Tower Limited

Related Party Transactions Policy

November 2025

Document Information

Policy Name	Tower Limited Related Party Transactions Policy
Policy Type	Board Policy
Policy Preparer	Corporate Governance Counsel
Policy Owner	Tower Limited Board
Policy applies to	Tower Limited and all of its subsidiaries, and all directors, staff and contractors of Tower Limited and any of its subsidiaries
Version Number	5.4
Approver	Tower Limited Board
Date of Approval	27 February 2023
Effective From	20 February 2024
Date of Next Review	30 November 2027
Policies Replaced by this Document:	Tower Limited Related Party Transactions Policy version 5.0

Document History

Version	Date	Changes	Reason for change	Author	Date Approved
1.0	February 2020	New policy in replacement of the Conflicts of Interest and Related Party Transactions Policy version 2.0 to reduce the complexity of the content of that policy and to enable each matter to be more accessible to relevant audiences within Tower The new policy addresses the different definitions of "related party" under" the Insurance (Prudential Supervision) Act 2010 and the NZX Listing Rules 2019 Incorporates the NZX Listing Rules	New policy	Hannah Snelling	February 2020
2.0	July 2020	Remove references to subsidiaries of Tower Limited to reflect the amalgamation of TL and TIL	Amalgamation of TL, TIL, TFSG and TNZL	Hannah Snelling	
3.0	September 2020	Further updates to reflect amalgamation and general tidy up changes	Amalgamation	Rachael Watene	
4.0	January 2021	Update to consolidate director conflict and confidentiality documentation	Simplification	Rachael Watene	January 2021

5.0	January 2022	General grammar, formatting and consistency with other Tower policies Additional wording added to paragraph 2.11 regarding consideration of disclosure obligations to NZX/ASX Update to record that the policy be reviewed annually Amendments to reflect current roles and titles	Review	Hannah Snelling	February 2022
5.1	August 2022	Changed owner to 'Tower Limited Board' as per Board request	Board request	Joel Kirk	August 2022
5.2	February 2023	Simplification	Review	Arna Neems	February 2023
5.3	February 2024	Change review cycle	Review	Arna Neems	February 2024
5.4	November 2025	Simplification and update to Tower Limited policy template	Review	Arna Neems	November 2025

1. Background and Purpose

1.1. This Related Party Transactions Policy (**Policy**) sets out the process to be followed by Tower Limited's (**Tower**) edirectors, officers, employees, consultants and contractors (collectively called **Personnel**) when entering transactions with Tower's related parties.

2. Definitions

- **Arm's Length Terms:** Terms consistent with normal commercial terms between independent parties.
- **Material Transaction:** As per NZX Listing Rules rule 5.2.1, includes transactions above 10% of average market capitalisation; requires shareholder approval unless waived.
- **Related Party:** Individuals or entities that could influence or be perceived to influence a particular transaction, as defined under NZX Listing Rules, IPSA and IAS24. **Appendix A** sets out examples of related parties.
- **Related Party transactions** are transactions or other dealings between Tower and a related party.

3. Policy Principles

3.1. All related party transactions must be:

3.1.1. Identified, assessed, disclosed and entered into in accordance with applicable legislation and regulations
3.1.2. Reviewed and approved in writing by the Board or authorized individuals, on arm's length terms
3.1.3. (first) Approved by shareholders if material, unless a waiver is obtained
3.1.4. Disclosed in annual financial reporting as required.

4. Roles & Responsibilities

4.1. **Personnel:** Must identify and disclose any proposed Related Party transaction to the Chief Risk Officer and not proceed without written approval.

4.2. **Chief Risk Officer:** Coordinate identification, assessment, and recommendation of transactions to the Board; ensure documentation and transparency.

4.3. **Chief Financial Officer:** Ensure proper disclosure of Related Party transactions in financial statements.

4.4. **Board:** Approve transactions, ensure arm's length terms, assess materiality and public disclosure obligations; exclude interested parties from voting.

5. Reporting

5.1. Disclosure of a proposed Related Party transaction (excluding insurance policies entered in the ordinary course of business) must be made in writing to the Chief Risk Officer. The following should be disclosed:

- the matter to which the proposed Related Party transaction relates;
- the names of the relevant parties;
- details of the proposed Related Party transaction, providing sufficient detail for the transaction to be assessed;
- any suggested course of action; and
- any other information that may be relevant to the assessment of the Related Party transaction.

5.2. Related Party Transactions must be recorded in the Related Party Transactions Register, and reported to the Board.

5.3. Related Party Transactions must be recorded in the Company's financial statements, and may be required to be disclosed to the NZX/ASX.

6. Governance and Accountability

6.1. After a proposed Related Party transaction has been disclosed, the matter will be assessed by the Chief Risk Officer in conjunction with the impacted business unit, where relevant, and disclosed to the Board of the relevant Tower company. Following assessment, the Chief Risk Officer will make a recommendation to the relevant Board as to the course of action to be followed to manage the proposed Related Party transaction. Required courses of action may include one or more of the following, or any other course of action considered appropriate:

- obtaining expert and/or independent advice;
- obtaining legal advice;
- obtaining evidence of or means of confirming that the transaction is on arm's length terms;
- changing terms and conditions so that they are arm's length;
- providing more detailed documentation of the transaction;
- establishing information barriers or other means to control the passing of information; including in relation to any interested directors;
- requiring disclosure to be made to third parties, including NZX and ASX;
- referral to the Board of Directors of Tower Limited and/or the relevant Tower company;
- ceasing, avoiding or limiting involvement with the Related Party; and
- seeking shareholders' approval.

6.2. The determination made will be entered into the Related Party Transactions Register.

7. Related policies and procedures

7.1. Tower has adopted several policies and procedures which reflect and incorporate legal and regulatory requirements to ensure that dealings with Related Parties and the associated risks are appropriately managed by all Personnel. These include:

- Conflicts of Interest Policy
- Code of Conduct Policy
- Insider Trading and Market Manipulation Policy
- Whistleblower Policy
- Corporate Disclosure Policy
- Internal Audit Policy
- External Audit Independence Policy

8. Review of Policy

This policy will be reviewed every two years, or sooner, if legal, regulatory or business changes occur.

APPENDIX A – EXAMPLES OF RELATED PARTIES

Related Parties under the Listing Rules

8.1. Under the Listing Rules, a Related Party means a person who, at the time of a Material Transaction, as that term is defined in the Listing Rules, or at any time with in the previous six months, was:

8.1.1. a director or senior manager of Tower or any of its subsidiaries;
8.1.2. a person who holds, controls or has the right to acquire 10 percent or more of the voting shares in Tower;
8.1.3. an "associated person" of Tower or any of the persons referred to in 2.3.1 or 2.3.2 above. A person (**A**) is associated with, or an "associated person" of, another person (**B**) if:

a. A is able, directly or indirectly, to exert a substantial degree of influence over the activities of B (or vice versa);
b. A has the power, directly or indirectly, to exercise or control the exercise of, more than 50 percent of the voting shares in Tower (or vice versa);
c. A and B are relatives or related bodies corporate (in some cases, this may also extend to trustees of a trust where a Related Party is a beneficiary);
d. A and B are partners under the Partnership Act 1908;
e. A is a director or senior manager of B (or vice versa); or
f. A and B are acting jointly or in concert.

8.2. This list is not exhaustive, and exceptions apply in certain circumstances. If you consider a person may be a Related Party under these, or any other criteria, you should consult with the Chief Risk Officer and the General Counsel.

Related Parties under IPSA

8.3. A person is a Related Party of Tower under IPSA if it is/they are:

8.3.1. An "associated person" of Tower. A person (**A**) is associated with Tower if:

a. A is a holding entity or subsidiary of Tower, or vice versa;
b. A (together with its associates) holds directly or indirectly more than 50 percent of the voting shares of Tower, (other than voting shares that carry no right to participate beyond a specified amount in a distribution of profits or capital), or vice versa;
c. A directly or indirectly holds more than 50 percent of the voting shares of Tower, (other than voting shares that carry no right to participate beyond a specified amount in a distribution of profits or capital), or vice versa;
d. The businesses of A and Tower have been so carried on that the separate business of A and Tower, or a substantial part of it, is not readily identifiable; or
e. There is another person with which both A and Tower are associated;

8.3.2. A director, the CEO, CFO or appointed actuary of Tower;
8.3.3. A person who occupies a position allowing the exercise of significant influence over the

management or administration of Tower;

8.3.4. A relative of a person at 2.6.1, 2.6.2 or 2.6.3 or the nominee or trustee for any of those persons;

8.3.5. A director of an associated person of Tower;

8.3.6. A person who owns, or in any way has the power to control (whether directly or indirectly), or has the right to acquire, 10 percent or more of the voting rights in Tower; and

8.3.7. A person who has control (whether directly or indirectly) or significant influence over 25 percent or more of the composition of the Board of Tower.