

CODE OF BUSINESS ETHICS AND CONDUCT

DOING WHAT'S RIGHT.
EVERY DECISION.
EVERY DAY.





A MESSAGE FROM ANGUS

Understanding our Code of Business Ethics and Conduct is essential in guiding how we act and make decisions on a daily basis. It reflects our commitment to integrity, transparency, and respect in our interactions.

By following these principles, we ensure that we not only do business fairly, but also strengthen the trust and reputation we've built with our customers, growers and communities.

NZM is a special place to work and live, and we want it to continue to be that way. Apply the principles of this Code to your work and speak up if you have concerns about any behaviour you feel is in breach of it.

Ngā mihi,

A handwritten signature in black ink, appearing to be the name 'Angus'.

Angus
Chief Executive Officer

ABOUT THIS CODE

Our Code reflects who we are as a company and our commitment to the highest ethical standards. Every action and decision we make at all levels defines who we are.

Our Code applies to everyone working with or on behalf of The New Zealand Merino Company, including;

- Employees
- Contractors
- Directors

If you are faced with a compliance concern or an ethical dilemma, the Code provides you with easy-to-understand information to help guide your decisions.

Though this Code doesn't offer an answer for every situation, it provides the resources you need to make good decisions. Refer to it as needed in your work, use good judgment, and seek guidance if you need additional assistance.

"Integrity is the foundation of our success; we are committed to doing what's right, even when it's not the easiest path."

Kate Morrison,
Chair of NZM Board



MAKING GOOD DECISIONS

Sometimes we face difficult situations where the right choice isn't clear. That's when our commitment to do what's right, every decision, every day matters the most.

STAY ALERT TO WARNING SIGNS

If you hear comments like these, take a step back and reevaluate the situation:

"Don't worry about it. Who's going to know?"

"Our competition does it, so it must be okay."

"We need to do whatever it takes."

DECISION MAKING MODEL

When faced with an ethical dilemma, ask yourself:



YES

If you answered "yes" to all of these questions, then the decision to move forward is probably okay.

NOT SURE

Ask your manager or another internal resource for guidance.

NO

Stop. Don't do it. The action could have serious consequences. Seek help.

EVERYONE'S RESPONSIBILITIES

We are all responsible for acting ethically and in compliance with the law. We own accountability at a personal level.

Here are just a few ways we do what's right, every decision, every day:

- **We lead by example** by supporting our teams and modelling behaviour they can follow
- **We inspire others** to act with integrity and speak up with concerns
- **We are always honest** in our business dealings internally and externally
- **We know and follow** our Code, policies and all laws and regulations
- **We ask questions** when we are unsure of the right decisions or actions to take, and seek guidance from managers or other company resources for assistance
- **We report suspected violations** of the Code, NZM policies or the law
- **We encourage open communication** so we can raise concerns without fear of retaliation

SPEAK UP IF YOU HAVE A CONCERN

AT NZM, WE UNDERSTAND THAT OUR REPUTATION IS EARNED. WHEN WE SEE SOMETHING THAT THREATENS OUR REPUTATION, WE RAISE A CONCERN.

BE AN UPSTANDER, NOT A BYSTANDER.

If you are asked to do something that makes you feel uncomfortable, or you see or suspect activity that goes against our code, the law or our principles, let someone know. Choose the reporting channel that feels right to you. Optional channels for raising a concern include:

- Your manager
- the People and Culture team
- Chief Executive Officer
- Chair of the Audit and Risk Committee
- Chair of the Board

NZM will stand behind any employee who, acting in good faith, reports a breach, serious problem or wrongdoing. The identity of the person making the report will be kept confidential where possible.

No Retaliation

We never retaliate against anyone who participates in an investigation or raises a concern in good faith. Retaliation would result in disciplinary action, up to and including termination.

LIVING OUR CODE

DOING WHAT'S RIGHT.
EVERY DECISION.
EVERY DAY.



WE DO WHAT'S RIGHT FOR OUR PEOPLE

WE RESPECT EACH OTHER

We promote a work environment that's free of harassment, bullying and abusive conduct.

To be at your best, you must first feel safe – both physically and psychologically. A positive and respectful workplace gives everyone the opportunity to do their best work, without fear or intimidation. That's why each of us at every level of our company and every location we operate, has an obligation to put a stop to harassment.

Every decision. Every day.

We respect each other when we:

- Check our own behaviour. Treat everyone with dignity and respect
- Educate ourselves and raise awareness about the impact of microaggressions
- Recognise harassment if you see it. Harassment is intimidating, hostile or offensive conduct that interferes with someone's ability to work or creates a hostile work environment
- Get involved. If you see or experience disrespectful or inappropriate behaviour don't ignore it
- Don't be afraid to do the right thing

MAINTAIN A SAFE AND HEALTHY WORKPLACE

We are committed to protecting the health, safety and wellbeing of employees.

Kindness and caring is part of our DNA so it is only natural that we are deeply committed to protecting the health, safety and wellbeing of our people. We expect and require all our employees to comply with health and safety laws, and to lean into helping us continually improve our work environment, reducing and removing hazards to our safety and wellbeing.

Every decision. Every day.

We maintain a safe and healthy workplace when we:

- Protect ourselves and others. Comply with all health and safety regulations, policies, and procedures that apply to your job and familiarise yourself with any hazards in your work areas
- Think safety. Every task. Every day.
- Bring your best self to work. Substance abuse can prevent you from doing your job safely and jeopardise the safety of others. That's why you are prohibited from being under the influence of alcohol or illegal drugs while you're at work. There may be occasions when drinking alcoholic beverages while conducting business is permitted. Just make sure you follow the law and exercise moderation and good judgement

WE DO WHAT'S RIGHT FOR OUR PEOPLE

HONOUR HUMAN RIGHTS

We are committed to human dignity and fair employment practices.

We seek to support, respect and advance the human rights of people everywhere. We are committed to putting people first, conducting business in an ethical and responsible way and partnering with others who aspire to the same standards that we do.

Every decision. Every day.

We honour human rights when we:

- Base decisions about recruitment, selection, development and promotion on merit
- Don't allow any protected characteristics (including race, gender, disability, age, sexual orientation, and marital status) to influence our judgement or decisions
- Understand our responsibilities and comply with all applicable employment laws. Report any breaches of law or this Code, or any incidents that are inconsistent with our commitment to diversity and inclusion whenever we witness them in our workplace
- Expect no less from our contractors, suppliers, and partners to act in a way that is consistent with our fair treatment and equal opportunity standards

DRIVE INCLUSIVITY

We believe that an inclusive workplace environment allows people to bring their best selves to work.

You can be yourself at NZM. In fact, we all bring a unique set of backgrounds, experiences and skills to our work, and that's a beautiful thing. It helps make us more successful. We want every team member to show up as themselves and do their best work every day. We are at our best when every member of our team feels that they belong and are respected, included and heard.

Every decision. Every day.

We drive inclusivity when we:

- Are at our best. Be fair, honest and constructive, but also be kind. Build trust and collaboration
- Bring out the best in others. Be conscious of our biases. And be open to – and respectful of – viewpoints and perspectives that differ from our own, because our differences make us better
- Foster an inclusive environment. Our inclusive behaviours empower others. Practice vulnerability, empathy, courage and grace in your everyday actions and create a psychologically safe place for all
- Challenge discriminatory behaviour

WE DO WHAT'S RIGHT

FOR OUR BUSINESS AND CUSTOMERS

WE COMPETE FAIRLY

We play by the rules – winning business fair and square.

We believe that free and fair competition makes for a thriving marketplace. It also leads to advancements within our industry, innovative products and services and new ways to do business. That delights our customers. That's why we compete vigorously but fairly and let the quality of our wool and wrap around services – not unethical practices – drive our success.

Every decision. Every day.

We compete fairly when we:

- Outperform our competitors fairly and lawfully
- Respect the free market. Never agree with competitors – either formally or informally to:
 - 'fix' prices
 - Prevent another company from entering market
 - Restrict production, sales or output
- Gather competitive information fairly

AVOID CONFLICTS OF INTEREST

We do what is in the best interest of
The New Zealand Merino Company

We all have interests and relationships outside of our jobs. But when our personal activities create – or appear to create – a conflict between our personal benefit and our company's benefit, they can erode the trust that people place in us. Each of us has a responsibility to steer clear of conflicts and always act in the best interest of NZM.

Every decision. Every day.

We avoid conflicts of interest when we:

- Recognise a conflict when we see one
- Realise appearances matter. It's not just about an actual conflict but the perception of one. If your actions would make others – inside or outside NZM – question your motives or loyalty, don't do it
- Are proactive. If you believe that an actual or perceived conflict exists, disclose it. Conflicts of interest can be addressed or avoided if properly discussed and managed

WE DO WHAT'S RIGHT

FOR OUR BUSINESS AND CUSTOMERS

ELIMINATING BRIBERY AND CORRUPTION

We win honestly or walk away.

We are committed to doing business ethically, honestly and with integrity. We have zero tolerance to bribery and corruption which is backed up by law.

You must never make or accept a bribe of any kind. This includes a direct or indirect kickback of money, a gift, payment in kind or any other item of value in return for influencing a favourable business opportunity or business decision.

Every decision. Every day.

We eliminate bribery and corruption when we:

- Never receive or accept a bribe of any kind
- Be cautious when giving or receive gifts or entertainment
- Complete due diligence when engaging third parties to confirm that bribery is unlikely
- Never make charitable donations for the purposes of gaining commercial advantage

GIVING AND RECEIVING GIFTS AND ENTERTAINMENT

We look for ways to strengthen our business relationships. A small gift can do just that. However, we never allow gifts to impact our ability to make objective decisions.

We prohibit the giving and receiving of significant gifts or benefits that maybe seen as preferential treatment – these actions can create conflicts of interest or raise questions about our judgement.

Every decision. Every day.

We comply with gifting and entertainment rules when we:

- Record gifts, hospitality or entertainment on the Gifts' Register if valued at \$50 or more
- Avoid giving or receiving anything of inappropriate monetary value
- Never ask for gifts, entertainment or any other inducements

WE DO WHAT'S RIGHT

FOR OUR BUSINESS AND CUSTOMERS

PROTECTING PRIVACY AND CONFIDENTIALITY

We do our part to prevent unauthorised use or disclosure of private or confidential business information.

As a company, the data we collect and information we create helps us gauge where we've been and where we're going. But it does more than that. It also helps us create value, explore game changing technologies and reach new customers and markets. If we share this information with the wrong person, the risks to the company could be significant.

Every decision. Every day.

We protect privacy and confidentiality when we:

- Know what business information should be kept confidential. Examples include: Intellectual Property (IP) i.e. trademarks, patents, copyrights; proprietary information i.e. business and marketing plans and strategies; and financial information i.e. budgets, forecasts
- Take care when accessing or using information and treat it as confidential
- Limit sharing or access to authorised people only who have a clear business need for that information. Make sure we have the right protections, such as a confidentiality or a non disclosure agreement, in place before you share with them
- Follow our data and documentation retention policy. This will help you label, handle, store and dispose of information the right way



WE DO WHAT'S RIGHT

FOR OUR SHAREHOLDERS

PROTECT OUR ASSETS

We take good care of everything that makes us who we are.

Every decision. Every day.

We protect our assets when we:

- Handle physical assets with care. Use them in the way they're intended to be used and protect them from theft, fraud, damage or loss. Borrowing, lending, selling or giving them away isn't OK unless you're authorised to do so
- Protect the technology assets that are assigned to you. Follow our policies to keep your equipment safe and secure
- Safeguard our systems. Practice good cyber security to avoid phishing and social engineering, malware, ransomware and other forms of cyberattacks that could put our operations, networks or information at risk
- Be a good steward. Be honest, accurate and complete in your expense reporting
- Be smart. The company has an obligation to monitor our systems and devices for certain content to protect our customers and employees

POLICIES COVERED

MOTOR VEHICLE POLICY
IT, SMARTPHONE AND IPAD POLICY

ENSURE FINANCIAL INTEGRITY

We ensure that our financial books and records reflect an accurate picture of our business.

Accurate financial records help us evaluate our performance reliably and exercise strong financial stewardship, both of which help us build trust with customers, employee, shareholders and communities. We must all play our part in helping to maintain the integrity of our financial records.

Every decision. Every day.

We ensure financial integrity when we:

- Understand the financial management responsibilities, policies and processes relevant to your role
- Understand when you can and when you can't commit company funds
- Insist on accuracy. Revenue, expenses, invoices, payroll, tax, expense claims – no matter what form a record takes, make sure the information you report is accurate, complete and captured in the right period
- Strive to find best value when spending company money
- Watch out for fraud, dishonesty, or other suspicious activity that could undermine the reputation we've earned for doing business honestly and fairly
- Never give in to pressure to falsify a record or do something that is unlawful or unethical. No one has the authority to make you engage in behaviour that violates our code

POLICIES COVERED

ACCOUNTING POLICIES
DELEGATED LEVELS OF AUTHORITY POLICY
EXPENSE POLICY
WOOL TRADING POLICY

WE DO WHAT'S RIGHT FOR OUR SHAREHOLDERS

AVOID INSIDER TRADING

We never share non-public information for the purpose of buying or selling securities. Insider trading is not just unethical; it is illegal.

In the course of our jobs, we may have access to material, non-public information about the Company. We may also learn such information about our customers, suppliers or partners. We never share this. Our reputation as a trustworthy company relies on it.

Every decision. Every day.

We avoid insider trading when we:

- Never buy or sell NZM shares, or shares in any publicly traded company, when we have inside information
- Never share inside information outside the company
- Only share inside information within the company on a "need to know" basis
- Never "tip" or pass along inside information to someone who may act on it

ENSURE CONTINUOUS DISCLOSURE

The New Zealand Merino Company shares and securities are traded on the Unlisted Security Exchange (USX) and we must comply with disclosure rules.

We are committed to promoting investor confidence by providing all shareholders, prospective investors and market participants with the same access to material information about our business in a timely manner through fair and balanced disclosure on the USX.

Every decision. Every day.

We support continuous disclosure when we:

- Immediately discuss any 'material' information with the Chief Executive Officer or Chief Financial Officer
- Keep material information confidential until officially disclosed to the public
- Only conduct discussions with analysts, investment professionals, shareholders or other market participants if you are an authorised spokesperson

WE DO WHAT'S RIGHT FOR OUR PLANET

RESPECTING PLANETARY BOUNDARIES

We are committed to respecting the limits of the planet, we want to leave it in good shape for generations to come.

As part of our commitment to environmental stewardship, we support sustainable practices and work to reduce our carbon footprint. We integrate responsible environmental practices into our business decisions and are dedicated to increasing efficiency throughout our company.

Every decision. Every day.

We respect planetary boundaries when we:

- Understand the role we play to help preserve the environment for future generations
- Take into account the environmental impact of the decisions we make
- Do our bit to reduce, recycle, reuse and be energy efficient in our work environment
- Educate, support and encourage others to take responsibility for energy efficient practices in their workplaces and communities
- Seek out suppliers who share our commitments
- Minimise travel by air where possible
- Speak up. Report any actual or potential environmental hazards immediately

POLICIES COVERED | [TRAVEL POLICY](#)





WE DO WHAT'S RIGHT

FOR OUR COMMUNITIES

MAKE A POSITIVE IMPACT

We unleash the power of our people to make a difference.

We are committed to making a positive impact in the world and in the places where we live and work. We support initiatives that strengthen communities and encourage our team to get involved.

Every decision. Every day.

We make a positive impact when we:

- Volunteer. Join your team members to make an impact in the communities we work
- Volunteer at a personal level. We support your efforts to make the world a better place, and we celebrate your reach to people and causes that matter to you
- If you choose to volunteer in charitable activities outside of work, avoid conflicts of interest and never use company time or resources unless you have permission to do so
- Inform: Share information about the company's social impact efforts to build brighter futures

WE GIVE BACK RESPONSIBLY

Giving back is part of how we do business. It enables individuals, businesses and communities to thrive.

By properly managing our grants, sponsorships and donations, we protect NZM's reputation with all stakeholders.

Every decision. Every day.

We give back responsibly when we:

- Seek approval for any donations or sponsorships
- Ensure any donations or arrangements are appropriately assessed, documented and authorised
- Provide a report about the outcomes of any donations or sponsorships to the Chief Operating Officer
- Never request sponsorship or use company money to make charitable donations, to close deals, seek favours or for personal gain
- Question any political or charitable donation or sponsorship that gives rise to any actual or perceived conflict of interest

WE DO WHAT'S RIGHT. EVERY DECISION. EVERY DAY.

YOUR RESPONSIBILITIES

We do what's right. Every decision. Every day.

As an NZM employee you must:

- Read, understand and follow this Code of Business Ethics and Conduct and the policies referred to in it
- Complete any training on your obligations under this Code
- Immediately report any conduct that breaches this Code



BREACHES OF OUR CODE

All suspected breaches will be thoroughly investigated. If these investigations confirm breaches of this Code, appropriate disciplinary and remedial action will be taken. This may include providing training, coaching and counselling through to disciplinary action.

CODE REVIEW

This Code comes into force on the date of approval and replaces all previous versions of the Code of Ethics.

This Code of Business Ethics and Conduct will be reviewed annually. You will be kept up to date about any changes to this Code and you must take time to read and understand any revisions or updates as these are made from time to time.

This Code of Business Ethics and Conduct is approved by the Board of Directors on 29th August 2024.

