

# Scales Corporation Limited

## Shareholder Communications and Market Disclosure Policy

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Scales Corporation Limited (*Scales* or the *Company*) is committed to providing a high standard of communication to its shareholders and other stakeholders. The Company believes effective communication is achieved by providing equal access to timely, accurate and complete information.

Scales has an obligation to comply with the NZX Listing Rules (the *NZX Rules*). In addition to fully meeting these obligations, the Company is also committed to providing comprehensive information to shareholders and other stakeholders to ensure they have available all information they reasonably require in order to make informed assessments of the Company's value and prospects.

### 1 COMMUNICATION

To ensure shareholders and other stakeholders have access to relevant information Scales will:

- ensure shareholders are appropriately informed on the Company's results, operations and other material information;
- produce an annual report that includes all information required by law, and also includes sufficient meaningful information to enable shareholders and stakeholders to be well informed on the affairs of the Company;
- make available to shareholders a copy of the Company's annual report at no charge whether they choose to receive this document electronically or in printed form; and
- maintain a website ([www.scalescorporation.co.nz](http://www.scalescorporation.co.nz)), ensuring it contains up-to-date and complete information, including:
  - a comprehensive set of investor-related information and links to NZX releases, annual reports and interim results, investor presentations and webcasts, share price information, dividend histories, shareholder meeting materials and such other material as demonstrates best practice in investor communications; and
  - governance related material including the Company's major policies and director and management information.

Shareholders who have provided the Company with an email address will be sent annual reports electronically unless they expressly opt to receive hard copy reports. Email will be used for a range of other communications that will enable shareholders to keep up to date on Scales' announcements and performance.

The Company will also have an ongoing programme aimed at building understanding and appropriate measurement of the Company's performance among investors and analysts through:

- dialogue with management;
- briefings for results and announcements that allow analysts to ask questions of management;
- visits to operations; and
- opportunities to meet with directors.

## **2 SHAREHOLDER MEETINGS**

The Board values the opportunity to give comprehensive yet accessible interim results and annual reports to shareholders and to meet with them annually. Shareholder meetings are an important opportunity for Scales to inform shareholders of Company information and for shareholders to express their views to the Board and senior management.

Shareholder meetings will be held in New Zealand at a time and location which will aim to maximise participation by shareholders.

The format for annual meetings will generally include:

- the use of audio/visual media to support presentations;
- webcasting to allow participation by shareholders who are unable to attend the meeting in person;
- adequate opportunity to ask questions during the meeting;
- the presence of senior management, legal advisors and external auditors to assist in answering questions raised by shareholders; and
- an opportunity at the conclusion of the meeting for shareholders to meet with directors and senior management to informally discuss matters of interest.

## **3 MARKET DISCLOSURE**

Scales is committed to ensuring compliance with the general and continuous disclosure obligations contained in the NZX Rules. The Company's procedures are designed to ensure disclosure of material information is made to ensure that:

- a fully informed market is maintained through effective communication with NZX, shareholders, investors, analysts, media and other stakeholders; and
- all stakeholders have equal and timely access to information about the Company that is factual and presented in an accurate, balanced, meaningful and consistent way.

Scales will notify the market of any material information related to its business other than where an announcement is not required under the exclusions provided in the NZX Rules and the Company chooses not to disclose the information in reliance on such exclusion. Material information means any information that a reasonable person would expect if it were generally

available to the market to have a material effect on the price of the Company's securities. The information must relate to particular securities, a particular issuer, or particular issuers, rather than to securities generally or issuers generally.

Accountability for compliance with disclosure obligations is with the Managing Director and Chief Financial Officer (*CFO*), together the Disclosure Committee (the *Committee*). The Committee assesses information materiality based on its knowledge of the business, against measures appropriate to the business and with regard to the guidance provided by NZX.

The Committee may refer any matter which it considers may be material information to the Chair of the Finance and Treasury Committee for consideration as to whether disclosure is required. The Committee may also seek external advice.

Where information is considered for disclosure by the Committee and a decision is made not to recommend disclosure to the Board, the reasons for that decision will be documented.

Significant market announcements, including the preliminary announcement of the half year and full year results, the financial statements for those periods, dividends, the acquisition or divestment of assets and any advice of a change in earnings forecast are required to be approved by the Board.

Directors will consider at each Board meeting whether there is any material information which should be disclosed to the market. A written record of all Board decisions (whether to disclose or not) and the reasons for non-disclosure shall be made, and copies of any legal advice obtained shall be retained with that record.

The CFO is responsible for all communication with NZX. Once a release is approved by the Board the CFO shall lodge the release with NZX.

The CFO will arrange any training for the officers and employees to assist with their understanding of the Company's and their own obligations relating to identifying material information, the protocols for its disclosure and ensuring compliance with this policy. To assist with this training, the Company will establish escalation principles, together with supporting practices and embed those escalation principles throughout the business. The Company will regularly review, and if necessary, amend its escalation principles and supporting practices to ensure the objective of timely notification of material information is achieved.

#### **4 AUTHORISED SPOKESPERSONS**

Scales has authorised spokespersons to speak on behalf of the Company in order to ensure consistent information is released. These authorised persons are:

- Chair of the Board
- Managing Director
- CFO

The authorised persons are the only points of contact for investors and media. No other employee, contractor or adviser should be approached for comment by media, analysts or any other person. The CFO is to be advised of any such requests.

The Chair or the Managing Director may authorise other spokespersons on specific matters. A written authority and guidelines for appropriate communication will be provided.

Other than approved spokespersons, no employee, contractor or adviser is permitted to comment publicly on undisclosed material information. Any information that is not public should be treated by employees, contractors and advisers as confidential.

## **5 ANNOUNCEMENTS**

Once the requirement to disclose information has been confirmed, the release will be issued by the CFO (or their nominee) promptly and without delay. The disclosure will first be lodged with NZX and only after it has been released will the information be publicly distributed.

If an announcement is undertaken jointly with another party, Scales will ensure the other party has the opportunity to review and comment on the release and fully understands the requirement for an agreed and managed process for the release of the announcement to ensure the Company is able to meet its disclosure obligations.

## **6 MEDIA SPECULATION AND USE OF SOCIAL MEDIA**

Media is considered to be all forms of media, including news services, social media and internet sites.

The Committee is responsible for the Company's obligations to release material information to the NZX necessary to prevent development or subsistence of a market for its quoted securities which is materially influenced by false or misleading information from the Company or other persons or circumstances which would give such information substantial credibility.

Except as required above, Scales will generally not comment on media speculation and rumours. Should NZX or another regulator require a formal response from the Company or should the Committee determine that previously undisclosed confidential information is no longer confidential, a statement may be released.

Scales employees, contractors and advisers must not participate in unauthorised social media discussions of any form where the subject matter relates to the Company. Where use of social media is sanctioned by Scales and is part of a business function or marketing activity an authority to participate will be provided by the Managing Director or Chief Financial Officer together with appropriate use guidelines.

## **7 TRADING HALTS**

If considered necessary to ensure trading is conducted in an orderly manner, the Committee will request a trading halt from NZX in order to manage disclosure matters.

## **8 INVESTOR AND MEDIA RELATIONS PROGRAMME**

Scales recognises that a robust investor and media relations programme is a core component of the framework it applies to meet its disclosure obligations. The programme is based on the practices of timely, consistent and even-handed communication.

Reasonable requests from stakeholders will be responded to on a timely basis.

Material information will not be disclosed to any party prior to its release to NZX. Should non-public information be inadvertently disclosed, the Committee will be advised and consider whether a disclosure should be released.

Key events such as results briefings, the annual shareholder meeting and investor presentations will either be webcast or recorded. The webcast, recording or a transcript will be available on the Company's website for a period of three years. Notes will be kept of all investor meetings and briefings that are not webcast or recorded or where a transcript is not available. Events that are to be webcasts or recorded will be advised to the market to allow interested parties to participate. Presentation materials for these events will be lodged with NZX and will be made available on the Company's website.

## **9 RESULTS REPORTING**

Scales will hold a conference call when interim and annual results are released to the market. Meetings with investors will generally be held within a week of results being released.

The time between the end of the first half of the financial year or the end of the financial year and the release of the results is considered a blackout period. During a blackout period Scales may hold investor meetings to discuss its strategy and publicly available information relating to its operations however there will be no discussion with any third party regarding the Company's financial performance, any financial results-related information or broker forecasts or forecast ranges for that period.

## **10 COMPANY WEBSITE**

Scales' website provides an important channel for communicating with its stakeholders. The investor section of the website will contain information relevant to investors and other stakeholders including:

- Annual reports and interim results releases
- Annual meeting materials
- Links to NZX releases
- Governance-related information
- Investor presentations and webcasts
- Company profile information
- Share price and dividend history

The website content will be reviewed twice yearly to ensure it remains current. A policy of archiving or removing material more than three years old will be applied.

## **11 ANALYSTS FORECASTS**

Scales will monitor analyst forecasts in order to inform the Board of the market's expectations for financial and operational performance.

The Company will generally not comment on individual or the average of analysts' forecasts or expectations. Any comment to individual analysts on their financial or non-financial forecasts will be restricted to reiterating public information or correcting factual errors.

If the Company becomes aware that the market's expectations of financial performance is materially different from its own, the Board may choose to issue earnings guidance or make a public statement.

## **12 BREACHES OF POLICY**

Any breach of this policy must be immediately reported to the CFO or the Chair of the Finance and Treasury Committee.

## **13 REVIEW**

The Finance and Treasury Committee will review this policy every two years and recommend any proposed changes to the Board for approval.

### **Document Control**

Version	Date	Comments & Approval
1.0	7 December 2021	Board approved
2.0	21 February 2024	Biennial review
3.0	2 December 2025	Biennial review

