LIVING OUR VALUES THROUGH THE CODE OF CONDUCT
A message from our CEO

Bank of New Zealand is a long-standing, trusted bank with a deep commitment to meeting the needs of our customers, our communities and New Zealand.

Our customers give us their trust and it is a privilege to be allowed into their financial world and to be given the opportunity to help them be good with money and that means we must have a clear focus not just on what we do, but how we do it.

We are a purpose led organisation focused on delivering improved customer outcomes. This means ensuring our customers, colleagues, shareholders, regulators and New Zealand’s trust in us is well placed and doing the right thing by them is the responsibility of all BNZers. It means we must act with the utmost professionalism, integrity and honesty in everything we do.

To support all of us to do the right thing in the right way and to ensure we all understand our commitments and responsibilities, Living Our Values through the Code of Conduct will help you make informed choices. Our Values and Behaviours are directly linked to conduct by describing how we show up for our customers and colleagues.

Whether you’re a permanent, fixed term or casual employee, or a contractor (referred to as “employees” for the purposes of our Code), you are required to familiarise yourself with and to comply with the Living Our Values conduct expectations and all BNZ policies. We’ll always let you know if anything changes.

Angela Mentis
CEO and Managing Director
Bank of New Zealand
1 July 2019
Our Group Commitments

BNZ is part of the National Australia Bank Group and these NAB Group commitments provide the framework for BNZ’s Code of Conduct.

We manage conflicts of interest.
We ensure our personal and business interests never interfere with our ability to make sound, objective decisions.

We conduct ourselves professionally.
We behave in a professional manner that fosters trust, confidence and goodwill in customers, colleagues, suppliers and the community and respects human rights.

We deal with, and report on, suspected breaches.
We investigate, deal with and appropriately report on suspected breaches of our Code of Conduct.

We meet our legal and regulatory obligations, voluntary commitments and internal standards.
We comply with all laws, regulations and Codes that are applicable to us, including internal BNZ policies and voluntary commitments.

We act with honesty, integrity and fairness.
We act with honesty, integrity and fairness; we speak up, escalate any concerns and admit when we have made mistakes. We consider customer fairness in every decision.

We adhere to privacy and confidentiality requirements.
We protect privacy and confidential information regarding customers, suppliers, colleagues and our business affairs.
We conduct ourselves professionally.

We behave in a professional manner that fosters trust, confidence and goodwill in customers, colleagues, suppliers and the community and respects human rights.

IN THIS SECTION:

01 — Safe to speak
02 — Personal conduct
03 — Accessing accounts using internal systems
04 — Use of information systems
05 — Using social media
06 — Media discussions/publicity
07 — Health, Safety and Wellbeing
Safe to speak

If there’s something you’re concerned about in the workplace, it’s safe to speak up

If you see something that doesn’t seem right, or you have any concerns about any suspected wrongdoing (by employees, customers, suppliers or contractors) then you need to speak up. You can do this in a number of ways:

• Talk to your people leader (or their people leader). It’s a key part of your people leader’s role to provide you with support and hear your concerns and help with the best course of action.

• You can talk to your People Partner or contact the People Advisory Centre (76000, option 5, option 2 or 0800 10 6000, option 5, option 2).

• If you want to raise a concern anonymously, you can contact Internal Audit (an independent internal team) or use our Faircall Service (contact details to the left), an independent external service which is run by KPMG and monitored by Internal Audit.

• You can also make a Protected Disclosure (using the Faircall Service or by raising a concern with Internal Audit) which may provide you with additional protection if your concern is about serious wrongdoing. Information about protected disclosures and the Protected Disclosures Act 2000 is available on Mercury.

You can find further information about speaking up on Mercury at Safe to Speak (Whistleblower Program).

BNZ is committed to ensuring employees who raise concerns are protected from reprisals by ensuring the information provided is treated confidentially and by providing employees with options to raise concerns anonymously. Activity to threaten or undertake reprisals against employees who raise concerns is potentially serious misconduct.

It is important you do not ignore or attempt to conceal either your own or others’ (including colleagues and customers) errors, omissions, or improper conduct or wrongdoing; or attempt to protect colleagues who may have breached BNZ’s policies and procedures.

BNZ will keep you safe and supported if you need to raise something which isn’t right.
At BNZ we are committed to doing the right thing for our colleagues, customers and community.

At BNZ we value being a part of a diverse and inclusive workforce and we treat our colleagues and customers with dignity, fairness and respect at all times.

We are all entitled to work in an environment that is free from bullying, harassment (sexual and racial) and discrimination. There are Bullying, Harassment and Discrimination Guidelines on Mercury to help you understand what type of behaviour is not appropriate and what you should do if you believe inappropriate behaviour is occurring in your workplace.

Ensure you avoid any activities both during and outside of work, which may bring BNZ into disrepute with its customers or the general public.

Disclosure – criminal charges and convictions

Given the nature of our industry and the high level of trust we need to have in our employees, you are required to notify your people leader (or your People Partner) if, at any time during your employment, you are investigated or prosecuted (including having charges brought against you) for any criminal offence or if you are convicted of any crime.

Where a criminal charge or conviction may impact on BNZ’s trust and confidence in your ability to carry out your role, and/or have the potential to bring BNZ into disrepute then this may be investigated and could lead to an outcome up to and potentially including dismissal.
Accessing customer accounts using internal systems

If you access BNZ’s internal banking systems, you must act with the highest degree of professionalism and integrity at all times.

Customer accounts

Protection of our customers’ privacy is paramount in BNZ and it is something we take very seriously. There is more information about our privacy obligations at section 10.

You must not under any circumstances access any customer account unless it is in the proper performance of your duties and you are authorised to carry out a work-related need.

Unauthorised access includes (but is not limited to):

• Browsing or snooping or “taking a peek” in customer accounts (including but not limited to) family members, ex-spouse or partner, friends, colleagues, celebrities or other high-profile customers.
• Viewing for personal gain.
• Viewing potential candidates’ bank information.
• Viewing colleagues’ personal information.

If you are asked by a family member to view or transact on their account(s) by using any internal banking systems, you must always decline and direct them to use external customer channels.

BNZ conducts regular audits of employee access to customer accounts. Any unauthorised access of a customer’s account(s) is considered a serious breach of the Code of Conduct and is likely to result in a disciplinary process with summary dismissal being a possible outcome.

Q Robert is a BA in the branch network. He is concerned about his good friend as he thinks he might be gambling and getting into financial trouble. He wants to help his friend and so decides to take a look at his friend’s account. Robert’s suspicions are confirmed. Did Robert do the right thing?

A No definitely not. Robert had no authority to look at his friend’s account. Robert could face disciplinary action with summary dismissal being a possible outcome.
WE CONDUCT OURSELVES PROFESSIONALLY

Definitions:

“Transacting” on an account includes (but is not limited to) any internal transaction completed on an account e.g. stopping an automatic payment, transferring money between accounts, processing credit applications, maintenance instructions through internal processes, any form of maintenance, waiving fees or changing personal contact details.

“External customer channels” (includes but is not limited to) internet banking, mobile banking, Smart ATM, Contact Centre, Branch.

If you are a BNZ customer, you must always use external customer channels for your banking requirements

You must not under any circumstances use any internal banking systems to either view or transact on your own BNZ customer account(s). BNZ’s external customer channels must be used by you at all times for all your banking requirements.

You must not, under any circumstances, ask a work colleague to view or transact on your account(s) unless you are acting as customer and using external customer channels and your work colleague is acting in the proper performance of their duties, which means treating you the way they would treat any other external customer. Asking a colleague to “do you a favour” or “take a shortcut” instead of using external customer channels is strictly prohibited.

Mia has booked a holiday with a friend and needs to transfer some money into her friend’s account as soon as possible so they can pay for their accommodation. Mia thinks it will be ok (and faster) to use BNZ’s internal banking systems to make the transfer as it is her own bank account and she thinks that should be ok. Is she right?

No, she is wrong. Mia must use external banking channels to make the transfer on her account. Using any internal channels to transact on her account is strictly prohibited and may result in disciplinary action with summary dismissal being a possible outcome.

Vijay has moved into a new flat and he needs to make sure that the automatic payment for his rent is set up correctly. Vijay is a BNZ customer but doesn’t have his phone with him to check his account via mobile banking. Vijay thinks it would be ok to use Interact to view his account. Would this be ok?

No definitely not. Vijay is not permitted to view his account using any internal banking systems and to do so would be a potentially serious breach of the Code of Conduct. Vijay must use any external BNZ customer channels to view his account.
Use of Information Systems

You must use BNZ’s computer, phone, any other devices and network systems appropriately at all times.

This means you must never use these devices or systems to:

- Communicate, view, download or distribute sexually explicit or offensive material.
- Spread profane, derogatory, discriminatory or harassing comments or threatening or abusing language.
- Download, stream or use content in breach of software licences or intellectual property rights.

If you receive inappropriate material, you should delete it immediately and notify your people leader or email BNZ Abuse.

BNZ logs, monitors and analyses systems access and use, employee email (including any form of instant messaging) and internet activity including time spent accessing the internet, websites visited, and the content of communications including any information or attachments being sent internally or outside the bank. BNZ also monitors the content of communications for offensive or objectionable material and/or unapproved content.

BNZ has comprehensive policies on the use of internal and external communication systems and equipment, which are available on Mercury under [Information Security policies and standards](#).

You must ensure you read and understand all the policies as compliance with these policies is also vital to maintain the security and operation of BNZ’s technology and confidentiality of information (including employee and customer information).

Personal computer security

Your login details must not be provided to anyone. You are presumed responsible for all actions undertaken using your identity/login details and must protect these from the use of others. BNZ has a [Password user responsibilities policy](#) which you must ensure you read and adhere to at all times.
Using Social Media

While we encourage you to make appropriate use of social media, you must be mindful of what you post online as it could have unintended consequences.

External social media

When using social media, you must act lawfully and be transparent, responsible and respectful of BNZ, our customers, your colleagues and everyone else you interact with online.

Unless specifically authorised to do so, you must not post anything on social media as a representative of BNZ.

If you are making comments or posting any photos or materials on social media (including Twitter, Facebook, Instagram, blogs, YouTube etc) that may be identified as related to BNZ then you need to take extra care that your comments (including ‘liking’ or otherwise reacting to a post) or material you post, are appropriate and not potentially damaging to BNZ’s reputation or your reputation as an employee of BNZ or any other person associated with BNZ (e.g. another employee, contractor, customer or supplier).

BNZ’s internal social media

Make sure when you are posting any comments or material on BNZ’s internal channels e.g. Workplace, that you ensure your content is appropriate and consistent with all your obligations in our Code of Conduct.
BNZ’s specialist Communications team manages BNZ’s media relations and it’s their responsibility to respond to and manage media queries. This ensures that the correct details are provided to the media and BNZ’s reputation is protected at all times.

You must not make public statements about BNZ and/or as a representative of BNZ unless you are authorised to do so by our Communications team.

You must not give interviews or make any comment to the media which includes radio, newspaper, television, internet, or online social media (such as blogs, YouTube, Twitter, Facebook, Instagram etc) on any aspect of BNZ or its operations, without prior permission from the Communications team.

If you use social media, ensure your comments and/or likes cannot be misconstrued as representing BNZ’s views unless you are specifically authorised to be making comments on behalf of BNZ.

Q: Recently we had a system error with our ATM network which resulted in negative publicity. I thought it would be helpful if I posted updates on Twitter as we progressed which could be useful for our customers to see. Would that be ok?

A: No that would not be the right thing to do. Although your intentions are not intended be harmful to BNZ, only people who are authorised by BNZ can post or speak publicly about BNZ issues. In addition, the information you considered posting on Twitter is BNZ’s confidential information which must not be disclosed outside of BNZ.
Health, Safety and Wellbeing

At BNZ we will do what is reasonable to create a healthy and safe environment for you to work in.

You also have an important part to play, and you must:

• Take reasonable care for your own health and safety.
• Take reasonable care that your acts or omissions don’t adversely affect the health and safety of others.
• Comply with all health and safety instructions.
• Immediately report all work-related injuries, illnesses and incidents such as near misses and hazards.
• Attend all training which is relevant to your health, safety and wellbeing.
• Understand how your actions or inactions can affect your wellbeing and that of others at BNZ.

All health, safety and wellbeing events must be reported through MySafety (available on CID). You must report the following events into MySafety as soon as you can:

• All work-related injuries and illnesses.
• When you see something that you think should cause others harm such as hazards.
• Any near miss you have had or seen.
• When you are getting early symptoms of pain and discomfort.
• Aggressive behaviour (including customers).
• Any health, safety or wellbeing concerns you have.
• You can also report in MySafety on a confidential basis.

If you have any concerns you can speak to your people leader, or your Health and Safety Rep or you can contact the Health and Safety and Wellbeing team. You can find other speak up options at Section 1 Safe to Speak.
We act with honesty, integrity and fairness.

We act with honesty, integrity and fairness; we speak up, escalate any concerns and admit when we have made mistakes. We consider customer fairness in every decision.

IN THIS SECTION:

08 — Honesty and integrity
09 — Fairness to our customers
10 — Prevention of fraud and corruption
In your role you may have access to money, information, goods, and documents belonging to BNZ, our customers, colleagues, or suppliers. BNZ’s reputation depends on the actions of our people so it is essential you do what is right at all times.

You must act with honesty and integrity in all your dealings with colleagues, customers and suppliers.

You must not use funds, information or property of BNZ or its customers for your personal benefit or for the benefit of others or assist others in such behaviour.

You must not steal or misappropriate. You must not borrow or convert items to private use or access information without proper authority.

You must speak up if you become aware of dishonest or inappropriate conduct of colleagues, customers or suppliers.

You must always give accurate, honest and complete information to your colleagues, customers and suppliers.

You must not ignore or attempt to conceal either your own or others’ (including colleagues and customers) errors, omissions, or improper conduct or wrongdoing; or attempt to protect colleagues who may have breached BNZ’s policies and procedures. If you become aware of or suspect any inappropriate conduct, then you must speak up - see Section 1 Safe to Speak.
You must treat all existing, potential and former customers fairly at all times.

Customer fairness means that where BNZ provides products or services they must be lawful, ethical, and appropriate to a customer’s needs. It also means we treat our customers fairly in relation to each other and are considerate of their personal situations and vulnerability. This means:

- You must provide information in a way that the customer will understand and in a manner that allows for a reasonable time for consideration for an informed choice.
- You must not make false, misleading, incomplete, deceptive or unsubstantiated representations, including to induce a customer to enter a transaction or enter into a transaction without the customer’s approval.
- You must always consider customer needs and fairness of customer outcomes when undertaking activities or making decisions, regardless of whether or not you are dealing directly with the customer(s).
- You must always ensure when dealing with customers that products, services and advice are provided in accordance with NZ laws and regulations.
- You must not use the confidential information of customers for the benefit of anyone else including another customer, BNZ or for yourself.

Q I am in a banking role and recently had an 85 year-old woman enquire about an investment linked product being funded out of the life savings of her recently deceased husband. I believe we had a better product for her, but I want to give customers what they want. I decided not to tell her about our other offerings and provided her with the product she asked about. Was this the right thing to do?

A No. Doing the right thing means properly explaining the features and associated risks of any products provided to our customers. You need to ensure the products offered are appropriate to the customer’s personal situation and potential vulnerability (she is an 85-year-old widow) and her particular financial needs.
Prevention of fraud and corruption

We are all responsible for the prevention of fraud and corruption in our workplace.

Fraudulent or corrupt activity involves dishonest actions, or dishonestly failing to act that cause actual or potential financial loss, or an unjust advantage. This includes:

- Theft of money, data or property.
- Deliberately falsifying, concealing or destroying documents.
- Acts of bribery.
- Taking kick-backs.
- Coercion.
- Abuse of power.

You should stay on alert for unusual activity, behaviour or requests (both internally, and from our customers or the general public). Products and services must not be made available if you become aware, or have reason to suspect, they will be used for criminal or illegal activity.

If you suspect fraud or corrupt activity may be occurring, or you are pressured by a colleague to depart from policies or procedures, you must speak up and report it to your people leader or see the speak up options at Section 1 Safe to Speak.

Concerned or suspicious about a customer?

Then you must tell your people leader and complete an Unusual Activity Report (without tipping off the customer) and submit this via email to the Financial Crime Management Centre.

More info:

There is further information about fraud on Mercury that you should familiarise yourself with.

Rowan’s actions are fraudulent

Rowan is meeting with a customer to finalise paperwork for a loan. The customer does not have payslips to support their income which Rowan knows will be a problem in getting the loan approved. Rowan wants the customer to get the loan, so he makes up some fake payslips to put with the loan documents. The loan is approved however three months later the customer is in default as they cannot afford the repayments.

A review of the file identifies the fake payslips. A disciplinary investigation was commenced. Rowan’s conduct was found to be fraudulent and a serious breach of the Code of Conduct and after due consideration he was dismissed.

Q Emma is completing a loan for a customer. When putting the documents together Emma realises the customer did not sign a section of the consent form. Emma tries to contact the customer to arrange for them to sign the document however she cannot reach them. Emma knows that by not having the form finalised the loan will be delayed. Not wanting to cause a problem for the customer, Emma considers whether she should scan the customer’s signature from another document and paste it into the form with the missing signature. Is this ok?

A No, it would not be ok. Whilst Emma is trying to ensure a good experience for the customer, if she scans the signature into the documents she will create a false document putting the bank and the customer at risk. These actions would be a serious breach of the Code of Conduct and Emma’s ongoing employment with BNZ would be at risk.

The right thing to do: Emma should continue to try and contact the customer to complete the loan, but she will need to wait until the customer is able to personally sign the document before she can proceed with loan.
We adhere to privacy and confidentiality requirements

We protect privacy and confidential information regarding customers, suppliers, colleagues and our business affairs.

IN THIS SECTION:

11 — Privacy
12 — Confidentiality, Access and Disclosure
13 — Market Information
Protection of our customers’ privacy is paramount in the bank and it is something we take very seriously.

Privacy Act
The Privacy Act 1993 contains specific principles regarding the collection, use, disclosure and storage of personal information about employees, contractors, suppliers and customers.

There is further information available on Mercury about the Privacy Act – Employee Requirements and you must ensure you are familiar with and comply with the requirements.

Customer privacy
Our customers expect us to carefully handle and safeguard all personal information they share with us. Any breach of a customer’s privacy may result in harm to the customer and can cause significant damage to the bank’s reputation. The bank may also be liable for damages.

This means you must:
• Have authorisation and a proper business purpose to access a customer’s personal information.
• Classify personal information as confidential.
• Limit sharing or access to authorised people only, who have a clear business need for that information.
• Be objective when making written comments about people (including customers), as all personal information may be disclosed. Your comments should be relevant, appropriate, accurate and justifiable.
• Take extra care when using electronic communications which contain personal information – ensure secure and protected systems are used.
• Return any unsolicited confidential information you receive to the sender or ensure it’s deleted.
• Take care not to view customer information in a public place.

A breach of customer privacy (including any unauthorised access to a customer’s personal information) is considered a potentially serious breach of the Code of Conduct and may result in summary dismissal.

See Section 2 which sets out your obligations with regard to accessing customer accounts.
Confidentiality, access and disclosure

In your role you may have access to confidential information regarding customers, suppliers, colleagues and our business affairs.

When you join BNZ you commit (as part of your employment agreement) to keeping confidential any confidential information you learn about during your employment and you agree to maintain this confidentiality even after you have left BNZ. The unauthorised disclosure or use of confidential information could have a serious impact on BNZ.

Your access and use of this confidential information are limited to work-related tasks. Access, use of, disclosure for any other purpose is prohibited, unless required by law.

Ensure you understand and adhere to the Information Handling Policy.

To ensure confidentiality is maintained and information is not misused you must:

- Take care that confidential information is not disclosed (even inadvertently) to people not meant to receive it e.g. ensure any conversations you have which are related to confidential information are not overheard by others or conducted in public places such as cafes; take care when printing documents; don’t leave documents on printers, desktops etc.
- Never email any confidential information to your personal email or inappropriate recipients.
- Ensure privacy is protected when viewing documents on desktops, laptops, iPads or other portable devices.
- Never use confidential information for personal gain or for the benefit of others, such as friends, relatives or business associates.
- Speak to your people leader immediately if you think confidential information has been or may have been disclosed or used inappropriately or lost or stolen.
- Ensure you return all confidential information (including originals and copies whether hardcopy or electronic) prior to leaving BNZ.

Definition:
“Confidential information” includes any information which relates to personal or financial information of customers, employees, suppliers or contractors of BNZ (e.g. personal contact details, income details, bank account balances, mortgage balances) and information relating to BNZ’s business e.g. customer lists, business connections, strategic information, systems, technical or financial information, business processes, software, passwords, pin codes, suppliers or other information.

Omar sends confidential material home

Omar has been offered a role externally and is planning to tell his people leader he will be finishing up at BNZ. He is really proud of the work he has done at BNZ and wants to use some of the content and strategy packs he developed in his future role, so he sends them to his personal email address, so he can refer to these once he has left BNZ.

Sending this material was identified as part of BNZ’s regular surveillance checks and Omar’s people leader was advised.

As Omar’s actions were potentially a serious breach of the Code of Conduct a disciplinary process was commenced with summary dismissal being a potential outcome of that process.
Market Information

You may obtain sensitive and/or confidential information about BNZ, NAB or another entity (including BNZ customers) which is not known to the public generally.

Insider Trading

The receipt of sensitive and/or confidential market information by BNZ must be carefully managed in order to comply with laws and policy, and to preserve market integrity. This includes storing the information so that only those who are required to use it may do so. The information must only be used for the purpose for which is supplied and in accordance with the law.

New Zealand law prohibits insider trading which is a criminal offence.

BNZ's Insider Trading Policy (and the Group Securities Trading policy) requires us to comply with the law and to be beyond reproach when:

• Dealing with information relating to BNZ, NAB and other entities we deal with; and
• Trading in BNZ and NAB securities, and the securities of other entities.

BNZ regards insider trading very seriously. Any allegation of misuse of confidential information, including inside information, will be investigated. Schemes to avoid detection, such as passing information to friends or relatives for them to undertake unlawful trading, are very likely to be discovered in such an investigation. Such offences may result in summary dismissal and criminal charges.

Blackout periods for trading NAB shares and securities

BNZ's Insider Trading Policy (and the Group Securities Trading policy) requires adherence to blackout periods before NAB’s half and full year results. During these blackout periods you and your immediate family are not permitted to trade in NAB’s securities/shares. It is your responsibility to be aware of blackout periods and your obligations during this time.

Definition:

“Insider trading” is broadly defined and occurs when a person with information about a listed issuer that may have a material effect on price uses that information in one of a number of ways including (but not limited to) trading; encouraging another person to trade; or disclosing information.

Nira does the right thing and checks before trading

Nira is on leave and decides she would like to sell some NAB shares to cover the costs of renovations she is completing. Before trading, Nira remembers reading somewhere that she is not allowed to trade during blackout periods, as there are restrictions for employees. Nira is not sure when the blackout period is and decides to do the right thing and call her people leader to check.

Nira’s people leader lets her know that a blackout period is in place and therefore she cannot trade.

Had Nira not checked and traded during the blackout period, she would still have been accountable even if she could not remember her obligations.
We manage conflicts of interest.

We ensure our personal and business interests never interfere with our ability to make sound, objective decisions.

IN THIS SECTION:

14 — Conflicts of Interest
Conflicts of Interest

You must conduct business in a way that ensures customers are treated fairly and that you help safeguard market integrity.

BNZ’s commercial interests and your personal interests must be managed so as not to compromise your ability to make sound, objective business decisions. This means:

- You must always exercise caution in your commercial and personal relationships with customers, colleagues, product providers and others to ensure they do not involve obligations that may prejudice or influence your business relationships or conflict with your duties.
- You must identify any personal or business circumstances that may give rise to a potential, actual or perceived conflict of interest and inform your people leader as soon as possible. The process set out in the Conflicts of Interest and Gifts Policy must be followed and all such conflicts of interest recorded in the Conflicts of Interest Register.
- Ensure you consider whether there is a conflict of interest before you treat someone as a customer e.g. a friend, work colleague, or someone who you may have a business or personal relationship with. If you are unsure whether you are able to treat a person as a customer, then you must discuss this with your people leader before doing so.
- Ensure you avoid situations that could compromise BNZ’s reputation by acting in a way that serves your own interests e.g. bias towards one customer over another due to a benefit it may provide you.

BNZ has a [Conflicts of Interest and Gifts Policy](#) which you must ensure you understand and comply with.

**Benefits, gifts and entertainment**

Ensure you exercise care in the giving and receiving of business-related benefits, gifts or entertainment to/from potential and existing customer and product providers and obtain approval from your people leader above the specified threshold values for your business. Any gifts (above the specified threshold) must be recorded in the Gifts and Conflicts of Interest Register and approved by your people leader.

**Secondary employment**

Ensure you advise your people leader if you wish to undertake secondary employment and obtain written consent to do so. You may undertake secondary employment provided it does not unreasonably impact on your work performance or create a conflict of interest.

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**All expenses paid**

Marco, a banker, accepted an all expenses paid trip offered by a customer, the value of which was likely to amount to several thousand dollars. Marco did not disclose the gift to his people leader, Manu. On his return from the trip, Marco was approached by Manu, who had been informed that the trip had been funded by a customer.

After a thorough investigation, Marco’s employment was terminated. The acceptance of such a gift could be reasonably perceived as having the potential of unduly influencing Marco or creating a business obligation.
WE MANAGE CONFLICTS OF INTEREST

Political process

Employees may participate outside of work as an individual in the political process provided it is made clear they are not acting on behalf of or representing BNZ.

External Directorships

If you are proposing to apply for an external directorship, ensure you read and comply with the BNZ External Directorship Guidelines (available on Mercury). Approval of a proposed appointment will be confirmed to you by BNZ Governance.

Managing your financial affairs

If you are in a position of financial responsibility, you are expected to conduct your own financial affairs in a way that promotes the trust, confidence and goodwill of BNZ. If you find yourself in financial hardship, you should contact your people leader to see if BNZ can assist in any way. The Employee Assistance Programme (EAP) is also available to you.

If BNZ receives information which calls into question the integrity or viability of your financial affairs, then BNZ may request further information from you or conduct further inquiries. If, due to your financial situation (e.g. in the event you are declared bankrupt), BNZ has cause to lose trust or confidence in your ability to carry out your role, or if your ability to perform your role is negatively impacted, or if BNZ’s reputation may be or is damaged by any aspect of your financial affairs, then this may be investigated and could lead to an outcome up to and potentially including dismissal.
Legal and regulatory obligations.

We comply with all laws, regulations and Codes that are applicable to us, including internal BNZ policies and procedures and voluntary commitments.

IN THIS SECTION:

15 — Meeting our compliance obligations
Meeting our compliance obligations

We must comply with all laws and regulations which BNZ is subject to in the course of its business, including internal BNZ policies and procedures.

In addition to the impact on our customers, failure to meet our legal and regulatory obligations can have serious consequences for BNZ and the individual concerned (including criminal, civil, regulatory and administrative sanctions). This means you must:

• Complete all your required training in BNZ’s Learning Management System within the allocated timeframe.
• Maintain any professional certification required in your role.
• Comply with any legislation or regulations applicable to your role and in all other respects.

If you fail to complete any of your compliance obligations, including completing your required training within the allocated timeframe, then this may result in disciplinary action.

Providing financial advice

New Zealand legislation (such as the Financial Advisers Act 2008) sets out a number of requirements which apply to employees who are providing financial advice to customers. Further information about the Financial Advisers Act is available on Mercury.

Providing advice on a BNZ financial product or service is restricted to employees who are competent to do so on behalf of BNZ. This means that unless you have the appropriate product and service training and authorisation, then any advice you give to customers must be limited to factual explanations of the products and services offered by the bank, without recommending any particular products to customers.

BNZ Policies and Procedures

In addition to the policies referred to in this Code of Conduct, BNZ has a number of documented policies and procedures on Mercury, Tahi and BNZ’s Knowledge Base. You must familiarise yourself with and follow these policies and procedures, especially those relevant to your role in BNZ.

Some employees (including Institutional Banking and BNZ Markets employees) have additional obligations under global policies and must ensure they understand and adhere to those policies at all times. All relevant global policies are accessible via the NAB Intranet or BNZ Markets Compliance page on Mercury.
VALUES ADDRESSED IN THIS SECTION:

Breaches of the Code of Conduct

IN THIS SECTION:

16 — Breaches of the Code of Conduct
17 — Misconduct and serious misconduct
Breaches of the Code of Conduct

Any potential breach of the Code of Conduct or any other situation which may undermine the relationship of trust and confidence between BNZ and its employees will be investigated, and a disciplinary process may commence.

If a breach of the Code of Conduct is substantiated, then one of the following disciplinary sanctions may be given:

- First formal warning; or
- Final formal warning; or
- Dismissal.

This is not necessarily a graduated warning process and one or more of these sanctions may be omitted at BNZ’s sole discretion and this will depend on the nature and seriousness of the breach. These disciplinary sanctions are discussed further below. If the matter is criminal in nature, it will be reported to the police.

Conduct Gateway

If an employee has undergone a formal disciplinary process and a warning has been given, the employee’s Conduct Gate may be changed from green to either amber or red and any discretionary variable reward payment may be impacted.

Disciplinary action resulting in a first formal warning will generally result in an amber conduct gate. This may result in a 25% reduction in any discretionary variable reward (if the bank exercises the discretion to make a payment).

Disciplinary action resulting in a final formal warning will generally result in a red conduct gate. The employee will not be eligible to be considered for any discretionary variable reward (if the bank exercises the discretion to make a payment) and will lose any applicable deferred variable reward payment from the previous year(s) reward period.

Procedural fairness

In all formal disciplinary investigations and processes, BNZ will act fairly, reasonably and promptly. This will include meeting with the employee, offering the employee an opportunity to bring a support person or representative to any disciplinary meetings and giving the employee an opportunity to respond to the allegations.
A warning may be given to an employee for:

- Misconduct; or
- Serious misconduct.

**Dismissal with notice**

Dismissal with notice may occur where unacceptable behaviour persists following the provision of formal warnings, or BNZ considers the misconduct is such that dismissal is justified under all the circumstances.

**Summary dismissal**

Summary dismissal may occur in cases of serious misconduct. In these cases, dismissal will occur without the need to give notice.

**Suspension**

BNZ may suspend an employee for any of the following reasons including (but not limited to): to allow the proper investigation of an incident; to protect a customer’s interests; for health and safety reasons; to protect BNZ’s interests or property; to protect the employee’s interests or another employee’s interests; to protect potential evidence; to avoid repetition of the employee’s alleged conduct; or for any other reason as determined by BNZ.

Prior to a suspension taking place the employee will be told the reason for BNZ’s proposal to suspend and given an opportunity to comment on the proposed suspension.

During the period of suspension, the employee will receive ordinary wages or salary, and may be required to attend meetings with BNZ’s representatives. Where any suspension extends beyond two weeks due to matters beyond BNZ’s control (such as a police investigation into the employee’s conduct) the suspension may continue without pay.

**Employee Assistance Programme (EAP)**

BNZ provides a 24-hour confidential and free counselling and advice service which is available to all employees. BNZ’s EAP provider is Benestar who can be contacted on 0800 360 364 or via their website. Further information is also available on Tahi. Employees who are involved in a disciplinary investigation /process may wish to use this service to gain support during the process.

**Disputing disciplinary action**

An employee wishing to dispute the outcome of a disciplinary process should refer to the Employment Relationship Problem provision of their employment agreement which sets out the steps to take.
The following lists set out acts and omissions which may constitute a breach of the Code of Conduct. The acts and omissions are listed as misconduct or serious misconduct, however neither list is exhaustive. Some of the breaches listed will also potentially fall into both categories and this will depend on the circumstances and the nature of the breach.

**Misconduct**

The following acts or omissions may constitute misconduct:

- Personal conduct of an employee, within or outside working hours, which harms BNZ’s trust and confidence in the employee and/or has the potential to harm BNZ’s reputation with its customers and/or the general public.
- Conduct which interferes with any employee’s enjoyment of the workplace.
- Negligence in the undertaking of duties
- Frequent lateness or unauthorised absence from work.
- Failure to wear the corporate wardrobe when required by BNZ and/or failure to comply with the conditions applied to being issued with corporate wardrobe.
- Failure to report suspicious or fraudulent activity or other potential or actual breaches of the Code of Conduct.
- A breach of credit/investment policies and/or procedures, including a breach of a Delegated Commitment Authority (DCA) or any other delegated authority pertaining to the employee’s role.
- Misuse of BNZ’s property, information or services.
- Inadvertent disclosure of confidential information.
- Failure to complete compliance training within mandatory timeframes.
- Failure to maintain legal compliance certification.
- Misuse of the special financial facilities offered to employees, or operating BNZ facilities, (e.g. accounts, credit cards), whether special staff facilities or not, outside their terms and conditions.
BREACHES OF THE CODE OF CONDUCT

- Accessing BNZ information outside what is required in the undertaking of duties.
- Failure to report a conflict of interest.
- Failure to advise people leader when undertaking secondary employment.
- A breach of any BNZ policy and/or procedure.
- Any other behaviour or conduct considered by BNZ to constitute misconduct.

Serious Misconduct

A breach of the Code of Conduct which constitutes serious misconduct, if proven, may result in the employee being summarily dismissed from their employment at BNZ. The following acts or omissions may constitute serious misconduct:

- Personal conduct of an employee, within or outside working hours, which seriously harms the bank’s trust and confidence in the employee and/or has the potential to seriously harm BNZ’s reputation with its customers and/or the general public.
- Bullying, offensive or intimidating behaviour.
- Harassment (including sexual or racial harassment).
- Discriminatory behaviour.
- Serious or repeated use of obscene, abusive or offensive language.
- Disorderly or violent behaviour.
- Viewing or transacting on a BNZ customer’s account (including friends, a work colleague, family member, ex-spouse or ex-partner, employee of BNZ, or any other person) using any internal BNZ system, other than in the proper performance of duties.
- Viewing or transacting on own account (s) using any internal BNZ system.
- Dishonesty, including theft, fraud, misappropriation, unauthorised possession or conversion, inside or outside BNZ or any other acts considered to be dishonest or unethical.
- Failure to report knowledge of suspicious or fraudulent behaviour or a potentially serious breach of the Code of Conduct.
- Falsification of BNZ’s records.
- Using BNZ’s purchasing facilities (including corporate card) for personal or unauthorised expenditure.
- Non-disclosure or falsification of information provided by an employee to BNZ or to a recruitment agency in relation to an employee’s application for employment, including the health questionnaire.
- A breach of privacy obligations.
- Serious or repeated negligence in the undertaking of duties.
- Serious insubordination or the refusal to carry out a lawful and reasonable instruction.
- Consuming alcohol or being affected by alcohol while at work either on or off BNZ premises (except for authorised BNZ or client functions), or when driving a BNZ vehicle.
- Using or being affected by solvents and/or drugs while at work (on or off BNZ premises) or when driving a BNZ vehicle.
• Unauthorised absence in defiance of a declined request for leave or continued absence after being requested to return to work.
• Deliberate or careless disclosure or misuse of confidential information.
• Repeated failure to complete legal compliance training or maintain legal compliance certification.
• Misuse of the special financial facilities offered to employees.
• Unauthorised possession of BNZ property or the property of another employee or customer.
• Misuse of or failing to prevent the misuse of BNZ’s property, information or services.
• Access, disclosure or use of BNZ’s information outside what is required in the undertaking of duties.
• A breach of any law or regulation applying to BNZ’s business.
• Trading NAB shares/securities during a NAB blackout period.
• Failure to disclose a criminal charge or conviction during employment with BNZ or during recruitment process (not protected by the Criminal Records (Clean Slate) Act 2000).
• A serious breach of any law or regulation applying to BNZ’s business.
• A serious breach of any BNZ policy and/or procedure.
• Any other behaviour or conduct of a serious nature and considered by BNZ to constitute serious misconduct.