

# Scales Corporation Limited

## Code of Ethics

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### Document Control

Version	Date	Comments & Approval
1.0	2 <sup>nd</sup> December 2019	Board Approved
2.0	17 <sup>th</sup> July 2020	Annual review
3.0	7 December 2021	Annual review

## **1.0 Introduction**

The Code of Ethics is the framework of standards by which the directors, employees, contractors for personal services and advisers (Scales people) of Scales Corporation Limited and its related companies (Scales, the Company) are expected to conduct their professional lives and has been approved by the Board. This Code is not intended to prescribe an exhaustive list of acceptable and non-acceptable behaviour, rather it is intended to facilitate decisions that are consistent with Scales values, business goals and legal and policy obligations, thereby enhancing performance outcomes. Scales people must familiarise themselves with Scales values, as they govern their behaviour while they are employed by Scales.

Directors, Senior Executives and other employees who are proven to have breached this Code of Ethics will face disciplinary action which, depending on the seriousness and severity of the breach, could include dismissal or legal action or both.

Scales directors and managers are expected to lead according to these standards of ethical and professional conduct and to ensure that they are communicated to the people who report to them.

If you have any questions or concerns about an ethical question or want clarification of any aspect of this policy please ask your manager or the Chief Financial Officer.

If you observe or suspect a breach of this Code, any legal obligations or any other Company policy or you become aware of any unethical practices you should report the matter to your manager or other senior team member. If, for any reason, you are not able to do this then you should report the matter in accordance with Scales' Whistleblower Policy.

Any reports of suspected breaches of the Code will be handled confidentially. No Scales people, in good faith, reporting a suspected breach of the Code should be concerned about retaliation by anyone at the Company. Any Scales people or other person involved in retaliation will be subject to sanctions that may include serious disciplinary action, removal from office and dismissal as well as other remedies, all to the extent permitted by law and as appropriate given the specific circumstances. (Please refer to Article 12, Reporting Concerns, for more information.)

## **2.0 Conflicts of Interest**

A conflict of interest occurs when an individual's interests interfere, or appear to interfere, with Scales' interests. Scales expects Scales people to act in Scales' interests at all times.

Scales people will not without the prior consent of Scales:

- engage in any other business or commercial activities which would conflict with their ability to perform their duties to Scales;
- support a political party or organisation other than in a personal capacity; and
- engage in any other activity which could conflict with Scales' interests.

## **3.0 Gifts**

The rules around the acceptance of gifts are contained in Scales' Gifts, Entertainment & Hospitality Policy.

"Gifts" and "personal benefits" can include accommodation, goods, services, discounts, special terms on loans and so on.

Scales people will not accept gifts or personal benefits of any value from external parties if it could be perceived that such acceptance might compromise or influence any decision by Scales.

## **4.0 Corporate Opportunities**

Scales expects its people to advance its legitimate interests when the opportunity to do so arises.

Scales people will not:

- take for themselves any opportunity discovered through the use of Scales property, information or position;
- use Scales property (including Scales' name), information or position for personal gain;
- compete with Scales; and
- trade in shares, or any other kind of property, based on information that comes from their roles for Scales if that information has not been reported publicly, and not act in contravention of Scales' Securities Trading Policy and Guidelines.

## **5.0 Confidentiality**

Scales and Scales stakeholders entrust us daily with their confidential communications and information. Confidential information includes all information not in the public domain that has come to a Scales employee's knowledge by virtue of working for Scales.

Scales people will maintain and protect the confidentiality of information entrusted to Scales about work colleagues, stakeholders and Scales' business and financial affairs, except where disclosure is allowed by Scales or is required by law.

## **6.0 Behaviours**

The actions and statements of Scales people, whether to customers, suppliers, competitors, or employees, can impact on the way people see Scales and whether they choose to do business with us.

Scales people will:

- undertake their duties in accordance with Scales values;
- conduct themselves in a way that demonstrates that their honesty is beyond question and will not behave in a manner that has the potential to bring Scales' image into disrepute;
- deal honestly with Scales' other people, professional advisors and stakeholders;
- not enter into transactions or make promises on behalf of Scales that Scales cannot or does not intend to honour;
- undertake their duties with care and diligence;
- ensure that any personal opinions Scales people express are clearly identified as their own and are not represented to be the views of Scales;
- follow Scales' health and safety practices while also taking responsibility for their own safety and considering that of other Scales people, contractors, customers and visitors;
- look after themselves and their colleagues, value individuals' differences and treat people in the workplace with respect in accordance with Scales' philosophies of diversity and inclusion, and anti-harassment and discrimination policies;
- to the best of their ability, use reasonable endeavours to ensure that Scales records and documents, including financial reports, are true, correct and conform to Scales reporting standards and internal controls;

- not accept or offer bribes or improper inducements to or from anyone;
- undertake any training as required by your manager or by Scales, in particular, training that will help you to understand our policies on health and safety, and compliance with New Zealand legislation and laws; and
- support Scales' efforts and programmes to do business in an environmentally responsible manner.

## **7.0 Proper Use of Scales Assets and Information**

Scales people have a duty to protect Scales assets from loss, damage, misuse, waste and theft. Scales assets include systems, information, intellectual property and networks.

Scales people will:

- only use Scales assets for lawful business purposes authorised by Scales; and
- only create, and only retain, information and communications required for business needs or to meet legal obligations.

## **8.0 Compliance with Laws and Policies**

Scales people will:

- familiarise themselves with and comply with Scales policies, frameworks and processes at all times (including those relating to anti-fraud, bribery and corruption, diversity and inclusion, gifts, entertainment and hospitality, travel and related expenses, and health and safety);
- abide by the laws, rules and regulations of New Zealand and other jurisdictions in which Scales operates;
- undertake training on legal obligations and policies as required by management from time to time; and
- comply with all statutory and internal disclosure requirements on a timely basis.

## **9.0 Delegated Authority**

The Scales Board of Directors delegates the responsibility of managing the business and affairs of Scales to the Managing Director. The Managing Director in turn delegates to other levels of management certain rights to make operational and financial decisions within

defined limits. A director should not simultaneously hold the positions of Managing Director and Chairperson of the Board.

Scales people will:

- only act within the delegated authority framework and any authority that may be specifically given to them as a delegated authority holder; and
- ask their manager if they are uncertain as to their level of delegated authority.

## **10.0 Additional Director Responsibilities**

Directors are required to:

- undertake appropriate training to remain current on how to best perform their duties as directors of Scales;
- give proper attention to all matters put before them;
- act honestly and in the best interests of Scales, as required by law;
- have an understanding of the regulatory, legal, fiduciary and ethical requirements affecting directors;
- be familiar with up to date business management techniques and related ethics; and
- have an awareness of special strategic, industry, cultural and other issues that may impact on Scales' business.

## **11.0 Information for the Board**

Scales management shall provide the Board with information of sufficient content, quality and timeliness as the Board considers necessary to enable the Board to effectively discharge its duties.

## **12.0 Reporting Concerns**

If you become aware of a breach of the Scales Code of Ethics or any breach of a legal obligation or Scales policy, you are responsible for reporting it to your manager or a senior team member. If this is not appropriate in the circumstances, you should report the breach in accordance with Scales' Whistle-blower Policy.

Scales 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 – there may be situations however where the proper investigation of the matter inadvertently identifies the reporter or requires his or her identification.

Any person who knowingly makes a false report of a legal or policy breach may be subject to disciplinary action.

If you suspect that a breach of the delegated authority rules or limits has occurred you should advise your manager and the delegated authority holder whose responsibility it should have been to approve the transaction, as soon as possible.

### **13.0 Review**

The Code of Ethics is subject to annual review by the Board. If you have feedback on the Code of Ethics please contact the Chief Financial Officer.