

Continuous Disclosure Policy

1. Introduction

1.1 Commitment

Auckland Council (**Council**) currently has a number of bonds quoted on the New Zealand, Singapore and Swiss Debt Markets (**Quoted Bonds**). As a result, the Council is subject to continuous disclosure obligations, which it must comply with under the listing rules of the NZX (**Listing Rules**), the listing rules of other exchanges and the Financial Markets Conduct Act 2013 (**FMCA**). This policy has been implemented by Council to ensure it complies with its continuous disclosure obligations.

A summary of the continuous disclosure obligations and consequences of Council failing to comply with its continuous disclosure obligations are set out in schedule 1.

1.2 Scope

This policy applies to:

- Council;
- each substantive Council Controlled Organization, Ports of Auckland Limited and City Rail Link Limited (each a **Council Entity**);
- all Councillors;
- all directors of Council Entities; and
- all employees of Council and Council Entities.

This policy does not address insider trading, market manipulation or disclosure of interest obligations.

1.3 Purpose

The purpose of this policy is to establish and maintain processes to ensure that the committee established pursuant to this policy (**Disclosure Committee**) is notified of any event or circumstance arising in relation to Council, or information held by Council, which may be material to:

- ensure Council's compliance with its continuous disclosure obligations in respect of its Quoted Bonds under the Listing Rules and the FMCA; and
- consider any other matter of an exceptional or extraordinary nature.

2. Disclosure Committee

2.1 Committee

Council will establish the Disclosure Committee to consider and determine matters arising within the scope set out in paragraph 1.2.

2.2 Members

The members of the Disclosure Committee (**Members**) will be the persons holding the following offices (or any office that replaces any of the following offices):

- Chief Executive;
- Group Chief Financial Officer (**Chair**);
- Chair of the Audit and Risk Committee;
- Group Financial Controller;
- General Manager Risk and Assurance;
- General Counsel;
- Group Treasurer; and
- Manager Projects and Transactions or their delegate (**Secretary**).

The Disclosure Committee may appoint additional Members and any Member as chair and/or secretary.

3. Disclosure processes

3.1 Reporting

Employees of Council or a Council Entity who become aware of any information that is or may be material information must promptly and without delay report such information to the senior manager who is responsible for their area.

Council Entities and where relevant their subsidiaries are responsible for ensuring that they adhere to this policy. Each director and senior manager of a Council Entity who becomes aware of any information that is or may be material information must report such information to a senior manager of Council or a Member promptly and without delay.

Each senior manager of Council and each Councillor must promptly and without delay report to any Member any information that is or may be material information.

Notwithstanding the foregoing, nothing in this policy limits anyone else from also reporting any matters to the Disclosure Committee.

3.2 Material Information

On being notified of any matter or information, the Disclosure Committee must consider and determine whether that information constitutes Material Information for the purposes of the Listing Rules (refer schedule 1). If such information is Material Information, the Disclosure Committee must determine if it must be released to the market or whether it can be withheld (refer schedule 1).

The Group Chief Financial Officer or their delegate is required to sign-off on any releases to the NZX.

4. Policy review

The General Counsel will review this policy annually with input from the Treasury Management Steering Group and recommend any proposed changes to the Chief Executive for approval.

5. Authority

Owner	General Counsel		
Authorised by	Chief Executive		
Version No.	V6.0	Release date	• 2022

Schedule 1 - Continuous disclosure obligations

NZX Listing Rules

1. As an issuer of quoted securities on the NZX Debt Market, Council is subject to continuous disclosure obligations, which it must comply with under the Listing Rules and the FMCA.
2. Council's continuous disclosure obligations under the Listing Rules require that once it becomes Aware of any Material Information relating to it, it must:
 - (a) promptly and without delay release that Material Information to NZX; and
 - (b) not disclose any Material Information to the public, any other stock exchange or any other party without first releasing the Material Information to NZX.
3. Council's continuous disclosure obligations under the Listing Rules do not apply when:
 - (a) one or more of the following applies:
 - (i) the release of information would be a breach of law;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iv) the information is generated for the internal management purposes of Council;
or
 - (v) the information is a trade secret;
 - (b) the information is confidential and its confidentiality is maintained; and
 - (c) a reasonable person would not expect the information to be disclosed.
4. Council will promptly and without delay release Material Information to NZX to the extent necessary to prevent development or subsistence of a market for its Quoted Bonds which is materially influenced by false or misleading information emanating from:
 - (a) Council or any Associated Person of Council; or
 - (b) other persons in circumstances in each case which would give such information substantial credibility,

and which is of a reasonably specific nature whether or not paragraph 3 applies.

5. The Listing Rules define Material Information (by reference to the definition in section 231(1) of the FMCA) as information, in relation to an issuer, that:
 - (a) a reasonable person would expect, if it were generally available to the market, to have a material effect of the price of the quoted financial products;
and
 - (b) relates to particular financial products, a particular issuer, or particular issuers, rather than to financial products generally or issuers generally.

6. An issuer becomes Aware of information if, and as soon as, a director or senior manager of the issuer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties. The Listing Rules define a director, in relation to an entity which is not a company or a managed investment scheme, to be *“any person occupying a position in that entity, ... that is comparable with that of a director of a company”*. Accordingly, Councillors are to be treated as directors for the purposes of the Listing Rules on the basis that comparable to a board of a company, Councillors vote on matters such as strategy and have similar powers to directors of a company. Senior manager is defined (by reference to the definition in the FMCA) as 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 an issuer (for example, a chief executive or chief financial officer).

7. The definition of Associated Person in the Listing Rules states a number of ways that a person (A) can be associated with, or is an Associated Person of, another person (B), the most applicable to Council being when:
 - (a) A is able, directly or indirectly, to exert a substantial degree of influence over the activities of B (or vice versa);
 - (b) A and B are Related Bodies Corporate;
 - (c) A is a director or senior manager of B (or vice versa); or
 - (d) A and B are acting jointly or in concert.