

FINANCIAL PRODUCT DEALING POLICY

Introduction:

Millennium & Copthorne Hotels New Zealand Limited ("MCK" or "the Company") is a publicly listed company on the NZX which means that its shares are traded on a licensed market.

Securities which are the subject of this policy:

This policy details MCK's policy on, and rules for, dealing in the following MCK securities (the "Financial Products"):

- MCK Ordinary Shares ("MCK Ords");
- MCK Non-voting Redeemable Preference Shares ("RPS"); and
- CDL Investments Ordinary Shares ("CDI Ords")

The requirements imposed by this policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand. Nothing in this policy should be interpreted as permission by the Company for any person to undertake any action that is prohibited by New Zealand's insider trading laws.

Who does this policy apply to ?

This policy applies to all Directors, officers and employees of MCK and its subsidiaries who intend to trade in the Financial Products.

In this policy "**trade**" includes buying or selling quoted financial products, or agreeing to do so, whether as principal or agent, but it does not include subscription for, or the issue of, new financial products.

In addition to this policy, further more specific and stringent rules also apply to trading in Financial Products by those people identified as "Restricted Persons", being Directors and certain senior employees (see Appendix 1: Additional Trading Restrictions for Restricted Persons). Appendix 1 only applies to "Restricted Persons".

Each person to which this policy applies, including any "Restricted Person" listed in Appendix 1, is included with respect to all of their interests in any of the Company's securities, whether direct, indirect, contingent, beneficial or legal. The nature of an interest will extend to interests held through other entities or persons (e.g. trusts, associates, related parties, spouses and other family members, and closely-held companies, etc.) where the person has the ability to influence or control that person or entity.

If you do not understand any part of this policy, or how it applies to you, you should raise the matter with the

Company Secretary before dealing with any Financial Products covered by this policy.

Fundamental Rule – Insider Trading is prohibited at all times:

If you possess "Material Information", (see definition below), then whether or not you are a "Restricted Person" listed in Appendix 1 you must not:

- (a) trade the Financial Products;
- (b) advise, induce or encourage others to trade, or hold any of the Financial Products or
- (c) pass on that Material Information to others (whether directly or indirectly).

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

The prohibition on insider trading applies not only to information concerning MCK's Financial Products. If a person has material information in relation to quoted financial products of another issuer (including derivatives in respect of such quoted financial products), that person must not trade in those financial products.

"**Material Information**" is information that:

- (a) is not generally available to the market; and
- (b) if it were generally available to the market, would have a material effect on the price of the Company's Financial Products (and relates to particular financial products, a particular listed issuer or issuers, rather than to financial products generally or listed issuers generally).

Information is generally available to the market if it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in relevant financial products (and a reasonable period of time has elapsed for the information to be disseminated among investors that commonly invest in the Company's Financial Products), or investors that commonly invest in the Company's Financial Products can readily obtain the information (whether by observation, use of expertise, purchase from other persons, 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.

Examples of potential Material Information include, but is not limited to, information, which has not previously been released to the market, concerning:



- (a) the financial performance of MCK;
- (b) a possible change in the strategic direction of MCK;
- (c) a possible acquisition or divestment opportunity being pursued;
- (d) entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known;
- (e) a possible change in the Company's capital structure;
- (f) a change in the historical pattern of dividends;
- (g) Board or senior management changes;
- (h) a material legal claim by or against MCK; or
- (i) any other unexpected material liability.

If you have any "**Material Information**", it is illegal for you to:

- trade the Financial Products;
- advise or encourage another person to trade or hold the Financial Products;
- advise or encourage a person to advise or encourage another person to trade or hold the Financial Products;
- pass on the material information to anyone else – including colleagues, family or friends – knowing (or where you ought to have known) that the other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, the Financial Products.

This offence, called "insider trading", can make you subject to criminal liability including large fines and/or imprisonment, and civil liability (which may include being sued by another party or MCK, for any loss suffered as a result of illegal trading).

EXCEPTIONS

This policy does not apply to:

- acquisitions and disposals by gift or inheritance;
- acquisitions through an issue of new quoted financial products, such as an issue of new shares on the exercise of options, under a rights issue, or a dividend reinvestment plan.

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 MCK to a third party unless that third party has signed a confidentiality agreement with MCK and you have been authorised to disclose the confidential information.

FAILURE TO COMPLY WITH THIS POLICY

Any breach of this Policy will constitute misconduct or serious misconduct under your terms of employment and will be subject to disciplinary action, which can include termination of employment.

Under New Zealand legislation it is a criminal offence to knowingly breach insider trading laws. If convicted, an individual is liable for a term of up to 5 years' imprisonment or a fine not exceeding \$500,000 or both, while a body corporate is liable for a fine not exceeding \$2.5 million.

There are also civil penalties for breach of the insider trading laws. The New Zealand Financial Markets Authority (FMA) can take action seeking pecuniary penalties and compensation.

MONITORING OF TRADING

MCK may monitor the trading of directors and employees as part of the administration of this policy.

APPLICATION OF THIS POLICY

The Board of MCK 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 notice to you.

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

If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with the Company Secretary before dealing with any Financial Products covered by this policy.

If in doubt, do not trade, tip or disclose.



APPENDIX 1: ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS

PERSONS COVERED BY RESTRICTED FINANCIAL PRODUCT TRADING RESTRICTIONS

The additional trading restrictions set out in this Appendix 1 apply to (“**Restricted Persons**”):

- (a) any director of MCK;
- (b) all members of the Executive Committee (being all direct reports to the Managing Director);
- (c) all persons directly reporting to a member of the Executive Committee;
- (d) trusts, companies or other entities controlled by such above-mentioned persons; and
- (e) anyone else notified by the Company Secretary as being an insider by the Company from time to time.

Any Restricted Person who is an individual will be considered responsible for the actions of trusts and companies controlled 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.

ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS

Restricted Persons are prohibited from trading in any Financial Products during the following “blackout” periods:

- from 10 business days prior to the end of the financial year (31 December) until the trading day following the announcement of the full year financial results to the NZX;
- from 10 business days prior to the end of the interim financial reporting period until the trading day following the announcement of the interim financial results to the NZX;
- any other period determined by the Company Secretary from time to time.

The Company Secretary, in consultation with the Board, has discretion to reduce or extend any “blackout” period.

Restricted Persons are not permitted to trade in any Financial Products during a “blackout” period unless MCK’s Board provides a specific exemption. An application from a Restricted Person to trade during a “blackout” period must set out the circumstances of the

proposed trade, including an explanation as to the reason the exemption is requested.

For the avoidance of doubt, Restricted Persons must not trade Financial Products at any time if they hold Material Information regardless of these “blackout” periods.

APPROVAL MUST BE SOUGHT AND GRANTED BEFORE TRADING

Before trading in Financial Products, Restricted Persons must:

- (a) notify the Company Secretary of their intention to trade in Financial Products, and receive consent to do so (using the Request for Approval to Trade in Financial Products form attached);
- (b) confirm that they do not hold Material Information; and
- (c) confirm that there is no known reason to prohibit trading in the Financial Products.

If the Company Secretary is not available for any reason, then the Company approval is delegated to the Vice President Finance.

An approval to trade 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.

An approval to trade will mean that a person will not be considered to be in breach of their employment obligations under the Company’s code of conduct. An approval does not in itself exclude the possibility of either civil or criminal liabilities still arising.

You must also advise the Company Secretary as soon as practicable after completion of the trade and comply with any disclosure requirements under Stock Exchange Listing Rules or under the Financial Markets Conduct Act 2013.

REQUIREMENTS AFTER TRADING

A Restricted Person must advise the Company Secretary promptly following completion of any trade, and the Restricted Person must comply with any disclosure obligations it has under Subpart 6 of the Financial Markets Conduct Act 2013 (disclosure of relevant interests in quoted financial products by directors and senior managers of listed issuers).

MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

REQUEST FOR APPROVAL TO TRADE IN FINANCIAL PRODUCTS

I, **[name]**, in accordance with MCK's Financial Product Dealing Policy, Additional Trading Restrictions For Restricted Persons, request approval to conduct the following transaction involving the Company's securities. The proposed transaction will be undertaken either by me or by persons associated or controlled by me, within ten (10) trading days of approval being given. I acknowledge MCK is not advising or encouraging me to trade or hold MCK Financial Products and is not providing any recommendations on the proposed transaction.

Full name:

Name of registered holder of Securities:

Address:

Position:

Description and number of Securities:

Type of transaction: PURCHASE / SALE / OTHER (specify)

On Market / Off Market:

I DECLARE that I do not hold any information which is Material Information as defined under the MCK Financial Products Trading Policy and know of no reason that would prohibit or disqualify me from trading in MCK Financial Products and certify that I have read the MCK Financial Products Trading Policy and that the information given above is complete, true and correct.

DECLARED AT

THIS DAY OF [Month] 20____

Signature

MCK hereby APPROVES / DOES NOT APPROVE the proposed transaction stated above. The proposed transaction must take place within ten trading days of this approval.

Name:

Date:

Position:



SCHEDULE: SCENARIOS TO WHICH THIS POLICY DOES NOT APPLY

Dividend Reinvestment Plan

Subscription for, or the issue of, new Financial Products under a Dividend Reinvestment Plan (DRP) does not fall within the requirements of New Zealand's insider trading legislation or this Policy.

Where the transaction involves an acquisition of existing Financial Products of the Company under a DRP, the transaction has been excluded on the basis that the Company can control the making or timing of the transaction.

Any shares acquired pursuant to the Company's dividend reinvestment plan.

Shares acquired by inheritance

Acquisition of MCK shares by way of inheritance are not covered by this policy. However, it is recommended that any transfer not be effected during Blackout Periods.