



**PGG Wrightson Limited  
Continuous Disclosure Policy**

# 1 Background

## Introduction

- 1.1 This Continuous Disclosure Policy (**Policy**) sets out principles and guidelines to be followed by PGG Wrightson Limited (**PGW**) to provide timely advice to the market of material events and developments affecting PGW as they occur.
- 1.2 As PGW is listed on the Main Board of the New Zealand Stock Exchange (**NZSX**), it must comply with the NZSX Listing Rules. This Policy aims to ensure PGW meets all statutory and Listing Rule obligations, as well as adopting "best practice" for identification of and timely disclosure of material information.

## Continuous disclosure framework

- 1.3 PGW has created a framework to ensure compliance with its disclosure obligations under the NZSX Listing Rules. The key elements of the framework are summarised as follows:
  - 1.3.1 PGW has established a Disclosure Committee for determining what information will be disclosed to the market;
  - 1.3.2 PGW has appointed a Disclosure Officer to administer this Policy;
  - 1.3.3 All Material Information will be disclosed immediately to NZX;
  - 1.3.4 PGW will only include and discuss information that is publicly available or non-material in briefings to analysts or investors;
  - 1.3.5 If there is an inadvertent disclosure of material information other than to the market, PGW will immediately release the information to NZX;
  - 1.3.6 Material Information that has not been released to the market will not be discussed in one-one-one discussions with analysts and/or investors.
  - 1.3.7 There will be a regular review of internal and external matters to consider whether any matters need to be disclosed to the market
- 1.4 The PGW Board has approved this Policy. It will be posted on the PGW website and communicated to relevant parties to ensure they are aware of this Policy and the associated practices. The Board acknowledges its responsibility to comply with PGW's continuous disclosure obligations and is committed to establishing a culture of effective corporate disclosure. The Board has delegated its responsibilities for the establishment, implementation and supervision of this Policy to the Disclosure Committee.
- 1.5 As the failure to disclose Material Information can attract substantial penalties for PGW **and for individuals** who contravene PGW's continuous disclosure obligations, all directors and employees of PGW and its subsidiaries have an obligation to:

- 1.5.1 identify and report matters that require disclosure on a timely basis to the Disclosure Officer and consult with the Disclosure Officer if they become aware of any information that *may* require disclosure; and
- 1.5.2 take all steps that are reasonable in the circumstances to ensure that PGW complies with its continuous disclosure obligations.
- 1.6 The guidelines contained in this Policy are not exhaustive. If there is any doubt about whether information should be disclosed, the relevant information must be brought to the attention of the Disclosure Officer or Disclosure Committee.
- 1.7 This Policy should be read in conjunction with the Insider Trading Policy and Information Disclosure Policy.

## **2 Corporate Disclosure Procedures**

### **What information must be disclosed**

- 2.1 PGW is subject to the continuous disclosure rules contained in the NZSX Listing Rules.
- 2.2 The NZSX Listing Rules require PGW “once it becomes aware of any 'Material Information' concerning it, to immediately release that Material Information to NZX”.
- 2.3 “Material Information” means information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of PGW’s securities. The information must relate to PGW, however, it does not necessarily have to emanate from PGW.
- 2.4 PGW is deemed to be aware of Material Information if an PGW director or executive officer comes into possession of the information in the course of the performance of his or her duties as an PGW director or executive officer.
- 2.5 Types of Material Information which will require disclosure, include:
  - 2.5.1 changes in financial information or forecasts;
  - 2.5.2 the appointment of a receiver, manager, liquidator in respect of any loan, trade credit, trade debt, borrowing or securities held by PGW or any of its subsidiaries;
  - 2.5.3 transactions for which the consideration payable or receivable is a significant proportion (generally 5% or more) of the written down value of PGW’s consolidated assets;
  - 2.5.4 a disposal or acquisition (including entering into any agreement or option to do so) of securities of another issuer quoted on the NZSX Market carrying 5% or more of the votes attaching to any class of securities of that issuer;

- 2.5.5 a disposal or acquisition of assets (including entering into any agreement or option to do so) where the gross value of those assets, or the consideration paid or received by PGW, represents more than 10% of PGW's Average Market Capitalisation (as that term is defined in the NZSX Listing Rules);
- 2.5.6 events regarding PGW shares e.g. calls, repurchase plans, stock splits, declarations of dividends or distributions, and changes in dividend policy;
- 2.5.7 under or over subscription to an issue of securities;
- 2.5.8 giving or receiving a notice of intention to make a takeover;
- 2.5.9 changes in the general nature of PGW's business, including PGW's business environment;
- 2.5.10 changes in directors or executive officers of PGW, to the extent material to PGW's business;
- 2.5.11 a change in the control;
- 2.5.12 mergers, joint ventures, or material changes in PGW's assets;
- 2.5.13 major litigation;
- 2.5.14 details of arrangements between PGW and:
  - (a) a PGW director or person associated with a director; or
  - (b) a shareholder who holds, or is one of a group of associated persons who together hold, 10% or more of a class of PGW securities; or
  - (c) a shareholder who has, or who is one of a group of associated persons who together have, the power (whether contingent or not) to appoint one or more directors of PGW; or
  - (d) any other related party,

where the arrangements might reasonably be considered to confer terms materially more favourable than would be conferred in an arm's length negotiation;
- 2.5.15 a copy of a document containing market sensitive information that PGW lodges with a regulator (other than NZX) which is available to the public;
- 2.6 When in doubt as to whether information is Material Information, PGW will seek advice from its legal advisers.

- 2.7 Where PGW is obliged to disclose a transaction as Material Information, PGW is required to disclose all material details of the transaction, including:
- 2.7.1 a description of the assets or securities acquired or disposed of;
  - 2.7.2 the amount, composition, and method of payment of the consideration;
  - 2.7.3 where securities are acquired or disposed of, the percentage of the total issued securities of each class represented and the percentage of each class of security held following the acquisition or disposition; and
  - 2.7.4 the nature of any material conditions which may result in the transaction not proceeding and the dates on which the transactions are to become unconditional and/or are to be settled by payment.

### **Exceptions to disclosure**

- 2.8 Information that would otherwise need to be disclosed can be withheld when:
- 2.8.1 A reasonable person would not expect the information to be disclosed, including where release of the information would unreasonably prejudice PGW or provide no benefit to an experienced investor; and
  - 2.8.2 The information is confidential and its confidentiality is maintained; and
  - 2.8.3 One or more of the following applies:
    - (a) The release of information would be a breach of law; or
    - (b) The information concerns an incomplete proposal or negotiation; or
    - (c) The information comprises matters of supposition or is insufficiently definite; or
    - (d) The information is generated for internal management purposes; or
    - (e) The information is a trade secret.

### **Disclosure of Material Information**

- 2.9 The Disclosure Committee is responsible for determining what information will be disclosed to the market.
- 2.10 Once a determination is made that information is Material Information and there is a duty to disclose that information, the Disclosure Officer will arrange for it to be disclosed immediately via NZX. The obligation on PGW is to release Material Information as soon as it becomes aware of it. Generally this will be the same day that PGW becomes aware of the information. Where it is not possible to make immediate disclosure, the Disclosure Officer will consider whether a trading halt should be imposed.

- 2.11 Once PGW has received confirmation that the information has been received by NZX, further dissemination may occur through communications to shareholders and other key stakeholders, and release of information to the media. Material Information will then also be placed on PGW's website.

### **Disclosure Committee**

- 2.12 PGW has established a Disclosure Committee that is responsible for setting PGW's Continuous Disclosure Policy and practices. The Disclosure Committee includes:
- 2.12.1 the PGW Chairman;
  - 2.12.2 the Chief Executive Officer and Chief Financial Officer; and
  - 2.12.3 the Disclosure Officer.
- 2.13 The Disclosure Committee (or any person(s) authorised by the Disclosure Committee) is responsible for:
- 2.13.1 Determining what is Material Information, and what information needs to be disclosed to the market;
  - 2.13.2 Reviewing announcements prior to release to the market; and
  - 2.13.3 Reviewing information to be disclosed or provided at meetings/briefings with analysts and/or investors.

### **Disclosure Officer**

- 2.14 The Disclosure Officer is the Company Secretary.
- 2.15 The Disclosure Officer (or any person(s) authorised by the Disclosure Committee) is responsible for:
- 2.15.1 Monitoring and ensuring compliance with this Policy, and regularly updating it in response to legislative, regulatory and "best practice" developments;
  - 2.15.2 Educating relevant parties on the Policy and practices;
  - 2.15.3 Immediately passing on any potentially Material Information received from a director or executive officer of PGW to the Disclosure Committee for consideration;
  - 2.15.4 Retaining sufficient records of information brought to the attention of the Disclosure Committee for consideration so as to be able to establish a due diligence defence if required.

## **Discussing public information**

- 2.16 Non-material information (whether it has been publicly released or not), and Material Information that has been publicly released, may be discussed on a selective basis.
- 2.17 Only information that has been released publicly through NZX will be clarified in any external discussions (including discussions with analysts and investors). No comment will be made on Material Information without having first advised the market via NZX.
- 2.18 Only an Authorised Spokesperson may speak with the media on matters subject to this Policy. In this Policy an "Authorised Spokesperson" is a member of the Disclosure Committee, a member of the PGW Board or such other persons approved by the PGW Chairman.

## **Media / Market rumour**

- 2.19 PGW will not comment on media/market speculation and rumour unless:
- 2.19.1 it is necessary to prevent the market being materially influenced by false or misleading information emanating from:
- (a) PGW or persons associated with it; or
  - (b) other persons in circumstances where the information would appear to have substantial credibility,
- and the information is of a reasonably specific nature.
- 2.19.2 there are factual errors that could materially affect PGW; or
- 2.19.3 PGW is required to respond by NZX.
- 2.20 In these circumstances, the Disclosure Committee will decide on the appropriate response, which will be communicated via an Authorised Spokesperson.
- 2.21 PGW will not provide "exclusive" interviews or stories to the media that contain Material Information, nor will it provide "off the record" comment either containing or referring to Material Information that has not previously been released to the market.

## **Group briefings**

- 2.22 Audio or video conference calls and/or web conference calls will be used for group briefings with analysts and/or investors to provide the widest possible dissemination of information.
- 2.23 Any Material Information to be disclosed at a group briefing must be disclosed to NZX prior to the group briefing taking place.

- 2.24 A record must be kept of discussions at group briefings with analysts and investors. The Disclosure Officer should be either present at, or fully briefed of discussions held during, group briefings.
- 2.25 The Disclosure Officer must ensure that no non-public Material Information is inadvertently disclosed during any communication, briefing or meeting. If Material Information is inadvertently disclosed, the Disclosure Officer must release the Material Information to NZX immediately.
- 2.26 The Board recognises that analysts and portfolio managers often require more detailed information to make their analyses and assessments regarding a company's performance and prospects. Therefore, an Authorised Spokesperson may provide detailed non-material and/or publicly available information to those who request it.

### **One-on-one briefings**

- 2.27 Material Information that has not been released to the market will not be discussed in one-on-one discussions with analysts and/or investors.

### **Analyst reports**

- 2.28 PGW will not generally comment on analyst's reports or forecasts. However, an Authorised Spokesperson may comment on an analyst's report or earnings projections where:
- 2.28.1 A projection differs significantly from any PGW released earnings projections;
- 2.28.2 The analyst has overlooked previously disclosed facts or other matters relating to PGW's historical performance or publicly available information; and/or
- 2.28.3 There is a factual error in a report or projection.
- 2.29 PGW comment on analysts reports will be restricted to:
- 2.29.1 information PGW has publicly released; and
- 2.29.2 information that is in the public domain.
- 2.30 PGW will not endorse analyst reports or the information contained within them.

### **Review**

This Policy will be reviewed annually. Comments and queries should be directed to the Disclosure Officer.