

## MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

### CONTINUOUS DISCLOSURE POLICY

#### **Introduction:**

As an NZX-listed entity, Millennium & Copthorne Hotels New Zealand Limited (**MCK** or the **Company**) recognises the need to ensure that it is fully compliant in terms of reporting and disclosure and has in place a Continuous Disclosure Policy (**CDP** or **Policy**) which applies to MCK, its subsidiaries (the **Group**), and all their respective directors and employees. The CDP is set out below:

#### **Purpose:**

The purpose of the CDP is to:

- Ensure that MCK complies with its continuous disclosure obligations;
- Ensure timely, accurate and complete information is provided to all shareholders and market participants; and
- Outline mandatory requirements and responsibilities in relation to the identification, reporting, review and disclosure of Material Information relevant to MCK.

#### **General Rule:**

The general rule is that MCK will release all Material Information (as defined below) concerning it to NZX immediately upon MCK becoming aware of that information, unless any applicable exception applies. Exceptions to disclosure obligations are listed in Appendix 1.

In the context of MCK's continuous disclosure obligations:

- **Material Information** means any information that:
  - if it were generally available to the market, a reasonable person would expect to have a material effect on the price of MCK's shares; and
  - relates to MCK's shares, or to MCK, rather than to securities or issuers generally.
- MCK becomes **aware** of information if, and as soon as, a director or a senior manager of MCK has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties.
- **Reasonable person** is a person who commonly invests in financial products and holds such financial products for a period of time, based on their view of the inherent value of the financial products.
- **Material effect** is an expected price movement of:
  - 10% or more (NZX guidance is that such a movement will generally be treated as evidence that information has had a material effect on the price of those securities); and
  - sometimes between 5% and 10% (NZX guidance is that such a movement is more likely than not to be treated as evidence that information has had a material effect on the price of those securities but will be assessed based on specific facts and circumstances, for example the liquidity of the security or general movements in the market or particular sector).
- **False Market** is a situation where there is a market for the Company's financial products which is materially influenced by false or misleading information emanating from the Company or other persons (e.g. the media), in each case, in circumstances which would give the information substantial credibility. Such situations may arise where, for example:



- a listed entity has made a false or misleading announcement;
- there is other false or misleading information e.g. a false rumour circulating in the market or in the media; or
- a segment of the market is trading on the basis of market sensitive information that is not available to the market as a whole (e.g. through leakage of confidential information).

### **Disclosure Committee:**

A Continuous Disclosure Committee (the **Disclosure Committee**) has been established to manage MCK's continuous disclosure obligations. The Board has appointed the Chairman, the Chairman of the Audit Committee, the Managing Director, the Company Secretary and the Vice President Finance as members of the Disclosure Committee. A quorum of the Disclosure Committee shall consist of no less than three (3) of these persons, at least two of whom must be directors.

The Disclosure Committee is responsible for implementing reporting processes and control and determining guidelines for the release of information, including:

- Monitoring, determining, implementing and enforcing MCK's continuous disclosure obligations under relevant legislation and the NZX Listing Rules;
- Reviewing and implementing the CDP and the process for identifying and disclosing Material Information;
- Assessing the materiality of information and making judgements on information that should be disclosed to the market (including considering routine information generated by the Company (e.g. trading metrics) to determine whether a market update is required);
- Assessing the circumstances surrounding any significant movement in the value of the Company's financial products, and responding to sudden or unexpected events in a timely manner;
- Approving the content of any disclosure to NZX (including matters not directly covered by the CDP);
- Ensuring that all employees and directors within the Group whom the Disclosure Committee considers appropriate receive a copy of the CDP and appropriate training with respect to it;
- Liaising with legal advisers in respect of MCK's compliance with its continuous disclosure obligations; and
- Reporting to the Board on matters relating to the CDP or concerning disclosure compliance.

### **Policy Requirements:**

#### *Material Information*

- MCK will disclose Material Information to the NZX promptly and without delay once it becomes aware of that information, unless such a disclosure is not required by the NZX Listing Rules. Exceptions to disclosure obligations are listed in Appendix 1 of this Policy.
- MCK will release Material Information to NZX to the extent necessary to prevent a False Market for the Company's financial products to exist. MCK may be required by the NZX to provide this information even if an exception to disclosure applies.
- Before it is released to NZX, no person may release Material Information concerning MCK to any third party who is not authorised to receive it without the approval of the Disclosure Committee.



### *Compliance Procedure*

- Any individual who becomes aware of any information that is, or may be Material Information that is not generally available to the market, and which may require disclosure to the NZX must:
  - a) discuss the issue with a member of the Disclosure Committee as soon as practicable after that person becomes aware of that information; and
  - b) if the information is Material Information, keep the information confidential, and not disclose it to other persons until it is released to the market and becomes publicly available.
- To assist in this obligation, the Disclosure Committee will put in place processes to assist in ensuring that relevant information which may require disclosure is immediately escalated to them by MCK employees.
- Employees must immediately disclose the full details of any Material Information or any information that may potentially become Material Information that comes to their attention, to their Manager, the Company Secretary, the Managing Director or to an appropriate Disclosure Committee member in accordance with this Policy.
- All employees of MCK, as soon as practicable after becoming aware of a rumour or speculation that is “generally available to the market”, must disclose the existence of that rumour or speculation to a member of the Disclosure Committee.
- All Material Information must be immediately disclosed to a member of the Disclosure Committee irrespective of the potential for an exception. In each instance, the decision and advice on whether an exception applies will be made by a member of the Disclosure Committee.
- The Disclosure Committee will ensure that all Board members, not already aware of the information, are promptly provided with any Material Information at the earliest opportunity.
- The Board will consider at each Board meeting whether there is any information that may require disclosure in accordance with the CDP, and will note any disclosures made subsequent to the prior meeting.

### *Responsibilities of the Disclosure Committee*

- The Disclosure Committee is responsible for MCK’s obligations under the Listing Rules to release Material Information to NZX to the extent necessary to prevent development or subsistence of a market for its listed securities which is materially influenced by false or misleading information emanating from MCK or any associated person of MCK; or other persons in circumstances in each case which would give such information substantial credibility.
- The Disclosure Committee is also responsible for co-ordinating MCK’s responses to leaks and inadvertent disclosures. Even in the event that leaked or inadvertently disclosed information is not price sensitive, the Disclosure Committee should consider whether the information should be released to NZX via its market announcement platform in order to provide investors with equal access.

### *External Communications*

- --All external communications by MCK must comply with the CDP, any media policy and the Company’s rules with respect to confidential information. No Material Information is to be disclosed to such persons before it is released to NZX.



### *Results Announcements*

- Prior to approval and release of MCK's half year and full year results, the Vice President Finance and Company Secretary are required to provide a letter of representation to the Board (or its nominated subcommittee) that the financial statements have been prepared in accordance with generally accepted accounting practice and are correct in all material respects.

### **Authorised Spokespeople:**

The Board has authorised the following persons to be authorised to make public verbal statements on behalf of or in relation to the Company.

- Chair;
- Managing Director;
- Vice President Finance;
- Company Secretary; and
- Any person who is expressly authorised by the Disclosure Committee.



## Appendix 1 – Exceptions

In accordance with NZX Listing Rule 3.1.2, Material information need not be disclosed if:

- A reasonable person would not expect the information to be disclosed; and
- The information is confidential; and its confidentiality is maintained; and
- One or more of the following applies:
  - release of the information would be a breach of law;
  - the information concerns an incomplete proposal or negotiation;
  - the information contains matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for internal management purposes; or
  - the information is a trade secret.