

serko

**CORPORATE  
GOVERNANCE  
MANUAL**

# **Introduction**

The Board and management of Serko Limited (Serko or the Company) are committed to ensuring that Serko maintains best practice corporate governance structures and adheres to the highest ethical standards. The Board has therefore adopted this Corporate Governance Manual (and the individual policies therein) to guide the governance practices of the Company. The Board regularly reviews and assesses Serko's governance structures and processes to ensure that they are consistent with best practice, in both form and substance.

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# Board Charter

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## 1 Purpose

- 1.1. This charter sets out the role, composition and responsibilities of the Board of Serko Limited (Serko or the Company).

## 2 Role and responsibilities

- 2.1. The Board is responsible for promoting the success of Serko in a manner designed to create and build sustainable value for shareholders and in accordance with the duties and obligations imposed upon it by Serko's Constitution, the NZX Main Board Listing Rules (Listing Rules) and by law, while taking due regard of other stakeholder interests.
- 2.2. In performing its role, the Board aspires to the highest standards of corporate governance, as appropriate for an NZX Main Board listed company and ASX foreign listed issuer.
- 2.3. Specifically, the Board is responsible for:
  - (a) Demonstrating leadership.
  - (b) Setting and overseeing management's implementation of the purpose, strategic direction, financial objectives and appropriate operating frameworks of Serko and its subsidiaries (Serko Group).
  - (c) Approving Serko's values and code of conduct to underpin the desired culture within Serko, and promoting and authorising ethical and responsible decision-making by Serko.
  - (d) monitoring management's performance and, wherever required, challenging management and holding it to account.
  - (e) Approving Serko's annual budgets (and any re-forecasts), financial solvency and any major capital expenditure.
  - (f) Overseeing the integrity of the entity's accounting and corporate reporting systems, including the external audit and preparation of the financial statements.
  - (g) Overseeing and approving timely and balanced communication and disclosure to shareholders.
  - (h) Approving the appointment and retention of the external auditor (including associated recommendations to shareholders for approval).
  - (i) Maintaining an ongoing dialogue with Serko's external auditors and, as appropriate, regulators to provide them with reasonable assurance of compliance with all regulatory requirements.
  - (j) Considering and approving the Serko Group's overall risk appetite and framework for managing risk (for both financial and non-financial risks) and ensuring that effective risk management procedures are in place and are being used.
  - (k) Approving any matters in excess of any discretions that may have been delegated to the Board Committees, Chief Executive, subsidiary company boards or other senior management from time to time.
  - (l) Appointing the chairman of the Board.
  - (m) Appointing and replacing the Chief Executive.
  - (n) Approving the appointment and replacement of members of the senior management team and company secretary.
  - (o) Setting criteria for, and evaluating the performance of, the Chief Executive and approving his/her remuneration.

- (p) Approving Serko's remuneration frameworks.
- (q) Ensuring appropriate corporate governance practices are in place and monitoring the effectiveness of those governance practices.
- (r) Ensuring that the Board is and remains appropriately skilled to meet the changing needs of Serko and approving any new director appointments.
- (s) Approving any internal policies that are required to be approved by the Serko Board.
- (t) Providing oversight and monitoring of workplace health and safety issues and considering appropriate workplace health and safety reports and information.
- (u) attending to matters which cannot be delegated under law, particularly those matters set out in Schedule 2 to the Companies Act 1993.

### 3 Board membership

#### Board Composition

- 3.1. The Board should comprise:
  - (a) Directors with an appropriate range of skills and experience;
  - (b) Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business; and
  - (c) Directors who can effectively review and challenge the performance of management and exercise independent judgement.
- 3.2. The Board shall consist of a majority of independent (as defined below), non-executive directors.
- 3.3. The Board's Remuneration and Nominations Committee is responsible for the identification and recommendation of candidates for appointment to the Board.
- 3.4. Directors will be appointed pursuant to formal letters of appointment setting out the key terms and conditions of the appointment to ensure that directors clearly understand the expectations of Serko and the Board.

#### Independence

- 3.5. A director is considered to be independent if the Board affirmatively determines that the director is not an employee of Serko and does not have a disqualifying relationship. The basis for determining whether a director has a disqualifying relationship is set out in the Appendix to this Charter.
- 3.6. The Board will conduct an annual assessment of the independence of each of the directors, based on information provided to it by the directors, to determine whether each director is independent in character and judgement. Directors are expected to provide updates to the information as changes occur.
- 3.7. Membership of the Board shall be disclosed in the annual report including whether a director is independent. A change in a director's independence status will be disclosed to the market promptly and without delay.

## 4 Board committees

- 4.1. The Board may from time to time establish committees of the Board to assist it in carrying out its responsibilities. The Board has established the following standing Committees to consider certain issues and functions in more detail:
  - (a) Audit and Risk Committee; and
  - (b) Remuneration and Nominations Committee.
- 4.2. The Board may establish ad hoc committees from time to time to consider matters of special importance or to exercise the delegated authority of the Board.
- 4.3. The Board will determine the membership and composition of the Board committees, having regard to workload, skills and experience.
- 4.4. Each Committee shall adopt its own charter to be approved by the Board, setting out matters relevant to its composition and responsibilities.

## 5 The board and management

- 5.1. Excluding in relation to certain reserved powers and to the extent permitted by law, the Board has delegated authority for the day-to-day management and administration of Serko to the Chief Executive and others (including subsidiary company boards) within approved limits. These delegations are monitored as part of the formal business at meetings of the Board.
- 5.2. While the day-to-day responsibility for the operation of the business is delegated to management, there are a number of matters which are required to be, or in the interests of Serko should be, decided upon only by the Board as a whole (including those summarised above under paragraph 2.3).
- 5.3. The Chief Executive manages Serko in accordance with the strategy, plans and delegations by the Board.
- 5.4. The Board has implemented appropriate procedures to assess the Chief Executive and his/her direct reports' performance.

## 6 Role of the chairman

- 6.1. The Chairman of the Board is appointed by the directors in accordance with Serko's Constitution.
- 6.2. The Chairman must be an independent, non-executive director. The Board shall assess whether the Chairman is independent taking into account criteria adopted by the Board from time to time for the purposes of the assessment.
- 6.3. The Chairman must not also be the Chief Executive of Serko.
- 6.4. The role and responsibilities of the Chairman include:
  - (a) Providing leadership to the Board and to Serko.
  - (b) Ensuring the efficient organisation and conduct of the Board.
  - (c) Monitoring Board performance annually.
  - (d) Facilitating Board discussions to ensure core issues facing Serko are addressed.
  - (e) Briefing all directors in relation to issues arising at Board meetings.

- (f) Facilitating the effective contribution and ongoing development of all directors.
  - (g) Fostering a constructive governance culture and promoting consultative and respectful relations between Board members and between the Board and management.
  - (h) Chairing Board and shareholder meetings.
- 6.5. Should the Chairman be absent from a meeting, the members of the Board present at the meeting have authority to choose one of their members to chair that particular meeting.

## 7 Responsibility of individual directors

- 7.1. Directors are expected to comply with their legal, statutory and fiduciary duties and obligations when discharging their responsibilities as directors. Broadly these include:
- (a) Acting in good faith and in the best interests of Serko as a whole;
  - (b) Acting with care and diligence and in the best interests of Serko as a whole;
  - (c) Avoiding conflicts of interest wherever possible; and
  - (d) Refraining from making improper use of information gained through the position of director and from taking improper advantage of the position of director.
- 7.2. Directors are expected to support the letter and spirit of Board decisions.
- 7.3. Directors will keep Board information, discussions, deliberations and decisions, which are not publicly known, confidential.

## 8 Company Secretary

- 8.1. The company secretary of Serko, who may also be the CFO, is directly accountable to the Board through the Chairman on all matters to do with the proper functioning of the Board.

## 9 Conflicts of interest

- 9.1. Directors must:
- (a) Disclose to the Board any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;
  - (b) Take any necessary and reasonable measures to try to resolve the conflict; and
  - (c) Comply with the Companies Act 1993 on disclosing interests and restrictions on voting.
- 9.2. If a conflict or potential conflict situation exists, it is expected that the conflicted director shall be absent from the meeting whilst the Board discusses the matter and shall not vote on the matter, unless it is one in respect of which directors are expressly required by the Companies Act 1993 to sign a certificate or related to the grant of an indemnity under section 162 of that Act.
- 9.3. Directors are expected to advise the Chairman and Company Secretary of any proposed Board or executive appointment to other companies as soon as practicable.
- 9.4. The Company Secretary will maintain the interests register of the Company and report new entries to the Board at the next Board meeting.

## 10 Access to information and independent advice

- 10.1. Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgement in decision-making. Independent professional advice includes legal advice and the advice of accountants and other professional financial advisors on matters of law, accounting or other regulatory matters, but excludes advice concerning the personal interests of the director concerned (such as service contracts with Serko, dealing in Serko's securities or disputes with Serko). Independent professional advice shall only be sought with the Chairman's (or where the Chairman is seeking the advice, the Chairman of the Audit and Risk Committee's) consent, which shall not be unreasonably withheld or delayed.
- 10.2. Directors will be entitled to:
- (a) Have access to members of management via the Chief Executive at any time to request relevant and additional information or seek explanations; and
  - (b) Have access to internal and external auditors, without management present to seek explanations of additional information.

## 11 Meetings and procedures

- 11.1. As provided by the Serko Constitution, the directors may meet together to attend to business and adjourn and otherwise regulate their meetings as they decide.
- 11.2. A quorum for Board meetings is set out in the Serko Constitution.
- 11.3. Board meetings may be held by directors communicating with each other through any technological means that enables them to actively participate in the meeting.
- 11.4. Directors may pass or approve resolutions of the Board by written resolution in accordance with the procedures set out in the Constitution.
- 11.5. The Board of directors will normally meet 10 times a year.

## 12 Reporting

- 12.1. Draft minutes of each Board meeting shall be prepared by the Company Secretary promptly following the meeting for review by the Chairman. The draft minutes shall then be tabled at the next Board meeting for final review and approval of the Board and will be signed by the Chairman.

## 13 Accountability

- 13.1. The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities. A copy of the Charter will be available on Serko's website.
- 13.2. The Board will establish a formal procedure to regularly assess individual director and Board performance.



## 14 Reporting and disclosure

A number of operational matters relating to the Board are governed by the Serko Constitution or Listing Rules and are not reproduced here.

## 15 Review

15.1. The Charter is subject to annual review by the Board.

# Appendix – Director Independence

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A director can only be considered independent if he or she is not an employee of Serko and has no disqualifying relationship with Serko.

## Disqualifying Relationships

In determining whether a disqualifying relationship exists, the Board will have regards to any direct or indirect interest, position, association or relationship that could reasonably influence, or could reasonably be perceived to influence, in a material way, the director's capacity to:

- Bring an independent view to decisions in relation to Serko;
- Act in the best interests of the Serko; and
- Represent the interests of Serko' financial product holders generally, having regard to the factors set out below that may impact director independence.

## Factors to be considered when assessing independence

Factors that may impact a director's independence include:

- being currently, or within the last three years, employed in an executive role by Serko or any of its subsidiaries, and there has not been a period of at least three years between ceasing such employment and serving on the board;
- receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, Serko;
- currently, or within the last 12 months, holding a senior role in a provider of material professional services to Serko or any of its subsidiaries;
- a current, or within the last three years, material business relationship (e.g. as a supplier or customer) with Serko or any of its subsidiaries;
- a substantial product holder of the issuer, or a senior manager of, or person otherwise associated with, a substantial product holder of the issuer;
- a current, or within the last three years, material contractual relationship with Serko or any of its subsidiaries, other than as a director;
- having close family ties with anyone in the categories listed above;
- having been a director of the entity for a length of time that may compromise independence.

In each case, the materiality of the interest, position, association or relationship needs to be assessed.

Last reviewed: March 2020

Last updated: March 2020

# Code of Ethics

The Serko Code of Ethics is the framework of standards by which the directors, employees, contractors for personal services and advisers of Serko Limited and its related companies (Serko people) are expected to conduct their professional lives. The Code of Ethics has been approved by the Board.

This Code is not intended to prescribe an exhaustive list of acceptable and non-acceptable behaviour, rather it is intended to facilitate decisions that are consistent with Serko values, business goals and legal and policy obligations, thereby enhancing performance outcomes. Serko people must familiarise themselves with Serko values, as they govern their behaviour while they are employed by Serko.

Directors, Senior Executives and other employees who are proven to have breached this Code of Ethics will face disciplinary action which, depending on the seriousness and severity of the breach, could include dismissal or legal action or both.

Serko directors and managers are expected to lead according to these standards of ethical and professional conduct and to ensure that they are communicated to the people who report to them.

If you have any questions or concerns about an ethical question or become aware of a breach of a legal obligation or a Serko Policy, let your manager know as soon as possible. If this is not appropriate, you may choose to raise your question or concern with the People and Performance Manager, the CEO, or directly with the Chairperson of the Audit and Risk Committee. (Please refer to Article 12, "Reporting Concerns" section of this Code and the Whistleblowing Policy for more information.)

## 1 Our Values

The Serko Board, Management team and Employees have endorsed the following set of values to guide their behaviours:

## 2 Our Behaviours

The actions and statements of Serko people, whether to customers, suppliers, competitors, shareholders or employees, can impact on the way people see Serko and whether they choose to do business with us.

Serko people will:

- undertake their duties in accordance with Serko values;
- conduct themselves in a way that demonstrates that their honesty is beyond question and will not behave in a manner that has the potential to bring Serko's image into disrepute;
- deal honestly with Serko's other people, shareholders, professional advisors and stakeholders;
- not enter into transactions or make promises on behalf of Serko that Serko cannot or does not intend to honour;
- undertake their duties with care and diligence;
- ensure that any personal opinions Serko people express are clearly identified as their own and are not represented to be the views of Serko;
- value individuals' differences and treat people in the workplace with respect in accordance with Serko's philosophies of equal employment opportunities, and anti-harassment and discrimination policies;
- to the best of their ability, use reasonable endeavours to ensure that Serko records and documents, including financial reports, are true, correct and conform to Serko reporting standards and internal controls; and
- not accept or offer bribes or improper inducements to or from anyone.

### 3 Conflicts of Interest

A conflict of interest occurs when an individual's interests interfere, or appear to interfere, with Serko's interests. Serko expects Serko people to act in Serko's best interests at all times.

Serko people will not without the prior consent of Serko:

- engage in any other business or commercial activities which would conflict with their ability to perform their duties to Serko;
- support a political party or organisation other than in a personal capacity;
- engage in any other activity that could conflict with Serko's interests.

### 4 Gifts

"Gifts" and "personal benefits" can include accommodation, goods, services, discounts, special terms on loans and so on.

Serko people will not accept gifts or personal benefits of any value (refer to the Anti-Bribery & Corruption Policy for guidance) from external parties if it could be perceived that such acceptance might compromise or influence any decision by Serko.

### 5 Corporate Opportunities

Serko expects its people to advance its legitimate interests when the opportunity to do so arises.

Serko people will not:

- take for themselves any opportunity discovered through the use of Serko property, information or position;
- use Serko property (including Serko's name), information or position for personal gain;
- compete with Serko; and
- trade in shares, or any other kind of property, based on information that comes from their roles for Serko if that information has not been reported publicly (refer to Serko's Security Trading Policy).

### 6 Confidentiality

Serko and Serko stakeholders entrust us daily with their confidential communications and information. Confidential information includes all information not in the public domain that has come to a Serko employee's knowledge by virtue of working for Serko.

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

## 7 Proper use of Serko Assets and Information

Serko people have a duty to protect Serko assets from loss, damage, misuse, waste and theft. Serko assets include systems, information, intellectual property and networks.

Serko people will:

- only use Serko assets for lawful business purposes authorised by Serko; and
- only create, and only retain, information and communications required for business needs or to meet legal obligations.

## 8 Compliance with Laws and Policies

Serko people will:

- familiarise themselves with and comply with Serko policies, frameworks and processes at all times (including those relating to equal employment opportunities and health and safety), which are all available on Serko's intranet or on [www.serko.com/investors](http://www.serko.com/investors);
- abide by the laws, rules and regulations of New Zealand and other jurisdictions in which Serko operates;
- undertake training on legal obligations and policies as required by management from time to time; and
- comply with all statutory and internal disclosure requirements on a timely basis.

## 9 Delegated Authority

The Serko Board of Directors delegates the responsibility of managing the business and affairs of Serko to the Chief Executive (Chief Executive). The Chief Executive in turn delegates to other levels of management certain rights to make operational and financial decisions within defined limits. A director should not simultaneously hold the positions of Chief Executive and Chairperson of the Board.

Serko people will:

- only act within the delegated authority framework and any authority that may be specifically given to them as a delegated authority holder; and
- ask their manager if they are uncertain as to their level of delegated authority.

## 10 Additional Director Responsibilities

Directors are required to:

- disclose all relationships they have with Serko, and relevant private or other business interests to the Board, in order that the Board may assess the director's independence;
- undertake appropriate training to remain current on how to best perform their duties as directors of Serko;
- give proper attention to all matters put before them;
- have an understanding of the regulatory, legal, fiduciary and ethical requirements affecting directors;
- be familiar with up-to-date business management techniques and related ethics; and
- have an awareness of special strategic, industry, cultural and other issues that may impact on Serko's business.

## 11 Information for the Board

Serko management shall provide the Board with information of sufficient content, quality and timeliness as the Board considers necessary to enable the Board to effectively discharge its duties. This will include providing the Board with timely information relating to any material breaches of this Code of Ethics.

## 12 Reporting Concerns

If you become aware of a breach of the Serko Code of Ethics or any breach of a legal obligation or Serko policy, you are responsible for reporting it. Please refer to the Whistleblowing Policy for guidance on the process to follow.

Serko will stand behind any employee who, acting in good faith, reports a breach, serious problem or wrongdoing.

Serko requires all Directors, Senior Executives and other employees who receive a report of an actual or suspected violation of this Code of Ethics to take all reasonable steps within their control to ensure that:

- the behaviour alleged in the report is thoroughly investigated;
- the rules of natural justice are observed in that investigation; and
- appropriate disciplinary action is taken if the allegation is substantiated.

Any person who knowingly makes a false report of a legal or policy breach may be subject to disciplinary action.

If you suspect that a breach of the delegated authority rules or limits has occurred you should advise your manager and the delegated authority holder whose responsibility it should have been to approve the transaction, as soon as possible.

## 13 Review

The Code of Ethics is subject to annual review by the Board. If you have feedback on the Code of Ethics, please contact the Chairperson of the Board.

Last reviewed: March 2020

Last updated: March 2020

# Securities Trading Policy

## 1 Introduction

This Policy details Serko Limited's (**Serko** or the **Company**) policy on and rules for trading in any securities issued by any member of the **Serko Group** (being the Company and its subsidiaries), which are listed (**Restricted Securities**).

This Policy applies to Directors, senior managers and employees of any member of the Group (as well as contractors to any member of the Group) who intend to trade in Restricted Securities.

In this Policy, 'trade' means buying or selling Restricted Securities, or agreeing to do so, whether as principal or agent, but it does not include:

- Acquisitions through an issue of new listed securities, such as an issue of restricted shares, under a rights issue, or a dividend reinvestment plan; or
- Acquisitions or disposals by gift or inheritance.

The requirements imposed by this Policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand.

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*Note: If you do not understand any part of this Policy, or how it applies to you, you should raise the matter directly with Chief Financial Officer or Company Secretary, before dealing with Restricted Securities covered by this Policy.*

## 2 Securities Ownership is Desirable

The Board considers that it is desirable that senior managers and employees of members of the Group should hold Restricted Securities as long-term investments, as this encourages an alignment of interests between officers, employees, the Company and the Company's shareholders.

However, Directors, senior managers and employees (as well as contractors to members of the Group) must only trade or hold Restricted Securities in conformity with this Policy, and all applicable legal restrictions.

## 3 Insider Trading is Prohibited

### **FUNDAMENTAL RULE: INSIDER TRADING IS PROHIBITED AT ALL TIMES**

If you possess "material information" (as defined below) then you must not:

- trade any Restricted Securities;
- advise or encourage any other person to trade, or hold any Restricted Securities;
- advise or encourage any person to advise or encourage another person to trade, or hold Restricted Securities; or
- directly or indirectly disclose that material information to a person if you know, or ought reasonably to know or believe, that the person will trade or hold Restricted Securities, or advise or encourage another person to trade or hold Restricted Securities.

These prohibitions apply regardless of how you learn of the material information, and regardless of why you are trading.

## **WHAT IS “MATERIAL INFORMATION”?**

“Material information” is information that:

- is not generally available to the market; and
- if it were generally available to the market, it would be expected to have a material effect on the price of the Group’s listed securities.

Information is generally available to the market if it has been released as an NZX announcement, or investors that commonly invest in the Group’s listed securities can readily obtain the information (whether by observation, use of expertise, purchase or other means).

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).

Information includes rumours, matters of supposition, intentions of a person (including the Company or another member of the Group), and information, which is insufficiently definite to warrant disclosure to the public.

## **WHAT ARE SOME EXAMPLES OF MATERIAL INFORMATION?**

The following list is illustrative only and is by no means exhaustive. Material information could include information concerning:

the financial performance of the Company/Group;

- a possible change in the strategic direction of the Company/Group;
- the introduction of an important new product or service;
- a possible acquisition or sale of any assets or company by the Company/Group;
- entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known;
- a possible change in the Company’s capital structure;
- a change in the historical pattern of dividends;
- senior management changes;
- a possible change in the regulatory environment affecting the Company/Group;
- a material legal claim by or against the Company/Group; or
- any other unexpected liability, which has not been released to the market.

## **CONFIDENTIAL INFORMATION**

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



### **SHORT TERM TRADING DISCOURAGED**

You should not engage in short term trading (the buying or selling of Restricted Securities within a three-month period) unless there are exceptional circumstances discussed with and approved by the Company.

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 the securities. These events may not be expected or known by you, but if they do occur, your short-term trading may be viewed adversely with the benefit of hindsight. Therefore, to reduce the risk of an allegation of insider trading, do not trade Restricted Securities on a short-term basis.

Where you are entitled to participate in a Serko equity-based remuneration scheme, you must not enter into any transaction which has the effect of limiting the economic risk of participating in any entitlement you are eligible for under that remuneration scheme.

### **IF IN DOUBT, DON'T TRADE**

The rules contained in this Policy do not replace your legal obligations. The boundary between what is, and is not, in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical actually may be insider trading. If in doubt, don't trade.

### **BREACHES OF POLICY**

Any Serko Person who fails to comply with any of the above requirements may be subject to civil and/or criminal liability under the laws of New Zealand. This may result in large fines, terms of imprisonment or liability in relation to any loss suffered by any person (including Serko).

Strict compliance with this Policy is a condition of employment. Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

Any breach of this Policy should be reported to the Chief Financial Officer or Company Secretary immediately.

### **MONITORING OF TRADING**

The Company may monitor the trading of persons subject to this Policy as part of the administration of this Policy.

## **4 Additional Trading Restrictions for Restricted Persons**

### **PERSONS COVERED BY THE ADDITIONAL TRADE RESTRICTIONS**

The additional trading restrictions set out below apply to:

- (a) all Directors and employees (and contractors);
- (b) trusts and companies controlled by such persons outlined in (a) above;

Persons covered by these additional restrictions are called "Restricted Persons". Employees and Directors will be considered responsible for the actions of trusts and companies controlled by them and the actions of associated persons whose share trading activities are controlled or influenced by them. In this respect, "control" is not to be construed in a technical way but by looking at how decisions are made in practice.

Where the spouse or dependant of a Restricted Person wishes to trade in Restricted Securities, the Restricted Person must ensure that the requirements under the "Black-out period" rule (below) are complied with, including the completion of the "Request for Consent to Trade in Restricted Securities" (attached to this Policy) on behalf of their spouse or dependant.

**In addition to the Fundamental Rule noted above, the following rules apply:**

#### **BLACKOUT PERIODS**

Restricted Persons must not trade in Restricted Securities on NZX during any of the following blackout periods:

- (c) the period from the close of trading on 1 March of each year until 48 hours following the announcement to NZX of the full-year results;
- (d) the period from the close of trading on 1 September each year until 48 hours following the announcement to NZX of the half-year results;
- (e) any other period that the Company specifies from time to time; and
- (f) 30 days prior to release of a prospectus for a general public offer of the same class of Restricted Shares.

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*Please note that if you hold material information you must not trade Restricted Securities at any time – regardless of these periods.*

#### **EXCEPTIONAL CIRCUMSTANCES**

- (g) If a Restricted Person needs to trade in Restricted Securities due to exceptional circumstances during a blackout period, the Restricted Person may seek a waiver from the Chair of the Board to trade in Restricted Securities (using the attached Request for Consent to Trade in Restricted Securities form (Request for Consent Form)). All applications for consent will be processed on a confidential basis.
- (h) Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the Board.
- (i) An application from a Restricted Person to trade during a blackout period must set out the circumstances of the proposed dealing, including an explanation as to the reason the waiver is requested. A waiver will only be granted if:
  - the circumstances giving rise to the request are deemed “exceptional” by the Board or its delegate, or fall within a recognised category of exceptional circumstances (i.e. severe financial hardship or compulsion by court order); and
  - the application is accompanied by sufficient evidence (in the opinion of the person from whom consent is sought under this Policy) that the trading of the relevant Restricted Securities is the most reasonable course of action available in the circumstances.
- (j) If a waiver is granted to trade during a blackout period, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to trade in Restricted Securities will be two trading days from the date of notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.
- (k) Unless otherwise specified in the notice, any dealing permitted during a blackout period must comply with the other sections of this Policy (to the extent applicable).

## REQUIREMENTS BEFORE TRADING:

Before trading in Restricted Securities at any time outside of a blackout period, Restricted Persons must:

- complete the "Request for Consent to Trade in Restricted Securities" form attached to this Policy (which serves as notice of their intention to trade in Restricted Securities and confirms they do not hold material information); and
- notify their intention to trade in Restricted Securities and seek consent from the appropriate person in the table below.

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*Note: The "Requests for Consent to Trade in Restricted Securities" form is attached to this Policy and it is the responsibility of the person applying to obtain consent in accordance with the details in the table below, who will, if they consent, countersign.*

*Note: A consent is only valid for a period of 10 trading days after notification. A consent is automatically deemed to be withdrawn if the person becomes aware of material information prior to trading.*

## AUTHORISED TO CONSENT TO RESTRICTED PERSONS TRADING

<b>Restricted Person*</b>	<b>Authorised to Consent</b>
Director (ex-Chairman) Chief Executive Chief Financial Officer Company Secretary	Chairman of the Board
Chairman	Chairman of the Audit & Risk Committee
A Restricted Person other than those listed above	Chief Financial Officer Company Secretar

Consent is not required to acquire shares through the vesting of restricted shares under the Serko Restricted Share Scheme.

## REQUIREMENTS AFTER TRADING

A Restricted Person must advise the Chief Financial Officer or Company Secretary promptly following completion of any trade, and the Restricted Person must comply with any disclosure obligations it has under the Financial Markets Conduct Act 2013 and the listing rules of any relevant stock exchange.

## NON-EXECUTIVE DIRECTOR FIXED TRADING PLAN

Trading of Serko's securities under a fixed trading plan (for the purposes of the Financial Markets Conduct Act 2013) will not breach the law if the fixed trading plan was entered into at a time where an investor has no Material Information and in entering the fixed trading plan, the investor did not intend to evade the prohibition on insider trading. A fixed trading plan is a plan that is fixed for a period of time during which the investor cannot withdraw from the plan or influence Trading decisions after the plan has begun.

## **TAKEOVER**

For the avoidance of doubt, nothing in this policy will apply to the trading of shares in respect of a takeover made under the Takeovers Code Approval Order 2000.

## **APPLICATION OF POLICY**

The Board of the Company has approved this Policy. The Board may approve updates, amendments to, and exemptions to, this Policy from time to time, which may be implemented by written notice to you and/or by posting on the Company's intranet.

To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this Policy prevails over them.

Last reviewed: March 2020

Last updated: February 2018

# Serko Limited Request for Consent to Trade in Restricted Securities

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To: The Chief Financial Officer/Company Secretary/CHAIRMAN, Serko

In accordance with the Company's Restricted Securities Trading Policy, I request the Company's consent for the following proposed transaction to be undertaken either by me or persons associated with me, within 10 trading days of approval being given. I acknowledge the Company is not advising or encouraging me to trade or hold securities.

Name: \_\_\_\_\_

Name of registered holder transacting (if different): \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Position in Serko Group: \_\_\_\_\_

Description and number of securities: \_\_\_\_\_

Type of proposed transaction: Purchase/sale/other (specify)  
\_\_\_\_\_  
\_\_\_\_\_

To be transacted: On NZX/off-market trade/other (specify)  
\_\_\_\_\_  
\_\_\_\_\_

Likely date of transaction (on or about): \_\_\_\_\_  
\_\_\_\_\_

I declare that I do not hold information which:

- is not generally available to the market; and
- would have a material effect on the price of Serko's Restricted Securities if it were generally available to the market.

I know of no reason to prohibit me from trading in Serko's Restricted Securities and certify that the details given above are complete, true and correct.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Serko hereby consents/does not consent 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 Serko's Securities Trading Policy.

Name: (on behalf of Serko) \_\_\_\_\_ Date: \_\_\_\_\_

Note: Hand the completed and signed form to the Company Secretary or CFO for record keeping purposes.

# Audit and Risk Committee Charter

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## 1 Constitution

- 1.1. The Audit and Risk Committee shall be a committee of the Board of Serko Limited (Serko or the Company).

## 2 Purpose

- 2.1. The Audit and Risk Committee is appointed by the Board to advise and provide assurance to the Board in order to enable the Board to discharge its responsibilities in relation to the oversight of:
- (a) The integrity of financial control, financial management and external financial reporting.
  - (b) The independent audit process and relationship with the external auditor.
  - (c) Risk management and internal control systems.
  - (d) Processes for monitoring compliance with laws and regulations.
  - (e) Providing a formal forum for communication between the Board and senior financial management with regards to the matters the Committee has been given oversight of.

## 3 Duties and Responsibilities

- 3.1. The Audit and Risk Committee does not take actions or make decisions on behalf of the Board. The Board has delegated certain functions to the Audit and Risk Committee which is responsible for:

### EXTERNAL AUDIT

- (a) monitoring all aspects of the external audit of the Company's affairs including:
  - (i) *considering the appointment of the auditors, the audit fee and any issues on their resignation or dismissal;*
  - (ii) *ensuring the key audit partner is rotated in line with best practice and in any case at least five years;*
  - (iii) *discussing with the auditors, before the commencement of each audit, the nature and scope of their audit;*
  - (iv) *reviewing the auditors service delivery plan;*
  - (v) *reviewing the Company's letter of representation to the auditors;*
  - (vi) *discussing with the auditors any problems, reservations, or issues arising from the audit and referring matters of a material or serious nature to the Board; and*
  - (vii) *overseeing the operation of the External Audit Independence Policy.*

## FINANCIAL REPORTING

- (b) reviewing the half year and annual financial statements, and any other financial statements to be released by the Company, before submission to the Board, focusing particularly on:
  - (i) *any change in accounting policies and practices;*
  - (ii) *major judgmental areas;*
  - (iii) *significant adjustments;*
  - (iv) *the solvency of the Company;*
  - (v) *the going concern assumption;*
  - (vi) *compliance with accounting standards; and*
  - (vii) *compliance with legal stock exchange and other regulatory requirements;*
- (c) promoting integrity in all aspects of the Company's financial reporting; and

## RISK MANAGEMENT

- (d) overseeing and advising the Board on high-level risk related matters, including risk tolerance in determining strategy, as well as management of key financial and non-financial risks, including new and emerging risks.
- (e) reviewing and make recommendations to the Board in relation to the risk appetite within which the Board expects management to operate, and whether any changes should be made.
- (f) reviewing the Company's risk management framework and make a recommendation to the Board about whether it continues to be sound and whether the Company is operating with due regard to the risk appetite set by the Board;
- (g) overseeing management's implementation of the risk management framework, including that management has appropriate processes for identifying, assessing and responding to risks and that those processes are operating effectively.
- (h) reviewing and make recommendations to the Board in relation to the risk disclosures in the Company's periodic reporting documents, including the operating and financial review in its Annual Report.
- (i) evaluating the structure and adequacy of the Group's business continuity plans.

## INTERNAL CONTROLS AND COMPLIANCE

- (j) reviewing any non-routine statements to be issued by the Company, including announcements to stock exchanges concerning results;
  - (k) regularly reviewing the Company's internal controls and systems;
  - (l) monitoring and regularly reviewing the authorities, delegations and procedures under which the Company may be committed;
  - (m) considering the findings of any internal investigations and management's response thereto;
  - (n) monitoring compliance by the Company with its Constitution, applicable laws and regulations and stock exchange requirements;
- 3.2. The Audit and Risk Committee shall:
- (a) regularly report to the Board on the operation of the Company's risk management and internal control processes;
  - (b) provide sufficient information to the Board to allow the Board to report annually to shareholders and stakeholders on risk identification and management procedures and relevant internal controls of the Company; and
  - (c) attend to any other matter put to the Audit and Risk Committee for consideration by the Board.

## 4 Membership

- 4.1. Members of the Audit and Risk Committee shall be appointed by the Board and shall comprise solely non-executive directors
- 4.2. The number of members appointed to the Committee shall be no less than three.
- 4.3. A majority of the members shall be independent directors, as defined by the NZX Listing Rules.
- 4.4. At least one member of the Committee must be a chartered accountant or someone who has another recognised form of financial expertise.
- 4.5. The Board shall appoint a chairperson from among the members of the Audit and Risk Committee, who shall not be the Chairman of the Board. The chairperson should not have a long-standing association with the external audit firm.
- 4.6. The appointment and removal of the Audit and Risk Committee members shall be the responsibility of the Board.
- 4.7. The Company shall identify the members of the Audit and Risk Committee each year in its annual report.

## 5 Secretarial and Meetings

- 5.1. The secretary of the Audit and Risk Committee shall be appointed by the Board.
- 5.2. A quorum of members of the Audit and Risk Committee shall be a majority of members.
- 5.3. The Audit and Risk Committee may have in attendance such members of management and such other persons including external advisers, as it considers necessary to provide appropriate information and advice.
- 5.4. All directors who are not members of the Audit and Risk Committee and employees shall only be entitled to attend meetings of the Audit and Risk Committee at the invitation of the Audit and Risk Committee.
- 5.5. Reasonable notice of meetings and the business to be conducted shall be given to the members of the Audit and Risk Committee and all other members of the Board.
- 5.6. Meetings shall be held at least four times per year and during at least two of those meetings the Committee is to meet without the Chief Executive or management being present. Any member of the Audit and Risk Committee may request a meeting at any time if they consider it necessary.
- 5.7. The Audit and Risk Committee will convene a meeting if the auditors so request.
- 5.8. Minutes of all meetings shall be kept.



## 6 Authorities

- 6.1. The Audit and Risk Committee will make recommendations to the Board on all matters requiring its decision. The Audit and Risk Committee does not have the power or authority to make a decision in the Board's Company Name or on its behalf.
- 6.2. The Audit and Risk Committee is authorised by the Board, at the Company's expense, to obtain such outside legal or other independent information and advice including market surveys and reports, and to consult with such management and executive search consultants and other outside advisers with relevant experience and expertise, as it thinks necessary for carrying out its responsibilities.

## 7 Review of the Audit and Risk Committee

- 7.1. The Board will annually review the performance of the Audit and Risk Committee against its objectives and responsibilities. Such objectives and responsibilities will also be reviewed (as against the Audit and Risk Committee Charter) by the Board and any other person the Board considers appropriate.

## 8 Reporting Procedures

- 8.1. As soon as practicable after each Audit and Risk Committee meeting the Audit and Risk Committee will communicate its findings and recommendations to the Chairperson.
- 8.2. The minutes of all Audit and Risk Committee meetings will be circulated to members of the Board. Extracts from the minutes will be made available to such other persons as the Board directs, as may be necessary to enable them to properly carry out their functions.

Last reviewed: March 2020

Last updated: March 2020

# Remuneration and Nominations Committee Charter

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## 1 Constitution

- 1.1. The Remuneration and Nominations Committee shall be a committee of the Board of Serko Limited (Serko or the Company).

## 2 Purpose

- 2.1. The purpose of the Remuneration and Nominations Committee is to:
  - (a) assist the Board in the establishment of remuneration policies and practices for, and in discharging the Board's responsibilities relative to remuneration-setting and review of, the Company's Chief Executive, other senior executives, and directors (both non-executive and executive) remuneration;
  - (b) ensure that the Company has a formal and transparent method for the nomination and appointment of Directors to the Board; and
  - (c) regularly review and, when appropriate, recommend changes to the composition of the Board to ensure that the Company has, and maintains, the right composition of Directors to effectively govern and provide guidance to Serko.

## 3 Duties and Responsibilities

- 3.1. The Remuneration and Nominations Committee does not take actions or make decisions on behalf of the Board, unless specifically mandated. The Board has delegated certain functions to the Remuneration and Nominations Committee. The responsibilities and duties of the Remuneration and Nominations Committee are to:

### REMUNERATION

- (a) At least annually review directors' fees and make recommendations to the Board regarding any proposed increases within the total previously approved by shareholders or for consideration by shareholders at the annual meeting.
- (b) Review the structure and terms of any equity-based schemes for directors (where appropriate and in line with best practice) and/or employees (including scheme rules and applicable performance hurdles) and make recommendations to the Board in respect thereof.
- (c) Review and recommend to the Board a policy for the remuneration of the Chief Executive and his/her direct reports, including the parameters of any incentive or bonus schemes and payments to be made pursuant to those schemes.
- (d) Approve the terms of the Chief Executive's employment agreement.
- (e) On the recommendation of the Chief Executive, approve the remuneration of his or her direct reports, including the parameters of any incentive or bonus schemes and payments to be made pursuant to those schemes.
- (f) Receive reports from management on the annual remuneration review and incentive schemes and, from time to time, review the Company's remuneration policies and practices.
- (g) Attend to any other matter relating to remuneration issues put to the Committee for consideration by the Board or by management.
- (h) Monitoring for any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.

## **BOARD APPOINTMENTS AND NOMINATIONS**

- (i) Periodically consider the composition of the Board and the balance of skills, qualifications, experience and background of Directors on the Board and identify and recommend for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- (j) Consider any nominations received for the election of directors by shareholders and make appropriate recommendations to the Board (following completion of appropriate background checks) having regard to the Company's Diversity and Inclusion Policy.
- (k) Attend to any other matter relating to Board appointment and nomination issues put to the Committee for consideration by the Board.

## **SENIOR EXECUTIVE APPOINTMENTS**

- (l) Oversee management succession planning for agreed roles in the Company, including the role of the Chief Executive, having regard to the Company's Diversity and Inclusion Policy.
- (m) Consider and approve recommendations received from the Chief Executive in relation to the appointment of his/her direct reports (following completion of appropriate background checks).
- (n) Ensure appropriate background checks are undertaken prior to appointing any new Chief Executive or direct report to the Chief Executive.

## **DIVERSITY**

- (o) Annually monitor and evaluate the Company's performance with respect to its Diversity and Inclusion Policy, and related objectives.

## **OTHER**

- (p) Attend to any other matter put to the Remuneration and Nominations Committee for consideration by the Board and, as appropriate, the management of the Company.

## **4 Membership**

- 4.1. Members of the Remuneration and Nominations Committee shall comprise members of the Board appointed by the Board, a majority of whom shall, be independent as defined by the NZX Listing Rules.
- 4.2. The number of members appointed to the Committee shall be no less than three.
- 4.3. The Board shall appoint a chairperson from independent members of the Remuneration and Nominations Committee.
- 4.4. The appointment and removal of the Remuneration and Nominations Committee members shall be the responsibility of the Board.
- 4.5. The Company shall identify the members of the Remuneration and Nominations Committee each year in its annual report.

## **5 Attendance**

- 5.1. The Remuneration and Nominations Committee may invite an adviser (or advisers) to attend meetings of the Remuneration and Nominations Committee to provide information and assistance to the Remuneration and Nominations Committee as required.

## 6 Secretarial and Meetings

- 6.1. The secretary of the Remuneration and Nominations Committee shall be appointed by the Board.
- 6.2. A quorum of members of the Remuneration and Nominations Committee shall be a majority of members.
- 6.3. The Remuneration and Nominations Committee may have in attendance such members of management and such other persons including external advisers, as it considers necessary to provide appropriate information and advice.
- 6.4. All directors shall be entitled to attend meetings of the Remuneration and Nominations Committee by standing invitation provided that executive directors, including the Chief Executive, shall not be entitled to attend parts of meetings where they are conflicted for personal reasons.
- 6.5. Reasonable notice of meetings and the business to be conducted shall be given to the members of the Remuneration and Nominations Committee and all other members of the Board and to such other persons as the Board directs.
- 6.6. From time to time the Chairperson of the Remunerations Committee shall be entitled to request that the Remuneration and Nominations Committee meet without the presence of a particular Director.
- 6.7. The agenda and Committee papers will be prepared and circulated to all Directors including members of the Remuneration and Nominations Committee prior to the meetings.
- 6.8. Meetings shall be held at least twice per year having regard to when director and executive remuneration is due for review in terms of the Company's remuneration policies. Any member of the Remuneration and Nominations Committee including the Chief Executive may request a meeting at any time if they consider it necessary.
- 6.9. Minutes of all meetings shall be kept.

## 7 Authorities

- 7.1. The Company will make recommendations to the Board on all matters requiring its decision. The Remuneration and Nominations Committee does not have the power or authority to make a decision in the Board's Company name or on its behalf, unless expressly authorised to do so.
- 7.2. The Remuneration and Nominations Committee is authorised by the Board, at the Company's expense, to obtain such outside legal or other independent information and advice including market surveys and reports, and to consult with such management and executive search consultants and other outside advisers with relevant experience and expertise, as it thinks necessary for carrying out its responsibilities.
- 7.3. The Remuneration and Nominations Committee may delegate any of its responsibilities to the Chairperson of the Remuneration and Nominations Committee from time to time and on such conditions as the Remuneration and Nominations Committee considers appropriate.
- 7.4. The Remuneration and Nominations Committee is authorised by the Board to investigate any activity covered by its role.
- 7.5. The Remuneration and Nominations Committee members may communicate with any Company employee to seek any information they require in order for the Remuneration and Nominations Committee to carry out its role.

## 8 Reporting Procedures

- 8.1. After each Remuneration and Nominations Committee meeting the chairperson will report the Remuneration and Nominations Committee's findings and recommendations to the Board.
- 8.2. The minutes of all Remuneration and Nominations Committee meetings will be circulated to members of the Board. Extracts from the minutes will be made available to such other persons as the Board directs, as may be necessary to enable them to properly carry out their functions.

## 9 Accountability to the Board

- 9.1. The Board will annually review the performance of the Remuneration and Nominations Committee against its objectives and responsibilities. Such objectives and responsibilities will also be reviewed (as against the Remuneration and Nominations Committee Charter) by the Board and any other person the Board considers appropriate.

Last reviewed: March 2020

Last updated: March 2020

# Market Disclosure Policy

## 1 Market Disclosure Policy

- 1.1. As a company listed on the NZX Main Board, Serko Limited (Serko or the Company) is committed to keeping the market informed of all material information relating to Serko and its shares. In doing so, Serko will comply with its obligations in relation to continuous disclosure of material information under the NZX Main Board Listing Rules (the Listing Rules).
- 1.2. Serko's Market Disclosure Policy and supporting practices have been established to ensure compliance with the NZX and ASX Listing Rules and applicable disclosure requirements of securities and other laws in New Zealand and Australia (to the extent required).
- 1.3. This policy reflects Serko's commitment to:
  - (a) maintaining a fully informed market through effective communication with the stock exchange(s) on which the Company is listed, the Company's shareholders, investors, analysts, media and other interested parties (together stakeholders); and
  - (b) providing all stakeholders with equal and timely access to material information concerning the Company that is accurate, balanced, meaningful and consistent.

This policy applies to all directors on the board of Serko (Board), as well as senior managers, employees and consultants of the Company (each a **Relevant Person**).

## 2 Core Principle

- 2.1. Serko is committed to notifying the market, through full and fair disclosure to the NZX and ASX, of any material information related to its business, unless an announcement is not required under exclusions provided under applicable listing rules and the Company chooses not to disclose the information.
- 2.2. Material information means any information that a reasonable person would expect to have a material effect on the price of the Company's securities. Materiality is assessed using measures appropriate to the Company and having regard to the NZX and ASX Listing Rules and related guidance.
- 2.3. The Company is mindful of the need to keep stakeholders informed through a timely, clear and balanced approach that communicates both positive and negative news.
- 2.4. The Disclosure Officer is responsible for administering this policy, including by ensuring procedures are in place to prevent inadvertent or selective disclosure of material information.
- 2.5. Material information that, in the opinion of the Disclosure Officer, may require disclosure will be provided to the Disclosure Committee for a decision.
- 2.6. The Disclosure Officer is responsible for all communication with the NZX and ASX and, as soon as the necessary internal approvals have been obtained, shall lodge the disclosure with the exchanges (where possible, this will occur outside of market trading hours).
- 2.7. The Disclosure Officer will arrange training for the Company's directors, senior managers and other relevant employees to:

- (a) assist with their understanding of the Company's and their own legal obligations relating to disclosure of price sensitive information, materiality and confidentiality;
- (b) raise awareness of internal processes and controls to ensure that information is appropriately escalated; and
- (c) promote compliance with this policy.

### 3 Disclosure Officer and Disclosure Committee

- 3.1. The Company's Board has appointed the Chief Financial Officer as the Disclosure Officer (**Disclosure Officer**).
- 3.2. The Disclosure Committee (made up of the Board Chair, the Chair of the Audit and Risk Committee, the Chief Executive, and the Chief Financial Officer or their respective nominees) is ultimately responsible for ensuring that the Company complies with its disclosure obligations. The quorum for meetings of the Disclosure Committee is two, which must include at least one non-executive director and either the Chief Executive or Chief Financial Officer.

### 4 Delegation

- 4.1. The Disclosure Committee may approve the delegation of aspects of administering this policy to Serko employees other than the Disclosure Officer. The delegation may be general or specific to a particular matter but may not include delegation of the approval to issue a disclosure.

### 5 Process for Identifying Material Information

- 5.1. Any Relevant Person who becomes aware of any information that is or may be material information must:
  - (a) promptly and without delay alert the Disclosure Officer and provide the Disclosure Officer with all relevant information in relation to the matter or event, which may include:
  - (b) a general description;
  - (c) details of the parties involved;
  - (d) its status and potential consequences; and/or
  - (e) the value implications and potential impact on Serko's financial performance or position; and
  - (f) keep the information confidential, and not disclose it to other persons (such as investors, analysts, media, customers and suppliers) until it is released to the NZX and ASX and becomes publicly available.
- 5.2. It is important that all potentially material information, regardless of whether its consequences are fully known, be immediately reported in the manner described above. Directors and senior managers may be deemed to have known material information even if it was not brought to their attention if it is determined by the regulator that he or she ought reasonably to have come into possession of the information in the normal course of their duties (this is known as the "constructive knowledge" test).
- 5.3. The Disclosure Officer may also require that a Relevant Person confirm, on a regular basis, that they have made all reasonable enquiries to ensure all material information required to be disclosed by the Company has been provided to the Disclosure Officer.
- 5.4. As a matter of routine, monthly trading metrics will be monitored for any trends that may give rise to material information.

## 6 Review of Communications for Disclosure

- 6.1. The Disclosure Committee will review all communications to the market that, in the opinion of the Disclosure Officer, may have a material effect on the price of the Company's securities, to ensure such communications do not cause any unintended breaches of this policy or obligations under the law. If he or she deems it necessary to do so, the Disclosure Officer may seek external advice as to whether a communication might materially affect the price of Serko's securities.
- 6.2. Stock exchange listing rules and legislation provide exemptions from the need to disclose certain information and in such circumstances the Company will not be required to disclose that information.
- 6.3. Where a matter is considered for disclosure and a decision is made not to disclose, the reason for that decision will be documented at the time and retained by the Company.
- 6.4. At the end of each Board meeting, the Board will specifically consider whether there are any matters requiring disclosure arising from the matters discussed at the meeting or otherwise.

## 7 Authorised Spokespersons

- 7.1. Serko will keep the number of executives authorised to speak on behalf of the Company to an appropriate level to avoid inconsistent communications and to reduce the risk of information being selectively released.
- 7.2. The Company's authorised market disclosure spokespersons are the Board Chair and the Chief Executive, or their respective nominees. The Board Chair or the Disclosure Committee may authorise other spokespersons on specific matters.
- 7.3. Wherever possible, Serko will have at least two Company representatives at formal stakeholder briefings.
- 7.4. Other than approved spokespersons, no employee or associated party (such as a contractor, secondee or advisor) is permitted to comment publicly on undisclosed material information. Any information that is not public should be treated by employees and associated parties as confidential until publicly released.
- 7.5. Authorised spokespersons will liaise closely with the Disclosure Officer or his or her nominee in advance to ensure all proposed public comments satisfy this policy and to minimise the risk of inadvertent disclosures of material information.

## 8 Making and Disseminating Announcements

- 8.1. Once the requirement to disclose information has been determined, the Disclosure Officer (or his or her nominee) will be the only persons authorised to release that information.
- 8.2. Serko will not release any information publicly that is required to be disclosed through the NZX and/or ASX until it has been released to the stock exchanges (unless permitted to do so under the NZX and ASX Listing Rules). The information may also be:
  - (a) issued to news outlets and major news wire services;
  - (b) published on Serko's website and intranet site;
  - (c) shared with Company employees via other channels; and
  - (d) broadcast via email and/or other means to key stakeholders.



- 8.3. Where a joint disclosure between the Company and a joint venture or project partner is considered to be necessary or desirable, Serko will generally endeavour to ensure that the other parties have the opportunity to review the content of the disclosure before its release. Serko will advise the other parties of the need for it to comply fully with its disclosure obligations.

## 9 Preventing a False Market Developing

- 9.1. The Disclosure Officer will arrange for conventional and social media to be monitored for speculation and rumours, as well as Serko's share price, so as to assist Serko to meet its obligation to prevent the development of a false market for its shares.
- 9.2. Serko will not generally comment on market or media speculation or rumours. However, if the Disclosure Officer or a Director determines that confidential information may have been disclosed or there is a risk that a false market for Serko's shares may exist, the Disclosure Officer or the relevant Director will promptly convene a meeting of the Board or Disclosure Committee to consider the matter and provide information received or held by him or her in relation to the matter to the Board.
- 9.3. Serko will release material information to NZX and ASX to the extent necessary to prevent the development or subsistence of a market for Serko's shares which is materially influenced by false or misleading information emanating from Serko or an associated person or another credible source. Serko may be required to provide this information even if an exception to the continuous disclosure rules applies.

## 10 Trading Halts

- 10.1. If necessary, the Disclosure Committee may consider requesting a trading halt from NZX and ASX to ensure orderly trading of the Company's securities and to manage disclosure issues.

## 11 Investor and Media Relations Programme

- 11.1. Serko is committed to undertaking a multi-faceted investor and media relations programme. The Company will communicate with stakeholders in a consistent and even-handed manner.
- 11.2. The Company will respond on a timely basis to reasonable requests from stakeholders for comment on Company matters.
- 11.3. Material information will not be disclosed in any one-on-one discussions or meetings with stakeholders before formally disclosing it to the market.
- 11.4. The Disclosure Committee must be briefed immediately after meetings with stakeholders where material information has been inadvertently revealed and may need to be disclosed to the market. Serko will make a record of all briefings with stakeholders unless a recording or transcript of the presentation is published on the Company's website. The Disclosure Officer will review records of briefings and discussions with stakeholders afterwards to check whether any material information has been inadvertently revealed and may need to be disclosed to the market.
- 11.5. Slides and presentations used in stakeholder briefings or meetings will be given to NZX and ASX for release to the market and published on the Company's website.

## 12 Annual and interim financial results

- 12.1. Proposed disclosures of Serko's draft annual and interim results and accompanying news releases and presentations must be reviewed and approved by the Audit and Risk Committee prior to approval by the Board.
- 12.2. When preparing annual and interim financial results, the information will be restricted to people who require the information on a "need to know" basis to assist to maintain its confidentiality prior to release to the market.

## 13 Results Reporting Programme

- 13.1. Serko will hold briefings at the time of the release of the interim and annual results. The briefings will be followed by a programme of meetings with stakeholders (as required).
- 13.2. During the time between the end of the financial year (31 March) or half year (30 September) and the release of results for the period, Serko will generally not discuss with any third party the Company's financial performance, broker forecasts or forecast ranges or any other financial results-related information unless the information discussed has already been disclosed to NZX and ASX.

## 14 Web-based Communications

- 14.1. Serko's website is an important channel for releasing information to stakeholders. It will feature an investor section designed to ensure that relevant public information can be accessed by stakeholders. Such information may include:
  - (a) annual reports and result announcements;
  - (b) other Company announcements made to relevant exchanges;
  - (c) written information provided to stakeholders at briefings, presentations, site visits or conferences;
  - (d) Company profile information;
  - (e) shareholding related information;
  - (f) dividend-related information (if any).
- 14.2. If any proposed website disclosures contain information that in the opinion of the Disclosure Officer may contain material information the Disclosure Committee must approve drafts of the information before being posted on the website.
- 14.3. Information lodged with the NZX and ASX will be made available on Serko's website after the receipt of that information has been confirmed.
- 14.4. Website information will be reviewed and updated to ensure all information is current, or appropriately dated and archived.
- 14.5. Historical information should be archived and clearly dated to ensure viewers are aware that it may be out of date.

## 15 Analyst Forecasts and Reports

- 15.1. Serko will survey broking analysts' financial and key operating metric forecasts in order to inform the Board of market expectations.
- 15.2. Any Serko comment on analyst reports and forecasts will be restricted to information that the Company has publicly issued and other information that is in the public domain. The Company will generally make comment in relation to publicly issued information and Company statements only to correct factual errors.
- 15.3. If Serko becomes aware that in general the market's earnings projections materially differ from its own estimates, the Company may consider it appropriate to issue an earnings announcement or other statement.

## 16 Chat Rooms and Social Media

- 16.1. Serko employees or associated persons (such as secondees, contractors, and advisors) must not participate in unauthorised chat room or social media discussions where the subject matter relates to the Company.
- 16.2. Where social media platforms are sanctioned by the Company and in use as part of a legitimate business function such as marketing activity, spokespersons must be authorised by the Chief Executive (or his or her delegate).

## 17 Inadvertent Disclosure or Mistaken Non-disclosure

- 17.1. If material information is inadvertently revealed or a director, senior manager or employee becomes aware of information which should be disclosed, the Disclosure Officer must be informed immediately so that appropriate action can be taken including, if required, announcing the information through NZX and then posting it on the Company's website.

## 18 Compliance

- 18.1. All Relevant Persons are required to comply with this policy and must ensure they are familiar with its requirements. Failure to comply with this policy may lead to a breach of applicable legislation or the Listing Rules. This may result in liability for Serko and in turn may lead to personal penalties for Directors and senior managers. Breach of this policy may lead to disciplinary action, up to and including dismissal (or termination of existing contractual arrangements for contractors or other agents). In some circumstances, a breach of policy may result in civil or criminal liability.
- 18.2. Each Relevant Person must report to the Disclosure Officer for investigation any known or suspected instances of non-compliance (including inadvertent or accidental instances) or events that have given rise to a material risk of non-compliance.

## 19 Policy Review

- 19.1. The Board will review this policy at least annually.

Last reviewed: March 2020  
Last updated: February 2019

# **Diversity & Inclusion Policy**

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## **1 Vision and Purpose**

- 1.1. The Serko Limited (Serko or the Company) Board believes that building diversity of thought across the organisation will deliver enhanced business performance. Diverse backgrounds, experience and perspectives are viewed as critical to building a leading-edge business and delivering for customers.
- 1.2. Serko already has a diverse workforce comprising many individuals with a range of skills, values, backgrounds, gender and education; and remains committed to selecting and retaining the best employees from a diverse range of backgrounds. Such diversity means that employees have a wide array of perspectives and encourages opportunities for full participation of ideas at every level of the Company. This promotes and enhances business growth and performance, helping to drive an inclusive, high-performance environment.
- 1.3. Serko treats its obligations as a responsible employer seriously and recognises value in employees viewing Serko as their employer of choice.
- 1.4. This commitment to diversity and inclusiveness is reflected in our values, and our policies and principles.

## **2 Principles**

- 2.1. This policy is implemented by way of promoting the following principles:
  - (a) Promoting a working environment free from discrimination, harassment and victimisation;
  - (b) Emphasising the accountability of our leaders to cultivate a culture of inclusion in which the strengths of every individual are recognised and valued;
  - (c) Raising employee awareness of workplace diversity by designing, delivering, and measuring the effectiveness of programmes that promote workforce diversity, and gender equity;
  - (d) Striving to ensure that all employees and contractors receive equal and fair treatment in all aspects of the company's employment policies and practices;
  - (e) Promoting a culture that empowers and rewards employees to act in accordance with this policy;
  - (f) Reviewing progress against diversity objectives and initiatives developed by the Company to deliver outcomes against the diversity policy; and
  - (g) Regularly benchmarking our diversity standpoint, status and objectives against appropriate external comparators.

## **3 Diversity Measurable Objectives**

- 3.1. The Remuneration and Nominations Committee will each year recommend to the Board measurable objectives for achieving the Principles set out in this Diversity and Inclusion Policy.
- 3.2. The Board will assess annually both the measurable objectives and the Company's progress towards achieving them and will ensure the appropriate disclosures are made in the annual report.

## **4 Recruitment, Selection and Succession Planning**

- 4.1. The Remuneration and Nominations Committee is responsible for the development and succession planning process for the Board, Chief Executive Officer (CEO) and the CEO's direct reports. In discharging this responsibility, the Remuneration and Nominations Committee will have regard to diversity criteria.

## **5 Review and Ownership**

- 5.1. The Board is responsible for the review and oversight of this Policy. It will be updated annually or as otherwise required or necessary.

Last reviewed: March 2020

Last updated: March 2020

# Managing Risk Policy

## 1 Policy Statement

- 1.1. Serko Limited (Serko or the Company) is committed to proactively and consistently managing risk in order to:
  - Enhance and protect Serko’s value by delivering on our commitments and meeting stakeholders’ expectations;
  - Allow Serko to pursue opportunities in an informed way and aligned with the Board’s risk appetite; and
  - Ensure a safe and secure environment for Serko people (employees and contractors), partners and customers.
- 1.2. A robust risk management framework is a valuable strategic tool. It enables Serko to proactively manage risk, by setting out disciplines that can be embedded in day to day business operations and decision-making processes.

### KEY CONCEPTS

- 1.3. Risk is anything that has the ability to impact on our ability to achieve Serko’s goals and objectives and is, therefore, interconnected with Serko’s business plan and strategy. Risk is assessed in terms of a combination of the impact and likelihood of an event occurring, and can be categorised according to the areas they could potentially impact.

These are:

- Commercial/financial sustainability;
  - Performance of core business;
  - Stakeholder confidence/reputation;
  - People safety and resource availability; and
  - Regulatory/contractual.
- 1.4. Principal Risks are the key risks facing Serko and are identified and reviewed by the Board annually. The Board, through the Audit and Risk Committee, regularly monitors Management’s management of these Principal Risks.
  - 1.5. Risk appetite describes Serko’s tolerable levels of risk. It draws together risk metrics and risk management so they can be translated into everyday business decisions, reporting and discussions. Risk appetite is set by the Board and reviewed annually. It sets the boundaries, which form a dynamic link between strategy, target setting and risk management.
  - 1.6. Risk management is the process through which risk is managed and includes risk identification and reporting through to risk mitigation and allocating risk ownership.

## 2 Background

- 2.1. Serko is committed to ensuring rigorous risk management processes are in place.
- 2.2. To implement risk management effectively, it must be integrated into Serko's business operations, projects and decision-making processes. It is part of our mindset and integral to the way we do things.
- 2.3. If Serko does not manage its risk effectively, this may result in shareholder dissatisfaction, loss of revenue or increased costs (including from investigations, litigation, penalties or damages), other loss of shareholder value, negative publicity, reputational damage, the potential loss of customers or injury to Serko people and partners.

## 3 Objectives

- 3.1. The key objectives of this policy are to:
  - Ensure that all Serko people are aware of their responsibility to manage risk.
  - Mandate one framework for the management of risk in Serko. Our framework:
    - ensures the Board sets the risk appetite and reviews the Principal Risks bi-annually;
    - integrates risk management in line with the Board's risk appetite into our structures, policies, processes and procedures; and
    - delivers regular Principal Risk review and monitoring.
  - Ensure that the CEO and his Executive team have discretion to select the approach they use to manage risk within the guidance provided in our framework.
  - Mandate regular measurement and reporting on the efficiency and effectiveness of our risk management processes.
  - Encourage balancing the level of control implemented to mitigate identified risks with our commitment to comply with external regulation and governance requirements and our value and growth aspirations.
  - Meet or exceed international best practice standards for risk management processes and related governance.

## 4 Roles and Responsibilities

- 4.1. The roles and responsibilities in relation to this policy are as follows:

### **SERKO BOARD OF DIRECTORS**

- Approving this policy and the supporting framework to promote a culture of proactively managing risks, setting Serko's risk appetite and reviewing Serko's Principal Risks annually.
- Through the Audit and Risk Committee, provide oversight and monitoring, including through receipt of regular reporting from Management on Principal Risks.

### **CHIEF EXECUTIVE OFFICER (CEO)**

- Promoting a culture of proactively managing risks, aligned with this policy and the Board's risk appetite.
- Reviewing Serko's Principal Risks regularly and regularly reporting to the Audit and Risk Committee regarding that review and, at other times by exception, reporting on any changes to the rating of Principal Risks.
- Monitoring of action plans to mitigate risks rated as critical and high on a pre- mitigation basis.

#### **CHIEF FINANCIAL OFFICER (CFO)**

- Providing a single framework for risk management in Serko consistent with this policy and the Board's risk appetite.
- Providing the framework to enable the identification of compliance obligations and the compliance controls embedded in the business that ensure Serko's obligations are met. Wherever possible the risk and compliance frameworks will be aligned.
- Facilitating regular reviews and updates to the CEO and to the Audit and Risk Committee.

#### **SENIOR MANAGEMENT TEAM**

- Providing leadership in Serko for risk management by:
- Identifying, managing, updating and monitoring risks.
- Creating a focus on risk awareness and management for their teams.
- Ensuring that key decisions are made taking into account risk factors.
- Ensuring that mitigations are in place and are effective.

#### **ALL SERKO PEOPLE**

- 4.2. Appropriately identify and manage the risks in their work.

#### **SUPPORTING FUNCTIONS**

- 4.3. Independent assurance providers, including Internal Audit and External Audit advisers will undertake periodic reviews to assess:
- The effectiveness of internal processes and controls for managing risk; and
  - The effectiveness of relevant aspects of Serko's risk management implementation as appropriate.

## **5 Policy Review**

- 5.1. The Board will review this policy at least annually.

Last reviewed: March 2020

Last updated: March 2020



# **External Audit Independence Policy**

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## **1 Policy Statement**

- 1.1. This policy is designed to provide guidance on the provision of external audit services to ensure that auditor independence is maintained, thus ensuring Serko's reputation for reliable and credible financial reporting is protected.
- 1.2. For the purposes of this policy 'external audit' means the review of financial statements to confirm that they are a true and fair view of the financial position of the company and that the financial statements comply with applicable financial standards and financial legal obligations.

## **2 External Auditor Engagement**

- 2.1. The Board will approve the engagement and audit fee of the external auditor.
- 2.2. The continued appointment of Serko's external auditors is to be confirmed annually by the Audit and Risk Committee.
- 2.3. Rotation of the key audit partner will be required in line with best practice and in any case at least every five years and three years must expire between the rotation of an audit partner and that partner's next engagement by Serko.
- 2.4. The external auditor will confirm to the Audit and Risk Committee annually that he/she and his/her firm are in compliance with professional standards and ethical guidelines of the New Zealand Institute of Chartered Accountants.
- 2.5. The external auditor will monitor his/her firm's independence and confirm to the Audit and Risk Committee bi-annually that it has remained independent during the previous six months.

## **3 Provision of Non-Audit Services by Serko's External Auditor**

- 3.1. The Audit and Risk Committee has adopted the following guidelines to ensure that related assurance services provided by Serko's auditors are not perceived as conflicting with the independent role of the auditor.
- 3.2. The general principles to be applied in assessing related assurance services are as follows:
  - (a) the external auditor may not have any involvement in the production of financial information or preparation of financial statements such that they might be perceived as auditing their own work. This includes the provision of valuation services where such valuation forms an input into audited financial information;
  - (b) the external auditor may not perform any function of management, or be responsible for making management decisions;
  - (c) the external auditor may not be responsible for the design or implementation of financial information systems; and
  - (d) the separation between internal and external audit should be maintained.

### **SERVICES PERMITTED TO BE PERFORMED**

- 3.3. The Audit and Risk Committee must pre-approve the general nature of all audit and related services that are to be provided by the auditor.
- 3.4. Aside from core audit services (which includes statutory, regulatory and stock exchange audit requirements), it is appropriate for Serko's external auditors to provide the following services, with prior approval from the Audit and Risk Committee:
- (a) accounting policy advice (including opinions on compliance with New Zealand Generally Accepted Accounting Practice);
  - (b) taxation compliance and advisory services;
  - (c) accounting/technical training; and
  - (d) other pre-approved services not listed above.

### **SERVICES NOT PERMITTED TO BE PERFORMED**

- 3.5. It is not considered appropriate for Serko's external auditor to provide:
- (a) book-keeping or other services related to the accounting records or financial statements of Serko;
  - (b) designing or implementing financial information systems, processes and controls for Serko;
  - (c) providing appraisal or valuation services where the valuation will be used in the financial statements of Serko;
  - (d) providing actuarial services;
  - (e) involvement in Serko's internal audit programme;
  - (f) performing any function of management at Serko;
  - (g) staffing of temporary roles;
  - (h) legal services (these are services that should only be provided by a person who is qualified in law); and
  - (i) broker, dealer, corporate finance or investment banking-type services.

## **4 Other Procedural Requirements**

- 4.1. While this policy does not prescribe any particular ratio of "other" service fees to audit fees, the Audit and Risk Committee should monitor this ratio regularly. Accordingly, the nature of services provided by Serko's external auditors and the level of fees incurred should be reported to the Audit and Risk Committee on a six-monthly basis to enable the Committee to perform its oversight role.

## **5 Ownership**

- 5.1. This is a Board Policy that is owned by the Audit and Risk Committee. It will be updated annually or as otherwise required.

## **6 Policy Review**

- 6.1. The Board will review this policy at least annually.

Last reviewed: March 2020

Last updated: March 2020

# Remuneration Policy

## 1 Policy Statement

- 1.1. Serko Limited's ("Serko") remuneration policy supports the company to attract, retain and motivate high calibre people to achieve the Company's business objectives and create shareholder value.
- 1.2. Serko is committed to applying fair and equitable remuneration and reward practices in the workplace, taking into account internal and external relativity, the commercial environment, the ability to achieve the Company's business objectives, and the creation of shareholder value.

## 2 Purpose of this Policy

- 2.1. The purpose of this policy is to outline the remuneration principles which apply to all directors and employees to ensure that remuneration practices within Serko are fair and appropriate for the organisation and its employees, and there is a clear link between remuneration and performance.

## 3 Remuneration of Non-Executive Directors

- 3.1. Serko's shareholders have approved a total cap of NZD\$450,000 per annum for non-executive directors' fees, for the purposes of the NZX Listing Rules.
- 3.2. The Board has agreed that the following fixed annual fees will apply to all non-executive directors until further agreed:

	Position	Fees per annum
Board of Directors	Chair	AUD\$120,000
	Non-Executive Directors	AUD\$75,000
Committees	Chair	AUD\$15,000
	Member	-

- 3.3. Non-executive-directors do not receive any performance-based remuneration to ensure incentives do not conflict with non-executive directors' obligation to bring an independent judgement to matters before the Board. However, the non-executive directors were loaned money to acquire shares in Serko at the time of the initial public offering to align their interests with shareholders and may receive equity-based remuneration in lieu of director fees.
- 3.4. Non-executive directors are encouraged to reinvest a portion of their director fees to acquire Serko shares under a fixed trading plan, which was established in accordance with section 260 of the Financial Markets Conduct Act 2013.
- 3.5. The non-executive directors are entitled to be reimbursed for all reasonable travel, accommodation and other expenses incurred by them in connection with their attendance at Board or shareholder meetings or otherwise in connection with Serko's business.

- 3.6. No retirement benefits will be paid to the non-executive directors on their retirement.
- 3.7. The Remuneration and Nominations Committee reviews the level of directors' fees annually.
- 3.8. Procedures for the approval of remuneration levels for non-executive directors are set out in Serko's Constitution and are governed by the NZX Main Board Listing Rules ("Listing Rules") and the Companies Act 1993.

## 4 Remuneration of Senior Managers

- 4.1. Under Serko's remuneration framework:
  - (a) Individual performance, ensuring there's no gender or other inappropriate bias, and market relativity are key considerations in all remuneration-based decisions, balanced by the organisational context.
  - (b) Remuneration includes a mix of fixed and variable components. A summary of the current components that may be provided to employees is set out below:
    - (i) *Fixed remuneration includes base salary and employer superannuation contributions (where relevant).*
    - (ii) *A discretionary Short-Term Incentive (STI) may be offered for permanent employees, at the discretion of the Chief Executive (or be offered to the Chief Executive and Chief Strategy Officer, at the discretion of the Board). Serko's STI is performance based, with any STI payment being conditional on satisfaction of pre-determined Company and individual performance (including financial) objectives.*
    - (iii) *A discretionary Sales Incentive/Business Development Plan (SIP) may be offered to sales and business development staff, at the discretion of the Chief Executive. The SIP is designed to incentivise sales and business development staff to meet or exceed sales and business development targets.*
    - (iv) *A Long-Term Incentive (LTI) Plan may be offered to key employees, as approved by the Board. Grants under Serko's LTI Plans are based on satisfaction of pre or post-performance hurdles and deferred vesting or exercise periods. Serko currently operates long-term incentive schemes in the form of restricted share units and options.*
  - (c) In addition, Serko may offer benefits to employees, which are not considered part of the employee's Total Remuneration.

## 5 Responsibilities

### SERKO BOARD

- 5.1. The Serko Board is required to approve:
  - (a) The Company's remuneration policy.
  - (b) Remuneration proposals and performance decisions concerning the Chief Executive and Executive Team, unless specifically delegated by the Board to the Remuneration and Nominations Committee.
  - (c) The budget for the organisation's annual remuneration review.
  - (d) The structure of any incentive scheme(s) offered to Serko employees.
  - (e) The outcome of any organisational performance measure used to determine payments under a Serko incentive scheme.

## **SERKO REMUNERATION AND NOMINATIONS COMMITTEE**

5.2. The Serko Remuneration and Nominations Committee is required to review:

- (a) Proposed changes to the Remuneration Policy.
- (b) Proposed remuneration for the Executive Team.
- (c) Objectives and performance ratings of the Executive Team.
- (d) And manage any conflicts of interest present when determining remuneration outcomes at all levels of the organisation.

## **SERKO CHIEF EXECUTIVE**

5.3. The Chief Executive is required to:

- (a) Make recommendations to the Remuneration and Nominations Committee on Executive remuneration matters.
- (b) Make recommendations to the Remuneration and Nominations Committee on incentive proposals and outcomes, and to propose changes to remuneration policy.
- (c) Approve the outcome of the organisation's remuneration review.

## **MANAGERS**

5.4. All remuneration decisions or proposals must be consistent with Serko's remuneration policy, principles and guidelines, and require "one up" approval, i.e. a manager may not change the remuneration terms of any person reporting to them, without the approval of their own manager.

## **6 More Information**

For guidelines and additional detailed information about provisions within this policy, refer to the HR section of the intranet, or speak to the Head of People, Performance and Culture.

## **7 Review**

The Remuneration Policy is subject to annual review by the Board.

Last reviewed: March 2020

Last updated: March 2020

# Anti-bribery and Corruption Policy

## What is this policy about?

1. Serko is committed to conducting its business in an honest and ethical manner. We expect all staff to maintain high professional standards and to conduct themselves in accordance with our Code of Ethics.
2. We take a zero-tolerance approach to bribery and corruption, and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. We are committed to meeting high standards of conduct that apply to our business activities and that of our business partners, including the NZX Corporate Governance Code, the ASX Corporate Governance Principles and Recommendations, the US Foreign Corrupt Practices Act 1977 and the UK Bribery Act 2010.
3. It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished with imprisonment and a substantial fine. As an organisation, if we engage in, or fail to prevent, bribery, we can face an unlimited fine, be excluded from tendering for public contracts, and damage to our reputation.
4. This policy sets out our responsibilities, as well as of those working for and on our behalf, in observing and upholding our requirements on bribery and corruption, the giving or acceptance of gifts, and dealing with government officials. It also provides information on how to recognise and deal with policy breaches or concerns.

## Who must comply with this policy?

5. This policy applies to Serko's operations and business activities worldwide. It applies to all persons working for us or our wholly-owned subsidiaries or on our behalf in any capacity, including employees at all levels, directors, officers, consultants, contractors, interns, secondees, external consultants, third-party representatives, agents and business partners.
6. Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct. Any non-employee who breaches this policy may have their contract terminated with immediate effect.
7. This policy does not form part of any employee's contract of employment and we may amend it at any time.

## What is bribery and corruption?

8. A **bribe** is a financial or other inducement or reward for action which is illegal, unethical, a breach of trust or improper in any way. Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, business opportunities, the award of a contract or any other advantage or benefit.
9. **Bribery** includes offering, promising, giving, accepting or seeking a bribe.
10. **Corruption** is the abuse of entrusted power or position for private gain.

## All bribes are prohibited

11. You must not give, offer, accept, promise, request or authorise a bribe, whether directly or indirectly, including to/from government officials (defined in paragraph 12 below), or in commercial transactions.

For example, you must not:

- (a) give, offer or authorise any payment, gift, hospitality or other benefit in the expectation that an improper business advantage will be received in return, or to reward any business received;
- (b) give, accept or authorise a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- (c) accept any offer from a third party that you know (or suspect) is made with the expectation that we will provide a business advantage for them or anyone else;
- (d) give, offer or authorise payment to a third party representative when you know, or have reason to believe, that that representative will use any part of that payment for bribes; or
- (e) threaten or retaliate against another person who has refused to offer or accept a bribe or who has raised concerns under this policy.

## Dealing with government officials

12. There are additional and specific prohibitions that apply to government officials. Unless you have obtained prior written authorisation from the Head of Legal and Commercial, you must not:

- (a) give, offer or authorise a payment (sometimes called a facilitation payment) to a government official to secure or expedite a routine or necessary procedure (e.g. issuing a licence or permit); or
- (b) hire a government official or someone suggested by a government official to help us obtain or retain a business opportunity.

13. Any gifts, hospitality, travel or anything of value to a government official must meet the criteria set out in Clause 20 and be authorised in advance by your Manager.

14. A **government official** is any of the following:

- (a) an employee of a government entity or division or subdivision of that entity, including an elected official;
- (b) an officer or employee of a company that is owned or controlled by government (such as a state-owned enterprise);
- (c) a private person acting on behalf of or representing a government entity or government owned or controlled entity;
- (d) a political party official or a candidate for political office; or
- (e) an officer, employee or representative of any public international organisation (such as the United Nations).

If you are not sure if someone is a government official, please contact the Serko Legal team.

## Dealing with business partners and other representatives

15. Our business partners, resellers, suppliers, agents and other representatives (including travel management companies, content providers and IT vendors) help us earn and maintain our reputation in the market.
16. You must not allow our representatives to do anything that this policy prohibits you from doing.
17. You must only deal with representatives you trust and reasonably believe are legitimate businesses that operate with integrity. All business arrangements must be appropriately documented.

## Making political and charitable contributions

18. We do not make donations to political parties.
19. From time to time, we may participate in fund-raising events to raise money for charitable causes and charities. We will only make charitable donations that are legal and ethical under local laws and practices. You must not offer or make a charitable donation on behalf of Serko without the prior written authorisation of the Chief Financial Officer.

## What gifts and hospitality are acceptable?

20. Before giving, accepting or authorising gifts, hospitality or anything of value, you must ensure that:
  - (a) they are not bribes or kickbacks, and that there is a legitimate business purpose for such gifts and hospitality (such as marketing our products and services or building a business relationship);
  - (b) it is not intended as, or does not appear to be, an inducement or reward for any preferential treatment or to improperly influence a business decision;
  - (c) it is reasonable and appropriate in scale and expense, taking into account the reason for the gift or hospitality and standard business practice (e.g. small gift for presenting at a work-related conference or light refreshments during a meeting would be acceptable); and
  - (d) it is given or accepted openly and not in secret.
21. You must not give, accept or authorise a restricted gift, hospitality or anything of value ("Restricted Gift") unless you have obtained prior written authorisation from both your manager and the Chief Financial Officer. The following are considered Restricted Gifts:
  - (a) it exceeds AUD/NZD 300 or USD/GBP/EUR 200 per person ("Value Limits"); or
  - (b) it includes cash or a cash equivalent (e.g. gift cards, shopping vouchers or dining vouchers); or
  - (c) it is, or could reasonably be seen as, lavish or extravagant (e.g. expensive tickets to a major cultural or sporting event, luxury items such as jewellery or upgrades on flights).

## Do I have to declare gifts, hospitality and other benefits?

22. If you have been offered a gift or other benefit, you should, where possible, inform your manager of this fact before accepting it, in order to determine the appropriate action required. The benefit can be approved, declined, donated or returned.
23. You must record in the Gift Register any gift, hospitality or benefit given, accepted or authorised on behalf of Serko in excess of the Value Limits within 5 business days.



24. You must submit all expenses claims relating to gifts, hospitality or payments to third parties in accordance with our Company Policy, Travel Policy and Credit Card Usage Policy and record the reason for the expenditure.
25. It is our policy to implement and maintain internal accounting controls based on sound accounting principles. All accounting entries must be timely and accurately recorded and include reasonable detail to fairly reflect transactions. These accounting entries and supporting documents must be periodically reviewed to identify and correct discrepancies, errors and omissions.
26. Accounts must not be kept “off-book” to facilitate or conceal improper payments.

## How do I raise a concern?

27. In accordance with our Code of Ethics, you have a responsibility to help detect, prevent and report instances of bribery and corruption as well as any other suspicious activity or wrongdoing in connection with our business.
28. If you are offered a bribe, or are asked to make one, or if you suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must report it as soon as possible in accordance with our Whistleblowing Policy.

## Who owns and manages this policy?

29. The Board and the Audit and Risk Committee is responsible for oversight and monitoring of this policy. If you have any questions or need help with this policy, you can contact the Serko Legal team.
30. The Serko Legal team provides training on the policy on periodic basis.
31. The Audit and Risk Committee conducts annual reviews to ensure that this policy operates effectively and to assess whether any changes are required.

## Documents related to this policy:

- Code of Ethics
- Whistleblowing Policy
- Travel Policy
- Credit Card Usage Policy
- Sanctions Policy
- Corporate Governance Manual

Policy prepared: May 2020

# **Whistleblowing Policy**

## **What is this policy about?**

1. Serko is committed to conducting its business with honesty and integrity. We expect all staff to maintain high professional standards and to conduct themselves in accordance with our Code of Ethics. However, all organisations face the risk of things going wrong from time to time, or unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential to prevent such situations from occurring and to address them if they occur.
2. This policy encourages staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected. It also provides staff with guidance on how to raise concerns.

## **Who must comply with this policy?**

3. This policy applies to all persons working for us or our wholly owned subsidiaries, including employees at all levels, directors, officers, consultants, contractors, interns and secondees.
4. There are additional requirements that apply to officers and employees in Australia, available for review in Serko's Intranet.
5. This policy does not form part of any employee's contract of employment and we may amend it at any time.

## **What is whistleblowing?**

6. Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to our activities. This includes:
  - financial irregularity, including a fraud against Serko or a customer or supplier, misappropriation of funds or facilitation of tax evasion;
  - corrupt conduct, including giving, accepting or authorising bribes;
  - criminal conduct, including theft or violence;
  - unethical or other improper conduct, including a breach of our Code of Ethics;
  - failure to comply with a legal or regulatory obligation, including conduct that may cause danger to health and safety or to the environment; or
  - engaging in or threatening to engage in retaliatory conduct against a person who has made a disclosure or is believed or suspected to have made or be planning to make a disclosure.

## How do I raise a concern?

7. You can raise concerns about wrongdoing with any one of the following:
  - your Manager
  - Head of People, Performance and Culture
  - Head of Legal and Commercial
  - Chief Operations Officer
  - Chief Financial Officer
  - Chief Executive Officer
  - an Independent Director of the Board of Serko Limited (via SerkoCOEDirectors@serko.com).
8. The earlier you report a concern, the easier it may be to take action. Although not essential, it is helpful if you are able to provide some or all of the following information when you are raising concerns about wrongdoing because it will assist in any investigation:
  - the nature of the wrongdoing
  - any background to the wrongdoing, including dates and history of the issue
  - why you believe the allegation of wrongdoing is true
  - any supporting information.
9. We will arrange a meeting with you as soon as possible to discuss your concern. You may bring a colleague or another person you trust to any meetings under this policy. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.
10. The law recognises that, in some circumstances, it may be appropriate for you to report your concerns to an external body such as a regulator. In most cases you should not find it necessary to alert anyone externally as this policy provides an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. We strongly encourage you to seek advice before reporting a concern to anyone external.

## Will my concerns be treated with confidentiality?

11. We hope that you will feel able to voice whistleblowing concerns openly under this policy. It is difficult to investigate disclosures that are completely anonymous.
12. If you want to raise your concern confidentially, we will make every effort to keep your identity secret and only reveal it where necessary to those involved in investigating your concern. You can, for example, request that your identity be redacted or that your identity be disclosed only to one person, say, the Head of Legal and Commercial.
13. If you raise a concern about wrongdoing, you must keep the information disclosed confidential between yourself and the person to whom you have raised the concern.
14. Any information you disclose will be treated confidentially and only shared to the extent necessary to allow the person to whom the disclosure was made to conduct a fair and thorough investigation, and to take any remedial action, in accordance with applicable laws.
15. You have a duty to co-operate, as required, in the investigation of reports of any potential discrimination, retaliation, threats or harassment resulting from the reporting or investigation of any wrongdoing.

## What can I expect after I raise a concern?

16. All whistleblowing concerns will be treated seriously and addressed promptly and discreetly (as far as is reasonably possible).
17. Investigation processes will vary depending on the nature of the conduct reported. Once you have raised a concern, we will carry out an initial assessment to determine the scope of any investigation. Within 20 working days of your concern being raised, we will inform you of the outcome of our assessment and decision as to whether or not to fully investigate the matter.
18. All investigations must be conducted as soon as practically possible in a manner that is fair, objective and affords natural justice to all people involved. You should treat any investigation as confidential.
19. If we conclude that a whistleblower has made false allegations maliciously, the whistleblower will be subject to disciplinary action.
20. While we cannot always guarantee the outcome you are seeking, we will try to deal with your concern fairly and in an appropriate way. If you are not happy with the way in which your concern has been handled, you can raise it with one of the contacts in paragraph 7 of this policy.

## Is protection and support available for whistleblowers?

21. It's understandable that whistleblowers are sometimes worried about possible repercussions. We encourage openness and will support whistleblowers who raise genuine concerns under this policy, even if they turn out to be mistaken. You will not face disciplinary actions or be disadvantaged on the grounds that you have reported a wrongdoing in good faith.
22. We will not tolerate any behaviour that discourages someone from reporting a wrongdoing or is seen as retaliation to a reported wrongdoing.
23. Retaliatory actions may include dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have, or anyone else has, suffered any such treatment, you should inform one of the contacts listed in paragraph 7 of this policy immediately. If the matter is not remedied, you should raise it formally using our Grievance Procedure.
24. If you threaten or retaliate against whistleblowers in any way, you may be subject to disciplinary action.
25. If we conclude that a whistleblower has made false allegations maliciously, the whistleblower may be subject to disciplinary action.

## Who owns and manages this policy?

26. The Board is responsible for oversight and monitoring of this policy. If you have any questions or need help with this policy, you can contact the Serko Legal team.
27. The Serko Legal team provides training on the policy on periodic basis.
28. The Board conducts annual reviews to ensure that this policy operates effectively and to assess whether any changes are required.

## **Documents related to this policy:**

- Code of Ethics
- Anti-Bullying and Corruption Policy
- Anti-harassment, Discrimination and Bullying Policy
- Procedure for Resolving Employment Relationship Problems and Personal Grievances
- Corporate Governance Manual

## **Where is this Policy available?**

29. The Policy and Annexure is available to Serko officers and employees via Bamboo HR and the Serko intranet.

Policy prepared: May 2020

# Annexure A to Whistleblowing Policy: Australia

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## What is the scope and purpose of this annexure?

30. This annexure to the Whistleblowing Policy ("Policy") applies to officers and employees of Serko in Australia.

31. In Australia, the Corporations Act 2001 provides legal protection to "eligible whistleblowers" who have reasonable grounds to suspect certain wrongdoing and report "disclosable matters" to "eligible recipients".

## Who are eligible whistleblowers?

32. An eligible whistleblower includes an individual in Australia who is a current or former:

- officer or employee (including permanent, part time, fixed term or temporary, interns, secondees, managers and directors) of Serko;
- a supplier of services or goods to Serko (whether paid or unpaid) and their employees (including current and former contractors, consultants, service providers and business partners);
- an associate of Serko (including directors of Serko and its related bodies corporate); and
- a relative, dependant or spouse of any individual referred to above.

## What are disclosable matters?

33. The wrongdoing referred to in paragraph 6 of the Policy includes circumstances where an eligible whistleblower has reasonable grounds to suspect that:

- the information concerns misconduct, or an improper state of affairs or circumstances in relation to Serko or a related body corporate; or
- the information indicates that Serko, a related body corporate, or any officer or employee of Serko or a related body corporate, has engaged in conduct that:
  - constitutes an offence against, or a contravention of, a provision of any of the following:
    - Corporations Act 2001;
    - Australian Securities and Investments Commission Act 2001;
    - Banking Act 1959;
    - Financial Sector (Collection of Data) Act 2001;
    - Insurance Act 1973;
    - Life Insurance Act 1995;
    - National Consumer Credit Protection Act 2009;
    - Superannuation Industry (Supervision) Act 1993; or
    - an instrument made under an Act referred to above.

- constitutes an offence against any other law of the Commonwealth that is punishable by a period of 12 months or more; or
  - represents a danger to the public or the financial system.
34. The wrongdoing referred to in paragraph 5 of the Policy does not include a personal work-related grievance (i.e. a grievance about the discloser's employment, or former employment, having or tending to have, implications for the disclosure personally) unless that grievance has significant implications for Serko and meets the requirements of paragraph 4 of this Annexure.
35. If you have a personal work-related grievance, please contact a member of the People, Performance and Culture team or see the "Procedure for Resolving Employment Relationship Problems and Personal Grievances" in the Company Policy.

## Who are eligible recipients?

36. An eligible whistleblower can report disclosable matters to an officer or senior manager of Serko.
37. While Serko encourages matters to be disclosed internally, an eligible whistleblower may also report disclosable matters to:
- an auditor, or a member of an audit team, conducting an audit of Serko or a related body corporate;
  - an actuary of Serko or a related body corporate;
  - a legal practitioner for the purpose of obtaining legal advice or legal representation regarding the whistleblower provisions under the Corporations Act; or
  - the Australian Securities and Investment Commission (ASIC), the Australian Prudential Regulation Authority (APRA) or any other Commonwealth body prescribed by the regulations.
38. In certain circumstances, an emergency and public interest disclosure may also be reported to journalists and members of the Commonwealth, State or Territory parliaments. You should contact Serko's Head of Legal and Commercial or an independent legal advisor to ensure you understand the criteria for making an emergency or public interest disclosure.

## What protections are available?

39. If you are an eligible whistleblower who reports a disclosable matter (or an emergency disclosure or public interest disclosure) to an eligible recipient under the Policy:
- you will not be subject to any civil, criminal or administrative liability (including disciplinary action) for making the disclosure;
  - no contractual or other remedy may be enforced, and no contractual or other right may be exercised, against you for making the disclosure;
  - in certain circumstances, the information is not admissible in evidence against you in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings relating to the falsity of the information; and
  - you will be protected from detrimental conduct or the threat (whether express or implied, conditional or unconditional) of detrimental conduct in relation to a disclosure.

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*Note, however, that the protections under the Corporations Act do not grant immunity for any misconduct you have engaged in that is revealed in the disclosure or is subsequently discovered.*

### **PROTECTING YOUR IDENTITY**

40. We are legally obliged to protect the confidentiality of your identity as an eligible whistleblower. Subject to limited exceptions, it is illegal for a person to identify an eligible whistleblower or disclose information that is likely to lead to the identification of the eligible whistleblower.
41. You are entitled to remain anonymous or reveal your identity during or after the investigation. You can use an anonymous email address or pseudonym. You can choose to not answer any follow-up questions if you feel that doing so could reveal your identity, although anonymity may limit our ability to investigate and address the matter.

### **PROTECTING RECORDS**

42. We take reasonable steps to protect the confidentiality of an eligible whistleblower's identity, including storing information in a secure location, redacting the whistleblower's identity from relevant documents and not sharing information without the whistleblower's consent unless it is reasonably necessary to manage and investigate the matter.

### **PROTECTING YOU FROM DETRIMENTAL CONDUCT**

43. Examples of detrimental conduct include dismissal, changes to employment or terms of employment, harassment or intimidation and damage to property or reputation. Threats of detrimental conduct may be express or implied, conditional or unconditional.
44. If detriment has occurred, we will, on a case-by-case basis, consult with you to determine what actions are appropriate, for example we could re-assign or relocate other staff involved in the disclosable matter, allow you to take extended leave or develop an alternate career development plan. We may also take disciplinary action against the offender(s).
45. You can also seek independent legal advice if you feel you have suffered detrimental conduct that is prohibited by law. Courts have broad scope to make orders to remedy a detriment or threatened detriment, including injunctions, reinstatement, damages and the making of apologies.

## **How is a disclosable matter investigated and handled?**

46. If an eligible whistleblower reports a disclosable matter to an eligible recipient, we will conduct an initial assessment to determine if it qualifies for protection under the Policy and if a formal, in-depth investigation is required.
47. Investigations will typically be conducted by an investigator independent of the department involved, and allow any person(s) against whom allegations are made to be given an opportunity to respond. In some cases, an external investigator may be engaged (for example, if there is a conflict of interest or because of the seniority of the person(s) involved).
48. The process, documentation, reporting and timeframe for an investigation will vary depending on the circumstances.
49. If you are contactable, we will provide you with updates, although the frequency and nature of the updates will depend on the issues being investigated.

## **Where is this Annexure available?**

50. The Policy and this Annexure is available to Serko officers and employees via Bamboo HR and the Serko intranet.

Policy prepared: May 2020