



LISTED COMPANIES ASSOCIATION WELCOMES LAW AMENDMENT

The Listed Companies Association has welcomed the opportunity for more efficiency in communications with shareholders. The Companies (Annual Report Notice Requirements) Amendment Bill introduced by Waimakariri MP, Matt Doocey will, if passed bring shareholder reporting up to date with digital communications. The present section 209 requires companies to send to every shareholder every year either a printed annual report or a printed notice informing them of their rights to receive a printed annual report – even if they have repeatedly confirmed they want neither.

The costs for any NZX listed company are substantial and wasteful. Not just the printing and postage costs but documentation preparation and approval time makes this requirement farcical. Our member companies collectively stand to save hundreds of thousands of dollars if this Bill is supported and the associated environmental benefits help meet the constant need for companies to be mindful of sustainability issues.

Companies are already embracing digital technology to improve shareholder interaction, not just with simple electronic communication but with mobile applications and virtual shareholder meetings.

New Zealand companies compete globally for investment capital and we have to be able to match overseas markets. An efficient market for shareholders with instant, transparent and reliable shareholder information helps make New Zealand investment an attractive option.

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About the LCA

Established in 1981 the LCA <http://www.listedcompanies.co.nz> is an independent, voluntary non-profit organisation providing a forum for discussion and exchange of views on issues of importance to New Zealand listed companies. The LCA's main purposes are to:

- (a) help issuers further the long-term interests of their shareholders by working for a fair, adequate, and efficient regulatory system;
- (b) help issuers maximise the benefits of listing and to make the requirements that come with that status appropriate and reasonable to comply with; and
- (c) promote confidence in, and growth of, business and capital markets in New Zealand.

The LCA's members are NZX Main Board, NXT, NZAX, NZDX and dual listed issuers.