whether by observation, use of expertise, purchase or other means

Insiders

Fletcher Building monitors the trading of directors, certain employees and others who are considered to be "insiders" as part of the administration of this policy.

Any person identified by Fletcher Building as an "insider" will be required to provide written confirmation to the Group General Counsel and Company Secretary that they have received a copy of the Insider Trading Policy and understood their obligations.

The legal prohibition on insider trading applies not only to information concerning the Company's financial products. If you have information material to other financial products, including futures contracts or other derivatives listed on an authorised futures exchange, you must not trade in, or advise others in relation to, those financial products. The rules in this policy do not replace your legal obligations.

You should not engage in short term trading (the buying or selling of quoted financial products within a three month period) unless there are exceptional circumstances discussed and approved by the Fletcher Building Group General Counsel and Company Secretary. Short term trading can be a key indicator of insider trading, particularly if undertaken on a regular basis, in large amounts, or around important events which affect the price of Fletcher Building's financial products. Therefore, to reduce the risk of an allegation of insider trading, do not trade in Fletcher Building's financial products on a short term basis.

Sometimes behaviour that you consider to be ethical may be insider trading so if you have any doubt do not trade.

Restricted Persons

As well as the prohibition on insider trading, further rules apply to Restricted Persons. Restricted Persons are:

- (a) any director of Fletcher Building Limited;
- (b) all members of the Executive Committee;
- (c) all persons directly reporting to a member of the Executive Committee;
- (d) the administrative staff of the Executive Committee;
- (e) Legal, Finance, Strategy, Investor Relations and other Fletcher Building personnel notified as being an "insider" by the Company from time to time;
- (f) All trusts, companies, persons or other entities controlled by those persons set out above.

Consent to trade request

Before trading in Fletcher Building financial products, Restricted Persons must notify the Group General Counsel and Company Secretary of their intent to trade and receive consent.

The Consent to Trade form attached as [Schedule 2](#) must be used, with the applicant confirming in writing that they do not hold material information, and there is no known reason to prohibit the trade proposed.

- Any consent is valid for only 10 trading days after being notified to a Restricted Person.
- Consent is deemed invalid or withdrawn automatically if the person becomes aware of material information prior to trading.
- The approval to trade is at the discretion of the Fletcher Building Group General Counsel and Company Secretary, or the Deputy Company Secretary as delegate. No reasons need to be given if approval to trade is declined.
- [Schedule 3](#) in this policy sets out some guidelines on when approval will not be granted.
- Consent does not, in itself, exclude the possibility of either civil or criminal liabilities arising under relevant legislation.

Consequences of breach

Strict compliance with this Policy is a condition of employment through the incorporation of the Code of Conduct into your terms of employment. Breaches of this Policy may constitute misconduct or serious misconduct under your terms of employment and be subject to disciplinary action, which can include termination of employment.

Under New Zealand legislation it is a criminal offence to knowingly breach insider trading laws. If convicted, an individual is liable for a term of up to 5 years' imprisonment or a fine not exceeding \$500,000 or both, while a body corporate is liable for a fine not exceeding \$2.5 million.

There are also civil penalties for breach of the insider trading laws. The New Zealand Financial Markets Authority can take cases seeking pecuniary penalties and compensation.

Similar criminal and civil penalties apply in other jurisdictions.

Confidential information

In addition to the above, you also have a duty of confidentiality to the Company. You must not disclose any confidential information concerning Fletcher Building to a third party (unless that third party has signed a confidentiality agreement with Fletcher Building and you have been authorised to disclose the confidential information), or to use confidential information in any way which may injure or cause loss to Fletcher Building, or use confidential information to gain an advantage for yourself.

You should ensure that external advisers keep Fletcher Building information confidential.

Related policies: [Continuous Disclosure Policy](#), [Anti-bribery and Corruption](#), Fraud Policy

About this version: This policy supersedes any previous or existing policies at a business unit or Group level.

SCHEDULE 1 - TRANSACTIONS EXCLUDED

A number of transactions are considered to be excluded from the review and approval process outlined in this policy and are listed below. Generally they can be excluded because either exceptions or defences from liability exist under insider trading legislation or the Company can control the making or timing of the transaction.

As such, no approval is needed to trade, although these exclusions do not apply to those persons who have been advised that they are required to make disclosures for all (or certain) financial products trading.

Employee share offers (including FBuShare)¹

Any interest in financial products in the Company acquired on accepting an offer under a Company employee share scheme, and the subsequent transfer of the full and unrestricted titles to the shares on the satisfaction of, and at a time fixed by, the terms of the scheme.

Employee Long-Term Share Scheme

Any interest in Fletcher Building financial products, acquired on participating in the Employee Long-Term Share Scheme or similar legacy schemes; any forfeiture of financial products on the failure to meet the performance requirements prescribed; and any transfer of full and unrestricted title at the time fixed by the terms of scheme.

Dividend reinvestment

Any shares acquired pursuant to the Company's dividend reinvestment plan.

Pro-rata Company offer of, or for, financial products¹

Any pro-rata offer to all eligible shareholders of financial products of the Company, whether to acquire by way of an entitlement offer, rights or bonus issues or dispose of through a share repurchase/buy back or general share cancellation plan.

Takeover offers

Accepting an offer made to all shareholders pursuant to the New Zealand Takeovers Code.

Capital notes

Capital notes are a Fletcher Building security whether issued by that entity or Fletcher Building Industries Limited. The excluded transactions are the request to convert any Capital Notes on an interest re-set date into shares of the Company; any shares so issued; and the repurchase or redemption of the capital note for cash if the company so elects not to issue shares.

In respect of transactions within the control of the Company, the exclusion assumes that the Company is not aware of any material non-public information on the Company.

If you are subject to this policy, and are aware of "material information" which you consider that the Company may not be aware of then (e.g. information you received outside your capacity as a director, officer or employee of Fletcher Building) the policy remains applicable and you must not trade, or advise or encourage others to trade, in the financial products of the Company.

¹ Subscription for, or the issue of, new financial products does not fall within the requirements of New Zealand's insider trading legislation or this policy. Where the transaction involves an acquisition of existing financial products, the transaction has been excluded on the basis that the Company can control the making or timing of the transaction.



SCHEDULE 2 - CONSENT FORM

REQUEST FOR CONSENT TO TRADE IN LISTED SECURITIES

To: Group General Counsel and Company Secretary, Fletcher Building Limited

In accordance with Fletcher Building's Insider Trading Policy, and as a Restricted Person under that policy, I request consent be given to the following proposed transaction (s) to be undertaken either by me or persons associated with me.

I understand that any consent will lapse within 10 trading days of approval being given. I acknowledge that Fletcher Building Limited, is not advising or encouraging me to trade or hold financial products and does not provide any financial products recommendation.

Name:	
Name of registered holder transacting <i>(if different):</i>	
Address:	
Position:	
Description and number of financial products:	
Type of proposed transaction:	Purchase/sale/other (specify)
To be transacted:	On NZX/ASX/off-market trade/other (specify)
Likely date of transaction	

I DECLARE THAT I do not hold information which is not public knowledge, and could have a material effect on the price of Fletcher Building's listed financial products. I know of no reason to prohibit me from trading in Fletcher Building's listed financial products and certify that the details given above are complete, true and correct.

Signature

Date

Fletcher Building Limited hereby **CONSENTS** to the proposed transaction described above. Any consent is conditional on the proposed transaction being completed within 10 trading days of the date of this consent, and in compliance with Fletcher Building's Insider Trading Policy.

Signature

On behalf of Fletcher Building Limited

Date

SCHEDULE 3 - NO TRADE PERIODS

Circumstances, and blackout periods, where approval to trade in the Company's financial products will not be given include as below:

No Trade Period

- | | |
|---|--|
| 1. Annual results | 1 July until 48 hours after the annual results announcement is generally available to the market, which is usually the 3 rd Wednesday in August |
| 2. Half year results | 1 January until 48 hours after the half year results announcement is generally available to the market, which is usually the 3 rd Wednesday in February |
| 3. Change to the capital structure | |
| <i>Non-pro rata equity raising/placement</i> | From the day there is management commitment to seek approval for the funds raising until the first day after market informed |
| <i>Product Disclosure Statement (PDS) issued for general public offer of financial products</i> | From 30 days prior to release of the PDS until the first day after public release |
| 4. Corporate activity | |
| <i>Any significant acquisition or divestment, having regard to the group as a whole</i> | From day that there is a realistic prospect of a transaction arising until after full public disclosure is generally available to the market |