

Continuous Disclosure and Company Communications Policy

July 2023



NAVALO
Financial Services Group

1. Background

1.1. Overview

Navalo Financial Services Group Limited ('Navalo' or the 'Company') endeavours to make publicly available all relevant/pertinent information to ensure that trading in its securities takes place in an efficient, competitive and informed market.

Navalo commits to keeping its customers, shareholders, employees and other stakeholders informed as to its activities and performance.

1.2. Purpose

The purpose of this Policy is to:

- (a) ensure that Navalo complies with its continuous disclosure obligations under the *Corporations Act 2001* (Cth) ('Corporations Act');
- (b) set out Navalo's roles, responsibilities and procedures to ensure compliance with the continuous disclosure obligations;
- (c) provide guidance for preparing accurate, clear, balanced and objective announcements that allow investors to assess the impact of announcements when making investment decisions; and
- (d) set out procedures and processes for effective communication of information.

This Policy is approved by the Board. Requests for change must be submitted to the Company Secretary for Board consideration.

2. Application

This Policy applies to all Navalo's Team Members. "Team Members" include Navalo's directors, officers, employees, consultants, contractors and representatives.

CONTINUOUS DISCLOSURE

1. Continuous Disclosure Obligation

Navalo recognises that continuous disclosure obligations are important to help investors make informed investment decisions based on timely information and that an effective continuous disclosure practice is important for maintaining market integrity and confidence in the Company.

Navalo has an obligation to lodge with ASIC any information concerning it that:

- (e) is not generally available; and
- (f) a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of Navalo securities¹ (**Material Information**),

as soon as practicable once Navalo becomes aware of such information, unless an exception applies.²

Information would have a material effect on the price or value of Navalo's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Navalo's securities.³

To ensure Navalo stakeholders are kept informed of Material Information, Navalo will also disclose Material Information to investors in a timely manner via its website (or by any other method deemed necessary and considered reasonable by the Company in the circumstances) in accordance with ASIC's good practice guidance set out in its Regulatory Guide 198 (as updated and amended from time to time).⁴ Navalo will notify investors that it intends to make disclosure of Material Information in this way.

The Company Secretary may make or amend Continuous Disclosure Procedures (**Procedures**) in consultation with the Chair, to provide more detailed guidance to assist in better understanding Navalo's continuous disclosure obligations, including determining the materiality of the effect of information. These Procedures are an Appendix to this Policy.

¹ S675 Corporations Act.

² This Policy sets out Navalo's policy in relation to continuous disclosure of Material Information only. It does not detail Navalo's policy in relation to other disclosure obligations such as in connection with the offer of securities or other financial products to retail investors or the disclosure of financial reports. These disclosure obligations will be managed by the Company in accordance with the applicable provisions of the Corporations Act.

³ S677 Corporations Act.

⁴ Unlisted disclosing entities are subject to continuous disclosure obligations under the Corporations Act. However, ASIC has indicated in its Regulatory Guide 198 that "If an unlisted disclosing entity complies with [its] good practice guidance for website disclosure of continuous disclosure information, [it] will not insist that the entity also lodges the information with [it]" (see RG 198.13).

1.1. Exception to the obligation

Navalo will not have a continuous disclosure obligation for information if all of (a), (b) and (c) below apply:

- a) One (or more) of the following 6 situations applies:
 - (i) It would be a breach of a law to disclose the information;
 - (ii) The information concerns an incomplete proposal or a matter that is in the course of negotiation;
 - (iii) The information is about a matter of supposition;
 - (iv) The information is not definite enough to make disclosure appropriate;
 - (v) The information was prepared or created for internal management purposes of the entity; or
 - (vi) The information is a trade secret; and
- b) The information is confidential; and
- c) A reasonable person would not expect the information to be disclosed.⁵

2. Website disclosure procedures

Navalo will disclose Material Information on a dedicated investor section of its website (Investor Site), a link to which will appear on the Navalo homepages and Navalo's website footer.⁶

Navalo will publish Material Information on its Investor Site as soon as practicable after first becoming aware of this information and will record on its Investor Site when the Material Information is first published.

Material Information published on the Investor Site will remain available for as long as it remains relevant to a reasonable person's determination of the price or value of Navalo securities.

Navalo will retain appropriate records of its Investor Site disclosures.

⁵ Reg 6CA.1.01 of the *Corporations Regulations 2001* (Cth).

⁶ Payright is a trading name of Navalo and the website for Payright products and services is hosted by Navalo. A link to the Navalo investors webpage is accessible via a link at the footer of the Payright website.

3. Responsibilities and procedures

3.1. Board responsibility

The Board has ultimate responsibility for ensuring Navalo complies with its continuous disclosure obligations.

The Board has delegated the implementation of this Policy to the Audit and Risk Committee.

The Board has delegated the administration of this Policy to the Company Secretary.

3.2. Audit and Risk Committee responsibilities

The Audit and Risk Committee is responsible for:

- a) ensuring Navalo complies with its continuous disclosure obligations; and
- b) approving publications of Material Information (other than those relating to matters reserved by the Board or those that the Audit and Risk Committee considers a matter of key significance to the Board).

3.3. Company Secretary responsibilities

The Company Secretary is responsible for the administration of this Policy, including (as applicable):

- a) lodging with ASIC and arranging for the publication on the Navalo Investor Site, publication of Material Information that is approved by the Audit and Risk Committee or the Board for disclosure under this Policy;
- b) other necessary communications with ASIC;
- c) reviewing proposed media releases, external announcements, and consulting with appropriate members of the Board, senior executives and/or external advisers as necessary;
- d) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information;
- e) reporting on continuous disclosure issues regularly to the Board;
- f) keeping a record of all ASIC and website disclosures made by Navalo under this Policy;
- g) monitoring the effectiveness of this Policy, including the understanding by Team Members in general of the principles and spirit of continuous disclosure; and
- h) regularly reviewing this Policy, following legislative changes or development of best practice, and communicating any amendments to Team Members.

3.4. Other Employees

Employees must immediately report any Material Information to the Company Secretary and protect the confidentiality of corporate information.

3.5. Procedures

Navalo will not lodge with ASIC or publish on its Investor Site Material Information until it has shared the information and proposed disclosure or publication with the Audit and Risk Committee and/or Board and received an acknowledgement from the Committee or Board that the Material Information should be disclosed.

The approach to identifying, assessing and reporting Material Information is set out in the Procedures - Schedule 1. These Procedures are subject to any changes made by Navalo from time to time.

4. Other Disclosures

4.1. Market speculation or False Market

Neither Navalo nor any Team Members may comment on any market speculation or rumours. Navalo will publish a statement on its Investor Site if it is necessary to comply with its continuous disclosure obligations or as otherwise required by law e.g. to correct a factual error in media reports or correct or prevent a false market in Navalo securities.

5. Safeguarding the confidentiality of corporate information

Navalo will safeguard the confidentiality of corporate information to avoid premature disclosure of Material Information by:

- a) ensuring no confidential information is disclosed to any third party or Team Member who does not have a valid business reason for receiving that information; and
- b) taking adequate precautions, including entering into confidentiality agreements, to ensure that any confidential information provided to third parties or Team Members is only used for valid business purposes for which it is provided and is not misused or disseminated to Navalo's detriment.

COMPANY COMMUNICATIONS

6. Authorised spokespersons

Navalo's Chief Executive Officer ('CEO') is an authorised spokesperson for the Company. The Company Secretary may also authorise others to act as an authorised spokesperson. Only authorised spokespersons may speak to the media or other external parties in relation to this Policy or matters dealt with under this Policy.

Before any authorised spokesperson communicates with an external party, the Company Secretary must brief that person about Navalo's prior disclosures to external parties.

When communicating with external parties, an authorised spokesperson:

- a) must limit its comments to information that is not Material Information, provided that it may comment on or clarify Material Information if Navalo has disclosed that Material Information either to ASIC or on its website in accordance with this Policy;
- b) must limit any comments to his or her area of expertise; and
- c) must report to the Company Secretary after the external communication is made, to determine if any Material Information has been disclosed.

7. Communicating with employees

Navalo recognises that its employees are central to Navalo's success. In order to enable staff to fulfil their role to the high standards required and to promote employee satisfaction, Navalo aims to ensure effective communication with employees. Effective communication with employees starts with their direct manager and with accessibility to senior management.

Navalo will from time to time conduct employee briefings so that all staff are aware of activities within the Company. These briefings may be conducted by the CEO or an appropriate manager.

8. Communicating electronically

Navalo recognises that it is often efficient to communicate electronically and accordingly:

- a) shareholders will be given the option to receive communications from, and send communications to, Navalo and its share registry electronically; and
- b) Navalo's Investor Site contains information to direct staff and stakeholders on how to communicate with Company management and staff simply and easily.

Navalo will endeavour to format communications to shareholders from Navalo and its share registry so as to be easily readable on a computer screen or other electronic devices which are commonly used for that purpose. Navalo will also endeavour to include a printer-friendly option in these electronic communications to allow shareholders to retain a hard copy of the communication.

Employees and other stakeholders have access to Navalo's email system and are encouraged to use it to improve the flow of information and communication generally.

9. Communications with external parties

9.1. Communicating with the ASIC

The Company Secretary is responsible for communications with ASIC.

9.2. Communicating with shareholders

Navalo's meetings of shareholders are an ideal opportunity for Navalo to provide information to its shareholders. Navalo encourages attendance at, and participation in, shareholder meetings.

Navalo will send a notice of a meeting to its shareholders in advance, including details of the time and place of the meeting, the resolutions to be considered and proxy voting procedures.

Navalo recognises that some shareholders will not be able to attend shareholder meetings. To allow such shareholders to participate, Navalo encourages shareholders to forward their questions to the Company Secretary prior to the meeting. Where appropriate, these questions will be read out and answered at the meeting, or, if this is not practicable, the question and answer will be recorded in the transcript of the meeting.

Navalo will regularly review its policies and procedures to facilitate and encourage participation in shareholder meetings, including in relation to:

- a) participation in meetings involving electronic communications, such as the linking of multiple venues by live telecommunications or through the live webcasting of meetings; and
- b) providing direct voting facilities to allow shareholders to vote ahead of the meeting without having to attend or appoint a proxy.

9.3. Communicating with the public through Navalo's website

Navalo's website contains a range of relevant information about Navalo and its governance, including an overview of Navalo's history and current business, Board and Board committee charters, Navalo's values,

corporate governance policies and codes, media and market announcements and presentations to shareholders and institutional investors.

9.4. Communicating with the media

All communication with the media will be through the CEO, or persons authorised by the Board. All media releases will be reviewed by the Company Secretary for materiality prior to release.

Team members who are approached by the media must notify the Company Secretary immediately.

9.5. Briefings with analysts, investors and media

Unless Navalo has first published Material Information on its Investor Site or lodged with ASIC as required under this Policy, it will not disclose Material Information during any briefing with analysts, investors or the media, including briefings at broker-sponsored investor conferences.

Navalo will not disclose information that is potentially Material Information during any briefing with analysts, investors or the media, including briefings at broker-sponsored investor conferences.

Navalo will not hold any briefing with analysts, investors or the media, including briefings at broker-sponsored investor conferences, in the period between the end of each financial reporting period and the release of results relating to that period.

In every briefing with analysts, investors or the media, including briefings at broker-sponsored investor conferences, the following protocols will be followed:

- a) any written material to be used must be provided in advance to the Company Secretary or General Counsel to determine whether it contains any information that has not previously been disclosed;
- b) if possible, 2 Navalo employees, including the Company Secretary, General Counsel or other authorised representative, should be present at the briefing;
- c) if only 1 Navalo employee can attend the briefing, the briefing should be recorded;
- d) appropriate records of the briefing must be kept for 12 months after the briefing;
- e) if a question raised during the briefing can only be answered by disclosing Material Information that has not previously been disclosed in accordance with this Policy, the Navalo employee must decline to answer and take the question on notice;
- f) Navalo employee(s) participating at a briefing should conduct a post-briefing review on the same day to identify whether any Material Information was disclosed, and if it was then they must immediately notify the Company Secretary; and
- g) the Company Secretary will publish on the Investor Site or lodge with ASIC (as required by this Policy) all material used or made available for the briefing for immediate release to the market.

9.6. Responding to analyst reports and forecasts

Navalo will not endorse or comment on analyst forecasts or disclose its own earnings projections. However, if requested to do so, the Company Secretary may review analyst reports and correct any factual errors or

assumptions where the relevant information has been previously published on its Investor Site or lodged with ASIC.

9.7. Handling unanticipated questions

Navalo will be careful when dealing with questions that raise issues outside the intended scope of a discussion. Navalo must only respond to unanticipated questions with information which has previously been published on its Investor Site or disclosed to ASIC. If the question can only be answered by disclosing information that has not been previously been disclosed then the director or employee must decline to answer or take the question on notice.

9.8. Inadvertent disclosure of information

If a Team Member becomes aware that there may have been inadvertent disclosure of, or access to, Material Information or confidential information during any communication with external parties, they must immediately notify the Company Secretary. If the Company Secretary determines that there has been an actual disclosure of Material Information, Navalo will as soon as practicable, publish the information on its Investor Site or notify ASIC as required under this Policy.

10. Breaches of this Policy

Breaches of this Policy may result in disciplinary action against the employee including dismissal in serious cases.

If you have a concern – ‘CALL IT OUT’

Navalo supports any Team Member wishing to report any honestly held suspicion of non-compliance with this Policy.

Team Members can report concerns by following the procedures set out in Navalo’s Whistle-blower Policy, available at www.navalo.com.au/investors/corporate-governance.

11. Review of this Policy

The Board will review this Policy annually to check it is operating effectively and make any amendments as required.

Appendix: Continuous Disclosure Procedures

1. Purpose

The purpose of these Continuous Disclosure Procedures (**Procedures**) is to ensure that:

- a) Team Members have necessary guidance to aid them in understanding and complying with the continuous disclosure aspects of Navalo's Continuous Disclosure and Communications Policy (**Policy**);
- b) any information which may be Material Information is brought to the attention of Navalo's Company Secretary in a timely manner;
- c) any information which may be Material Information is promptly assessed to determine whether it must be disclosed on the Navalo Investor Site; and
- d) if it must, that it is published on the Navalo Investor Site as required by this Policy.

Terms defined in the Policy have the same meaning in these Procedures.

2. Continuous Disclosure Obligation

2.1. What should Team Members do if they become aware of information that may be Material Information?

Team Members must follow the process set out in Schedule 1 of these Procedures if they become aware of information that may be Material Information.

Material Information is any information concerning it that is not generally available and a reasonable person would expect to have a material effect on the price or value of Navalo's securities.

2.2. What would a reasonable person expect to have a material effect on the price or value of Navalo's securities?

As described in the Policy, Material Information is any information that a reasonable person would expect to have a material effect on the price or value of Navalo's securities.

A reasonable person would expect information to have a material effect on the price or value of Navalo's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Navalo's securities.

Determining materiality of information in practice is difficult. When making this assessment it may be helpful to ask two questions:

1. Would this information influence my decision to buy or sell Navalo's securities at their current market price?
2. Would I feel exposed to an allegation of insider trading if I were to buy or sell Navalo securities at their current market price, knowing this information had not been disclosed to the market?

If the answer to either question is yes, then the information may be Material Information.

2.3. What type of information must be disclosed?

Deciding whether certain information is Material Information involves the use of judgment. It will not always be clear. Information which may be Material Information, should be treated as if it is Material Information. That information must then be passed to the Company Secretary.

Set out below is a non-exhaustive list of the types of information that are likely to be Material Information:

- a) A material change in: (i) previously released financial forecasts or expectations; (ii) the value in the underlying assets of the Company; or (iii) any rating applied to the Company or its securities or a change to that rating.
- b) Information about a material change to the status or terms of Navalo's debt funding arrangements such as an event of default, termination or suspension of funding or information about material breaches of loan covenants.
- c) Appointment of a liquidator, administrator or receiver or registered scheme.
- d) Suspension or removal of access to funds – such as a suspension of withdrawal requests – including the nature of the change and the reasons why.
- e) Information about corporate actions that are likely to affect the value of investors' securities such as a placement or a share buy-back where not all investors have been notified.
- f) Information about a transaction that will lead to a significant change in the nature or scale of Navalo's activities.
- g) A material acquisition or disposal.
- h) The granting or withdrawal of a material licence.
- i) The entry into, variation or termination of a material agreement.
- j) Navalo becoming a plaintiff or defendant in a material lawsuit.
- k) Under subscription or over subscriptions to an issue of securities.
- l) Navalo giving or receiving a notice of intention to make a takeover of another company.

2.4. When is Navalo aware of information?

Navalo becomes “aware” of the information as soon as an officer of Navalo, which includes a director, secretary or senior manager, has, or ought reasonably to have, come into the possession of the information in the performance of their duties for Navalo.

2.5. What if the information will have a material effect on the price of value of Navalo’s securities but the effect isn’t quantifiable?

Even if Navalo can’t estimate the financial impact of certain Material Information, it will generally need to be disclosed on the Navalo Investor Site and/or lodged with ASIC along with a disclosure that a further announcement will be made once the financial impact has been assessed.

2.6. How much time does Navalo have to publish the information on its Investor Site and/or notify ASIC once it becomes aware of Material Information?

Navalo must disclose the information on its Investor Site and/or notify ASIC ‘as soon as practicable’ once it becomes aware of Material Information. This means Navalo must act promptly and without delay (not deferring, postponing, or putting it off).

The Company Secretary will arrange for the information to be published on the Navalo Investor Site and/or disclosed to ASIC as soon as practicable after becoming aware that the information is Material Information.

3. Exceptions to continuous disclosure obligation

3.1. General overview

As explained in the Policy, Navalo does not have a continuous disclosure obligation if all of (a), (b) and (c) below apply to a particular piece of information:

- a) One (or more) of the following 6 situations applies:

- i. It would be a breach of a law to disclose the information;
 - ii. The information concerns an incomplete proposal or a matter that is in the course of negotiation;
 - iii. The information is about a matter of supposition;
 - iv. The information is not definite enough to make disclosure appropriate;
 - v. The information was created or prepared for internal management purposes of the entity; or
 - vi. The information is a trade secret; and
- b) The information is confidential; and
 - c) A reasonable person would not expect the information to be disclosed.

Navalo also does not need to disclose information on its Investor Site or lodge it with ASIC if such information must be included in a supplementary or replacement disclosure document in relation to an offer of securities. However, this will only be relevant where there is a disclosure document on foot.

3.2. When would disclosing information be a breach of the law?

The disclosure of Material Information must, in the opinion of the General Counsel, breach a specific statute, regulation, rule, administrative order or court order binding on Navalo in order to be an exception under this category. The fact that the Material Information may be subject to confidentiality obligations under an agreement or the general law is not sufficient to rely on this category.

3.3. When does a proposal or a matter in the course of negotiation cease being incomplete and require disclosure?

A proposal ceases being incomplete and may require disclosure if Navalo has adopted it and is committed to proceeding with it.

Negotiations cease being incomplete and may require disclosure if they result in a legally binding agreement or Navalo is otherwise committed to proceeding with the transaction being negotiated.

3.4. What are matters of supposition or information that are insufficiently definite to make disclosure appropriate?

“Supposition” means an assumption or belief without knowledge or proof.

Information that is insufficiently definite to make disclosure appropriate includes:

- a) information that is vague, embryonic or imprecise;
- b) the veracity of the information is open to doubt; or
- c) the likelihood of the matter occurring, or its impact, is uncertain,

that a reasonable person would not expect it to be disclosed.

3.5. What information is created or prepared for Navalo's internal management purposes?

The following are examples of types of information that may be created or prepared for Navalo's internal management purposes:

- a) budgets;
- b) forecasts;
- c) management accounts business plans;
- d) strategic plans;
- e) contingency plans;
- f) decision papers;
- g) minutes of management meetings;
- h) board papers and board minutes; and
- i) professional advice (e.g., from lawyers, accountants and financial advisers).

However, information that may happen to be mentioned in a document generated for internal management purposes but could not fairly be described as being information generated for internal management purposes is not an exception to the continuous disclosure obligations.

3.6. What is a trade secret?

A formula, device, program, method, technique, process, compilation of information (such as a client list or database) or some other thing that has economic value to Navalo because it is not generally known or easily discoverable and which Navalo has made efforts to maintain secret is a trade secret.

3.7. What is confidential information?

Information will be confidential if:

- a) it is known only to a limited number of people;
- b) the people who know the information understand that it is to be treated in confidence and only to be used for permitted purposes; and
- c) those people comply with that understanding.

Schedule 1 – Reporting Material Information

The process for identifying, assessing and reporting Material Information is as follows:

An officer or employee immediately notifies the Company Secretary if they become aware of information that is possibly Material Information.

The Company Secretary assesses the information in consultation with other senior executives and/or external advisers if necessary, and notifies the Audit and Risk Committee and/or Board if they consider that the information may be Material Information.

The Audit and Risk Committee and/or Board will decide whether the information is Material Information.

If the information is Material Information, the Company Secretary will arrange for the preparation of a disclosure on the Navalo Investor Site, and obtain approval from the Audit and Risk Committee to publish.