

# Values, Ethics and Code of Conduct Policy

24 February 2021

## Smartpay Governance Principles: Ethical Standards

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for delivering these standards throughout the organisation.

## Useful links/further information:

- Staff Handbook
- Smartpay Security Trading Policy
- Smartpay Disclosure and Communication Policy
- Smartpay Fraud and Risk Management Policy
- ASX Corporate Governance Principles and Recommendations
- NZX Corporate Governance in New Zealand Principles and Guidelines

## Policy Statement

Smartpay is committed to maintaining high standards of ethical behaviour, social and environmental responsibility throughout the organisation; it expects to earn the respect of its customers and shareholders through consistently applying the principles of integrity, transparency and honesty.

The Board has identified the Company's Values as:

- 1. One Team** – we will work together to create an inspiring company that we are all proud to work for
- 2. Fearless** – in our approach and our focus on the customer
- 3. We deliver** - by listening, engaging and being held accountable.

## Policy Purpose

This Policy covers the conduct of all members of the Smartpay Team including directors, employees, consultants and all other people ('individuals') when they represent Smartpay. It deals with:

- responsibilities of all individuals.
- standards of personal behaviour.
- unacceptable behaviours.
- equal employment opportunities.
- discrimination, harassment and bullying.
- unauthorised removal of property.
- responsibilities to shareholders and the financial community; and
- reporting of incidents

*Smartpay reserves the right to amend, update or withdraw its corporate policies without prior notice.*

**ASX: SMP**  
**NZX: SPY**

**SHARE INFORMATION**  
Issued Shares: 238,284,963

**WEBSITES**  
[www.smartpay.co.nz](http://www.smartpay.co.nz)  
[www.smartpay.com.au](http://www.smartpay.com.au)  
[www.smartpayinvestor.com](http://www.smartpayinvestor.com)

## BOARD OF DIRECTORS

Independent Chair:  
**Gregor Barclay**  
Managing Director:  
**Martyn Pomeroy**  
Independent:  
**Matthew Turnbull**  
Independent:  
**Geoffrey Carrick**  
Non-Executive:  
**Carlos Gil**

## REGISTERED OFFICE

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## Responsibility

### Board

The Board is responsible for:

- determining, endorsing and communicating Smartpay's corporate values and culture, leading by example to uphold the Policy; and
- effectively and confidentially managing complaints regarding unacceptable behaviour and misconduct which are escalated to the Board.

### Senior Management

Management are responsible for developing and maintaining the Board determined values and culture and for creating the environment, employment and business practices to support these.

Smartpay expects its managers to lead by example. In this regard, managers must perform their duties in accordance with this Policy and ensure that the ethical standards and responsibilities set out herein are communicated to all of the people reporting to them. They are responsible for:

- educating and ensuring that their employees are aware of and adhere to Smartpay's policies and procedures.
- leading by example to uphold the Policy.
- effectively and confidentially managing complaints regarding unacceptable behaviour and misconduct.
- ensuring that all work and employment practices comply with relevant legislation and policies; and
- taking all reasonable and practicable steps to ensure the protection, safety and security of Smartpay's employees, premises, property and resources and to ensure that Smartpay's assets and resources are used only for the purposes of Smartpay and in accordance with appropriate authorisations.

### Employees/Individuals

All individuals are responsible for following the procedures in place for the business and to conduct their work in line with this Policy.

They are responsible for:

- their own behaviour and actions.
- being aware of and adhering to Smartpay's policies, procedures and relevant legislation;
- upholding the Policy; and
- taking all reasonable and practicable steps to ensure the protection, safety and security of Smartpay's employees, premises, property and resources and to ensure that Smartpay's assets and resources are used only for the purposes of Smartpay and in accordance with appropriate authorisations.

## Standards of Personal Behaviour

All individuals are expected to honestly, responsibly and diligently perform the duties and powers consistent with their position in the best interests of the Company, and to act in accordance with any reasonable company policies and standards. They must take all reasonable steps to avoid causing harm to the standing or reputation of the Company.

Employees are expected to devote their whole time and attention during working hours to their duties and faithfully carry out all work which may be required.

### Dealing with Customers

All reasonable steps must be taken to provide, in a comprehensible and timely way, any information needed to enable customers to make balanced and informed decisions. Individuals should seek to avoid conflicts of interest arising, but where a conflict does arise, should make a disclosure of that conflict and of the steps to be taken to ensure fair treatment of any customers affected. Individuals may not unfairly put their own interest above their duty to any clients.

### Confidential Information

All information that:

- is or has been acquired during, or during an individual's involvement with Smartpay, or has otherwise been acquired in confidence, including Smartpay client records and information,
- relates particularly to Smartpay's business, or that of other persons or bodies with whom Smartpay has dealings of any sort, or
- has not been made public by, or with Smartpay's authority.

Shall be confidential, and (save during Smartpay's business or as required by law) individuals shall not at any time, whether before or after the termination their involvement with Smartpay, disclose such information to any person without Smartpay's written consent.

Reasonable care must be exercised to keep safe all documentary or other material containing confidential information and shall at the time of termination of an individual's involvement, or at any other time upon demand, return to the Company any such material in your possession.

Confidentiality clauses are contained in Smartpay's standard contracts of employment and contractor agreements and the Company maintains Confidentiality Agreements templates to be used in other circumstances in accordance with the Company's Delegation of Authorities.

### Compliance with Laws

The operations of the Company must be conducted in compliance with all laws and regulations applicable in New Zealand and Australia and any other jurisdiction in which business is undertaken. Compliance with the Law means observing the letter and spirit of the law as well as managing the business of the

Company so its reputation is synonymous with good compliance. If there is any ambiguity about which laws and regulations are applicable or difficulty in interpreting laws legal advice should be sought.

#### **Compliance with Company Policy**

Individuals must familiarize themselves with and comply with Company policies in carrying out their duties.

#### **Compliance with delegated authorities**

The Board has delegated the responsibility for the day-to-day management of the business to the Managing Director who has delegated the right to make financial and operational decisions within certain defined limits to other members of the Company's Management team. This is detailed in the Company's Delegated Authority Manual which is reviewed at least annually as part of the budget process.

#### **Outside Activities**

Individuals must not directly or indirectly engage in any activity which could by association cause the Company public embarrassment. Nor may employees engage, directly or indirectly, in any business activity involving commercial contact with, or work on behalf of the Company's customers, suppliers or competitors. More detailed terms and conditions are contained within the Company's standard employment contract.

#### **Accounting Practices**

Individuals must ensure that all Company accounting records accurately and fairly reflect, in reasonable detail, the relevant underlying transactions, and all assets and liabilities of the Company. Accounting records must be maintained in accordance with generally accepted accounting practices, international financial reporting standards and any policies set by the board.

#### **Co-operation with auditors**

Individuals must fully co-operate with internal (if any) and external auditors of the Company and must not mislead or conceal any relevant information from those auditors.

#### **Social Events**

Smartpay is committed to encouraging a healthy workplace where teamwork thrives and will from time to time organise social gatherings for its employees' enjoyment and recreation, it is committed to promoting safety at all Company-sponsored functions. Smartpay's Social Events Policy has been established:

- To identify the conduct expected whilst at business sponsored/endorsed social functions.
- To ensure that the business is respected, and standards maintained.
- To identify when drinking alcohol is acceptable at work functions.
- To identify when drinking at work and/or at work functions is not acceptable.

Any trips or events funded by suppliers that do not relate directly to personal development must be taken as annual leave unless agreed by a senior manager.

### **Unacceptable Behaviour**

#### **Unacceptable payments**

Bribes, inducements or other illegal payments must not be made to, or for the benefit of any customer, supplier, Government official (of any country), or other party in connection with obtaining orders or favourable treatment or for any other purpose.

Individuals must not seek or accept any type of compensation, fee, commission, gift, entertainment or any other gratuity (each a gratuity) from a third party in connection with the Company's operations which go beyond common courtesies associated with general commercial practice. No director, employee, contractor or consultant may accept any such gratuity exceeding \$50 in value without first obtaining approval in writing to do so from a senior manager

#### **Political Contributions**

Political contributions of any type must not be made, directly or indirectly, without the prior approval of the Board

#### **Conflicts of interest**

Individuals must not use their position or any Company information for personal benefit or for the benefit of any other business or person. No individual or related person may directly or indirectly have an equity interest in, or a significant beneficial connection with, any business or individual that competes with, or is a customer or supplier to the Company without the prior written consent of the Company. (Ownership of shares in a listed company that deals with or competes with the company does not breach this provision, provided that not more than 1% of the shares in that company are owned)

Individuals are required to inform the Company of any matter concerning themselves which might impair your ability to perform their duties. This includes personal relationships and matters which might adversely affect the Company's reputation, such as a drink or drug problems and police checks are now undertaken for all new employees before they start.

#### **Statements to the Media**

Only those individuals who have been expressly authorised to do so by the Managing Director are permitted to speak to the media (for example newspapers, journals, magazines, radio, television and screen services) about any matter concerning the Company. All contact by the media should be referred to the Managing Director in the first instance.

## Equal Opportunities and Diversity

At Smartpay we understand that building diversity and inclusion, and proactively recognising equality across our business, is critical to delivering outstanding customer experiences and business performance. Smartpay is committed to recognising and appreciating the variety of characteristics that make individuals unique in an environment that promotes and supports individual and collective achievement.

These characteristics include gender, age, culture, disability (mental, learning, physical), economic background, education, geographic background, language(s) spoke, marital/partnered status, physical appearance, race, religious beliefs and gender identity, sex or sexual orientation. We are committed to attracting, developing, promoting and retaining a diverse group of talented individuals who will help drive our business performance.

Practising diversity and inclusion for Smartpay means incorporating diversity into its values and culture, its talent acquisition, succession management processes and to ensuring that our workforce reflects the diverse communities in which we operate and our customer base, accordingly the Company has adopted a Diversity & Inclusion policy and the Board will set and review annually measurable objectives designed to support and promote Smartpay's diversity and inclusion policy and will report on progress against those in the Annual Report.

### Discrimination, harassment and bullying.

The Company will not condone any discriminatory act or attitude in the conduct of our business with public or our employees. Any act of bullying, harassment or discrimination will be treated as a disciplinary offence. Personal harassment and bullying take many forms but whatever form it takes, is always serious and is totally unacceptable. No individual shall be treated less favourably on the grounds of gender, marital status, social class, colour, race, ethnic origin, religious belief, sexual orientation or disability without justification.

The Company will not tolerate discrimination of any nature and we expect all individuals to act in a civil manner towards fellow members of staff and clients and to respect their views and interests. Individuals will be personally liable for their actions if you are guilty of bullying, harassment or discrimination.

The company intranet has information on how management ensures the implementation of this policy and the processes to deal with complaints

## Unauthorised removal of property

### Use of Company assets

Individuals are responsible for taking all prudent steps to ensure the protection of Company assets and resources, and to minimize the possibility of theft by any person. Individuals must ensure that Company assets and resources are used only for the purposes of the Company and in accordance with appropriate authorisations. The company intranet provides further guidance on the obligations and requirements on employees in this regard.

## Social Responsibility

Smartpay has established a number of social responsibility policies which recognise its responsibility to and impact of its business on key stakeholders, its policies can be viewed on its website.

Smartpay's commitment to staff is one of its key strategic values. In addition to its diversity objectives, through a 'Wellness Committee' it runs initiatives for the benefit of both staff and the community it operates in. It recognises the work that Charitable organisations do for the community offering special offers to registered Charities.

It is committed to reducing its impact on the environment and will take all steps to recycle office waste and eftpos machines and equipment.

## Responsibilities to shareholders and the financial community

### Securities Trading

Smartpay is committed to maintaining high standards of ethical behaviour throughout the organisation and to the promotion of investor confidence by taking steps within its power to ensure that trade in its securities takes place in an informed market where no category of trader is privy to more or less information than any other. It has adopted a Securities Trading Policy which details the Smartpay policy on, and rules for trading in the following securities ("**Restricted Securities**"):

- Smartpay Holdings Limited listed ordinary shares; and
- Any other listed securities of Smartpay or its subsidiaries, and any listed derivatives (including futures contracts listed on an authorized futures exchange) in respect of Smartpay securities, from time to time.

The requirements imposed by this policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand, Australia and any other country where those securities may be listed. Accordingly, under New Zealand and/or Australian insider trading laws a person who possesses "material information" may be prohibited from trading even where trading is permitted by this policy.

### Interests/Related Parties

The Company recognises that impartiality and transparency are essential to maintaining the integrity of the business and to investor confidence in its reporting.

It notes that the existence of a conflict of interest does not necessarily mean that any wrongdoing has occurred and it need not cause problems but recognises that it needs to be identified and managed carefully.

The Company is guided by the concepts of integrity, honesty, transparency, openness, independence and good faith in its management of conflicts of interest.

It has adopted procedures to ensure that interests are identified and disclosed as follows:

- It expects individuals to conduct themselves appropriately (see 'Unacceptable Behaviour' above).
- It maintains an Interests Register which is reviewed at the commencement of each Board meeting.
- Disclosures of Directors and senior managers interests in shares are made in accordance with the Financial Markets Conduct Act 2013.
- Related Parties and Interests reporting in the Annual Report and Financial Statements in accordance with Internationally Accepted Accounting Standards and Stock Exchange Listing Rules requirements.

#### Continuous Disclosure

Smartpay is committed to the promotion of investor confidence by taking steps within its power to ensure that trade in its securities takes place in an effective and informed market. To this end it is committed to providing timely, orderly and credible information consistent with legal and regulatory requirements and has adopted a Disclosure and Communication Policy, the purpose of which is to:

- Reinforce Smartpay's commitment to the continuous disclosure obligations imposed by the NZX and ASX.
- Ensure timely and accurate information is provided equally to all shareholders and market participants.
- Provide guidance on the process to ensure compliance.

#### Fraud and Risk Management

Smartpay is committed to maintaining high standards of ethical behaviour throughout the organisation; it expects to earn the respect of its customers and shareholders through consistently applying the principles of integrity, transparency and honesty. It recognises that instances of corporate fraud and misconduct remain a threat to public trust and confidence and is committed to ensuring that it has the policies and processes in place to prevent, detect and respond to fraud and misconduct within its business. The Board has adopted a Fraud and Risk Management Policy the objectives of which are to:

- **Prevent:** reduce the risk of fraud and misconduct occurring
- **Detect:** Discover fraud and misconduct when it occurs
- **Respond:** Take corrective action and remedy the harm caused by fraud or misconduct.

#### Reporting of Incidents

All individuals have a responsibility to report any act of dishonesty or other misconduct, or a breach of any other individual's duty to the Company, whether occurring on or off Company premises, accordingly the Company has adopted a Protected Disclosures (Whistleblowing policy).

This applies to any acts known or merely suspected to have occurred, whether by individuals or third parties and acts discussed or apparently contemplated by other individuals. It is in the best interests of all concerned that an unlawful act should be prevented or an activity stopped before the consequences become more serious.

#### Review

This policy is cornerstone to the Company's business and will be reviewed annually by the Board.

#### Policy authorised by the Board

24 February 2021



**Greg Barclay**  
Chair