



# Disclosure Policy

## Policy Statement

Telecom is committed to providing timely, orderly, consistent and credible information consistent with legal and regulatory requirements, to enable orderly behaviour in the market.

Telecom believes it is imperative that disclosure be evenly balanced during good times and bad and that all parties in the investment community have fair access to this information.

The Procedures for Implementation of the Disclosure Policy forms part of and must be read in conjunction with this policy.

## Background

Telecom recognises that the cornerstone of New Zealand and international securities laws is full and fair disclosure of material information and that the broad, timely, non-exclusionary distribution of information to the public is crucial to the efficiency and integrity of the capital markets. Any selective disclosure of material, non-public information about Telecom would undermine market integrity and investor confidence in the fairness of the disclosure process, and could lead to liability under insider trading legislation or breach the NZX, ASX and

NYSE listing rules. Accordingly, this Policy establishes and implements: Corporate procedures designed to prevent the selective disclosure of material, non-public information about Telecom.

Methods of corporate disclosure designed to provide broad, non-exclusive distribution of material information regarding Telecom to the public.

Procedures regarding public disclosure of material, non-public information about Telecom after the company learns that there has been an inadvertent selective disclosure of such information.

The Board of Directors has approved this Disclosure Policy. The key principles and procedures will be communicated via the Telecom internet site ([www.telecom.co.nz](http://www.telecom.co.nz)) and appropriate company publications to ensure managers, staff and interested stakeholders are aware of the Disclosure Policy and associated procedures.

## Guidance

To apply this Policy, procedures relating to the disclosure of material information about Telecom has been developed. The key elements of the



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framework are summarised as follows:

- Telecom has appointed a Disclosure Officer who is responsible for administering the Policy.
- All material information shall be lodged as soon as practicable with the NZX, ASX and NYSE. The information will also be published on Telecom's internet site where appropriate, with further dissemination through broadcast emails to news agencies and other market commentators following receipt of an acknowledgment from NZX that the material information has been received.
- No undisclosed material information will be disclosed in any meeting or conference call with investors or analysts.
- One-on-one discussions with investors or analysts shall serve only as opportunities to provide background to previously disclosed information.
- Any inadvertent disclosure of material information during investor meetings or calls will be immediately released to the NZX, ASX and NYSE.
- Earnings forecasts will only be discussed if previously issued by Telecom by way of a public announcement or via the lodgement of a prospectus.
- Telecom may make available on its

internet site any other relevant information made available to investors/analysts (e.g. presentation briefing materials).

- To avoid inadvertent disclosure, Telecom comment on analyst reports will be restricted to information the company has publicly issued and information that is in the public domain.
- Telecom will not generally comment on analyst forecasts. However if Telecom becomes aware that in general the market's earnings projections materially differ from its own estimates, Telecom may consider it appropriate to issue a profit warning/statement.
- Telecom will not endorse, or be seen to endorse, analyst reports or the information they contain.

## Roles and Responsibilities

The responsibilities of specific groups are:

### Disclosure Officer

Authorise all financial market communications and, where possible, be present during meetings with investors/analysts.

Monitor disclosure practices of Telecom and periodically update the Policy and associated framework components in



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response to changes in internal structure, legislative and regulatory developments and technology developments

Appoint an 'authorised representative' to act in his or her stead as required

### **Group General Counsel**

Oversight of the continuous disclosure policy as a function of the responsibility of managing Telecom's legal risk.

### **Company Secretary**

To continuously monitor Telecom's disclosure obligations under the Listing Rules of NZX, ASX and NYSE and ensure timely disclosure of all material information to the NZX, ASX and NYSE. Release of material information to the NZX, ASX and NYSE after approval. Manage all communications with the NZX, ASX and NYSE following release of material share price information.

### **Authorised Spokespersons**

Ensure that all proposed public comments are within the bounds of information that is either already in the public domain, or is not material, and are fully compliant with the company's media policy.

### **All Telecom People**

Ensure compliance with this Policy, and assess the need to enter into a

confidentiality agreement in the event that negotiations which Telecom is entering into could involve materially price sensitive information.

### **Ownership**

This is a CEO Policy that is owned by the Chief Financial Officer. It will be updated twice yearly or as otherwise required or necessary.

### **Review Date**

December 2011

