



BOARD POLICY

Trading and Investment

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1 PURPOSE

The State Water Authorities Governance Framework recommends that a Trading and Investment Policy should be established where Board members, officers or employees of a water authority may in the course of their duties have access to inside information about securities or where trading in securities may create a conflict of interest. This policy supplements any legal duties which apply to Board members, officers or employees in relation to the use of inside information.

Insider trading is generally defined as when a person who possesses price sensitive information, not generally available to investors, deals or procures a dealing where the third party will, or would likely to, deal or procure a dealing in the listed securities.

Information is price sensitive if a reasonable person would expect the disclosure of that information to have a material effect on the value of listed securities or such a disclosure would be likely to influence investors' decisions regarding the trading in those securities.

2 SCOPE

This policy generally applies to Board members, officers and all LinkWater employees (and, as appropriate, contractors).

3 POLICY

Board members, officers and employees who possess price sensitive information about a company's securities which isn't generally available to others are prohibited from carrying out any of the following:

- (a) acquiring, selling or dealing in securities of that company either for themselves or on behalf of a third party;
- (b) requesting another person to acquire, sell or deal in securities of that company either for themselves or on behalf of a third party; and
- (c) providing price sensitive information, or allowing it to be given to another person who they know, or should know, would be likely to do any of the things referred to in paragraph (a) or (b) above.

In relation to existing investments in companies to which any of the above prohibitions would otherwise apply, but where there is no intention to further buy or sell, individuals are required to promptly declare that interest to their General Manager, Chief Executive Officer or the Chair of the Board as appropriate.

Where there is a reasonable risk that any proposed trading in securities may involve improper use of information or an actual or implied conflict of interest then BD-009 Conflict of Interest Policy should be complied with in full.

In applying this policy, any reference to 'securities' includes shares, options to acquire shares, derivatives in relation to shares or hybrid securities.

4 RELATED LEGISLATION

Compliance with all aspects of the Compliance Guide.