



# Directors' Code of Ethics

## 1. Policy Statement

The Telecom Directors' Code of Ethics is the framework of the standards by which Directors of Telecom Corporation of New Zealand Limited and its subsidiaries ("Telecom") are expected to conduct their professional lives. It is intended to facilitate decisions that are consistent with Telecom Values, business goals, and legal and policy obligations.

## 2. Values

Directors will undertake their duties in accordance with Telecom's Values and undertake their duties with care and diligence including giving proper attention to the matters before them.

Directors will conduct themselves such that their honesty is beyond question and will not behave in a manner that has the potential to bring Telecom's image into disrepute.

Directors will not enter into transactions or make promises on behalf of Telecom that Telecom does not intend to honour.

Directors will, to the best of their ability, use reasonable endeavours to ensure that Telecom's records and documents, including financial reports,

are true, correct and conform to Telecom's reporting standards and internal controls.

## 3. Conflicts of Interest

Each Director will fully disclose all relationships they have with Telecom, and relevant private or other business interests to the Board, in order that the Board may assess the Director's independence.

Directors shall not support a political party or organisation other than in a personal capacity, without the prior consent of Telecom.

## 4. Corporate Opportunities

Directors will not take any opportunity discovered through the use of Telecom property, information or position for themselves or use Telecom property (including Telecom's name), information or position for personal gain.

Directors will not accept gifts or personal benefits of any value from external parties if it could be perceived this could compromise or influence any decision by Telecom.

Directors will only trade in shares in



## Directors' Code of Ethics

accordance with Telecom's Insider Trading Policy.

### 5. Confidentiality

Directors will maintain and protect the confidentiality of information entrusted to Telecom about customers, work colleagues, suppliers, stakeholders and Telecom's business and financial affairs, except where disclosure is allowed or required by law.

### 6. Proper use of Telecom's Assets and Information

Directors will only create, and only retain, information and communications required for business needs or to meet legal obligations in accordance with Telecom's Information Management Policy.

### 7. Compliance with Laws and Policies

Directors will abide by the laws, rules and regulations of the countries in which Telecom operates and comply with all statutory and internal disclosure requirements on a timely basis.

### 8. Reporting Unethical Behaviour

Directors will report any illegal or unethical behaviour, of which they become aware, to the Chairperson.

### 9. Waiver

Waivers from the Directors' Code of Ethics may only be granted by the Nominations and Corporate Governance Committee.

### Publishing Date

December 2011