



## Continuous Disclosure Policy

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Bellamy's Australia Limited

ACN 124 272 208

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## 1 General disclosure policy and obligations

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Bellamy's Australia Limited (the **Company**) has significant obligations under the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Listing Rules of ASX Limited (**ASX**) to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities.

The Company's policy is to ensure compliance with these requirements, and the Company discharges its obligations by releasing information to the ASX in the form of an ASX release or, where appropriate, through disclosure of other relevant documents (eg the annual report, results announcements etc) and, where appropriate, by requesting a trading halt.

## 2 Overview of continuous disclosure obligations, contraventions and penalties

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### 2.1 ASX Listing Rule 3.1

The ASX has described Listing Rule 3.1, known as the continuous disclosure rule, as its most important and 'cornerstone' Listing Rule. It requires that the Company must immediately notify the ASX of:

**any information the Company becomes aware of concerning itself that a reasonable person would expect to have a material effect on the price or value of the Company's securities.**

The information must be given to the ASX (and an acknowledgement that the ASX has released the information to the market must be received) before the information can be given to any other person or released on the Company's website.

The basic principle underlying the continuous disclosure framework is that: timely disclosure must be made of information which may affect security values or influence investment decisions, and information in which security holders, investors and ASX have a legitimate interest.

'Immediate' disclosure under Listing Rule 3.1 requires disclosure to be made 'promptly and without delay'. Although the length of time required to make an announcement will depend on the circumstances, the information must be disclosed to the ASX as quickly as possible in the circumstances and must not be deferred, postponed or put off to a later time.

### 2.2 Materiality

Materiality must be assessed having regard to all the relevant background information, including past announcements that have been made by the Company and other generally available information.

Strategic or reputational matters clearly have the potential to be very significant issues for the Company. They can be just as important as (or even more important than) financial and other 'quantifiable' matters.

Some examples of what might constitute 'material' price sensitive information are included in paragraph 1.2 of Attachment 1.

### 2.3 Exceptions to the continuous disclosure rule

Disclosure to the market is not required where each of the following conditions is and remains satisfied:

- a) **one or more** of the following apply:
- it would be a breach of a law to disclose the information;
  - the information concerns an incomplete proposal or negotiation;
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for the internal management purposes of the Company; or
  - the information is a trade secret; and
- b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- c) a reasonable person would not expect the information to be disclosed.

## 2.4 Confidentiality

When the Company is relying on an exception to Listing Rule 3.1, or is involved in a development that may eventually require reliance on an exception, appropriate confidentiality protocols must be adhered to. A leak of confidential information will immediately deny the Company the ability to withhold the information from the ASX and force the Company to make a 'premature' announcement, regardless of where the leak comes from.

Information about a matter involving the Company may cease to be confidential if there is:

- a reasonably specific and reasonably accurate media or analyst report about the matter;
- a reasonably specific and reasonably accurate rumour known to be circulating the market about the matter; or
- a sudden and significant movement in the market price or traded volumes of the Company's securities that cannot be explained by other events or circumstances.

## 2.5 False market

If the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must immediately give the ASX that information. See section 7.11 for the Company's policy in relation to ASX price query letters.

The obligation to give this information arises even if an exception described in paragraph 2.3 would apply but for the ASX's request.

## 2.6 Contraventions

The Company contravenes its continuous disclosure obligations if it fails to notify the ASX of information required by ASX Listing Rule 3.1.

Either the ASX or ASIC, as co-regulators, may take action upon a suspected contravention.

- a) ASX Listing Rules

If the Company contravenes its continuous disclosure obligations under the Listing Rules, the ASX may suspend trading in the Company's shares or, in extreme cases, may delist the Company from the ASX.

b) Corporations Act

If the Company contravenes its continuous disclosure obligations, it may also be liable under the Corporations Act and may face:

- criminal liability which attracts substantial monetary fines; and
- civil liability for any loss or damage suffered by any person as a result of the failure to disclose relevant information to the ASX.

There is no fault element required to establish civil liability. However, a court has power to relieve a person from civil liability if the person acted honestly and in the circumstances the person ought fairly to be excused for the contravention.

ASIC has the power to issue infringement notices to the Company (see section 12).

ASIC can also initiate investigations of suspected breaches under the *Australian Securities Commission Act 2001* (Cth).

c) Class action risk

If the Company fails to disclose materially price sensitive information in accordance with Listing Rule 3.1, people who buy or sell the Company's securities during the period of the failure (and possibly other affected stakeholders) may be entitled to bring a class action against the Company. Even when they are not successful, class actions can be costly to defend and may have a serious negative effect on the Company's reputation and share price. A successful class action may have the potential to threaten the solvency of the Company.

Contravention of the Company's continuous disclosure obligations may also lead to unwanted publicity for the Company and may cause damage to its reputation in the market place which may adversely impact the market value of its securities.

## 2.7 Persons involved in a contravention

The Company's officers (including its directors), employees or advisers who are involved in any contravention of the Company's continuous disclosure obligations may also face criminal penalties and civil liability. Substantial penalties or imprisonment, or both, may apply.

A person will not be considered to be involved in the contravention if the person proves that they:

- a) took all steps (if any) that were reasonable in the circumstances to ensure that the Company complied with its continuous disclosure obligations; and
- b) after doing so, believed on reasonable grounds that the Company was complying with those obligations.

The procedures specified in this policy are the minimum expected of relevant officers and employees in relation to compliance with the Company's continuous disclosure obligations. Depending on the circumstances, officers and employees may have obligations over and above those contained in this policy.

To avoid potential civil or criminal liability, in all situations officers and employees must do everything they reasonably can to ensure that the Company complies with its continuous disclosure obligations. In particular, staff must not try to hide or delay 'material news', especially when the information is likely to impact the company's share price.

## 2.8 Infringement notices and statement of reasons

If ASIC has reasonable grounds to believe that the Company has contravened its continuous disclosure obligations, ASIC may issue an infringement notice to the Company, providing (among other things) details of the alleged contravention and specifying the penalty.

Before issuing the infringement notice, ASIC must:

- a) give the Company a written statement of reasons; and
- b) give a representative of the Company an opportunity to appear at a private hearing before ASIC, give evidence and make submissions to ASIC in relation to the alleged contravention.

If an infringement notice is issued to the Company, the Company may:

- a) pay the penalty specified in the infringement notice and lodge the requisite notification with the ASX;
- b) seek an extension of the 28 day compliance period;
- c) make written representations to ASIC seeking withdrawal of the infringement notice (and, if appropriate, seeking refund of any penalty paid in accordance with the infringement notice); or
- d) decline to satisfy the infringement notice within the compliance period.

Even when the Company pays the penalty specified in an infringement notice, the Company may still be pursued in the courts by third parties. Paying an infringement notice will not prevent shareholders or other affected third parties from bringing a class action.

## 3 Further background information

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More detailed information about continuous disclosure obligations is contained in Attachment 1 to this policy.

In addition, relevant officers and employees will receive training that includes:

- familiarisation with the Company's continuous disclosure obligations and the penalties that may result from their breach;
- the business costs associated with a 'suspected' continuous disclosure breach, including the risk of ASIC investigations and class actions and the reputational damage to the Company; and
- an overview of this policy and the officer's or employee's role under this policy.

## 4 Reporting disclosable events

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- a) The Disclosure Committee has responsibility for compliance with the Company's continuous disclosure obligations. See section 9 for further information regarding the Disclosure Committee.
- b) If management becomes aware of any information at any time that should be considered for release to the market, it must be reported immediately to a member of the Disclosure Committee.
- c) Operating divisional heads must ensure they have appropriate procedures in place within their areas of responsibility to ensure that all relevant information (ie any information that could be materially price sensitive) is reported to them immediately for onforwarding in accordance with this policy.

It is important for management to understand that just because information is reported to the Disclosure Committee that does not mean that it will be disclosed to the ASX. It is for the Disclosure Committee to determine whether information is material and requires disclosure. Accordingly, the Company's policy is for all potentially material information to be reported to the Disclosure Committee even where the reporting officer or division is of the view that it is not in fact 'material'. The officer's or division's view on materiality can (and should) be shared with the Disclosure Committee but will not be determinative.

A similar reporting obligation also arises where a non-executive director (in their capacity as a director of the Company) becomes aware of information that should be considered for release to the market.

- d) Where any information is reported as referred to in paragraph 4(b), the Disclosure Committee will (as appropriate):
- review the information in question;
  - urgently seek any advice that is needed to assist the Disclosure Committee to interpret the information (provided that disclosure of the information cannot be delayed if the information is clearly materially price sensitive on its face);
  - determine whether any of the information is required to be disclosed to the ASX;
  - consider whether it is necessary to seek a trading halt to facilitate an orderly, fair and informed market in the Company's securities;
  - coordinate the actual form of disclosure with the relevant members of management; and
  - confirm the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) approval (or Board approval where required) for the proposed disclosure.
- e) Where any information is reported as referred to in paragraph 4(b), and the Disclosure Committee determines that the circumstances are developing but the information is not presently disclosable, the Company Secretary must oversee the preparation of an appropriate draft announcement to facilitate immediate disclosure of the information if it later becomes disclosable (for example, as a result of confidentiality being lost through a 'leak').
- f) In addition, the Company has a duty not to disclose information in a way that could mislead the market. Appropriate care must therefore be taken to ensure that the content of any announcement accurately discloses the material information.
- g) All announcements under Listing Rules 3.1 or 3.1B must be approved by the CEO and CFO, before the announcement is made or disclosure released through the Company Secretary. The exception to this rule is an ASX announcement relating to matters listed in section 11 which requires Board approval.
- h) **Rapid Response Process:** If the CEO and CFO are unavailable to determine whether to make or approve an ASX announcement, the following individuals may authorise the disclosure:
- the Chair; or
  - if the Chair is unavailable, the Company Secretary.
- i) All announcements to the ASX will be made through Office of the Company Secretary under the authority of the Company Secretary in accordance

with the procedure outlined in Attachment 2 to this policy (**ASX Lodgment Procedures**).

- j) All deliberations of the Disclosure Committee will be shared without delay with the Chair or, in their absence, the Chair of the Finance, Audit and Risk Committee.
- k) Where open briefings or public speeches are to be made and, in accordance with this policy, relevant presentation materials and speeches are to be lodged with the ASX, prior approval will be obtained from the Chair and CEO.
- l) The Board will be provided with copies of all information disclosed to the ASX. It is a standing agenda item at all of the Company's Board meetings to consider whether any matters reported to or discussed at a Board meeting should be disclosed to the market pursuant to the Company's continuous disclosure obligation. Continuous disclosure is also a standing agenda item at senior management meetings for the purpose of monitoring compliance with the Company's obligations.

## 5 Trading Halts

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The Company may request a trading halt to maintain fair, orderly and informed trading in its securities and to manage disclosure issues.

If the market is or will be trading at any time after the Company becomes aware of an obligation to disclose information but is not in a position to make immediate disclosure to the market, the Disclosure Committee should consider whether to request a trading halt or, in exceptional circumstances, a voluntary suspension.

As a matter of general guidance, a trading halt may be necessary in the following circumstances:

- if media comment about the Company is sufficiently specific and detailed to warrant a response;
- if the Company experiences an unexplained price and/or volume change;
- if a confidentiality leak has occurred and it is having a material effect on the market price and/or traded volumes of the Company's securities;
- if the ASX forms a view that a false market exists and asks the Company to release information to correct a false market and the Company is not able to make a release immediately,

and in each such scenario:

- where the market is trading, the Company is not in a position to give an announcement to ASX straight away; or
- where the market is not trading, the Company will not be in a position to give an announcement to ASX before trading next resumes.

The CEO and the CFO are authorised to call a trading halt and will alert and keep the Chair informed of any request for a trading halt.

**Rapid Response Process:** If the CEO and CFO are unavailable to call a trading halt, the following individuals are authorised to call a trading halt:

- the Chair; or
- if the Chair is unavailable, the Company Secretary.

## **6 Public comment / statements**

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In order to ensure the Company meets its continuous disclosure obligations, it is important to exercise strict control over what is said publicly, and by whom. It is therefore necessary to limit who is authorised to issue statements or make verbal comment to the media and in this regard, the Company has established a Media Relations Policy which must be read in conjunction with this Disclosure Policy. A copy of the Media Relations Policy is attached as Attachment 3 to this Disclosure Policy.

The Office of the Company Secretary will ensure all announcements to the ASX made under this Disclosure Policy are placed promptly on the Company's website following receipt of acknowledgement from the ASX that it has released the information to the market.

## **7 Financial markets communications**

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### **7.1 The Company's contact with the market**

Throughout the year the Company has scheduled times for disclosing information to the financial market on its performance. The Company provides technical back-up information at these times that supports such announcements. The financial results announcements, and the supporting information, must be lodged with the ASX.

If "outlook statements" or forecasts are included in the Company's annual report or results announcements for a previous period, any material change in earnings expectations (either upwards or downwards) must be announced to the ASX before being communicated to anyone outside the Company.

In addition, the Company interacts with the market in a number of ways which can include one-on-one briefings, speeches etc. At all times when interacting with the financial community, the Company must adhere to its continuous disclosure obligation and must not selectively disclose material price sensitive information to an external party unless that information has first been released to the ASX.

### **7.2 Authorised spokespersons**

The only Company representatives authorised to speak on behalf of the Company to major investors and stockbroking analysts are:

- Chair;
- CEO;
- CFO; or
- their delegates nominated for a specific purpose.

Any questions or enquiries from the financial community (whether received in writing, verbally or electronically including via the website) should be referred in the first instance to the CFO.

Authorised spokespersons must not provide any material price sensitive information that has not already been announced to the market nor make comment on anything that may have a material effect on the price or value of the Company's securities.

No guidance on actual or forecast financial performance will be provided to any external party that has not already been provided to the market generally.

Any questions or enquiries from the financial community (whether received in

writing, verbally or electronically including via the website) should be referred in the first instance to the CFO.

### **7.3 Communication blackout periods**

Between the end of a reporting period and the announcement of the financial results, the Company imposes a blackout period in order to avoid the risk of creating a false market by inadvertently disclosing information that is incomplete or uncertain. The Company's policy is that during this time it will not hold one-on-one briefings with institutional investors, individual investors or stockbroking analysts to discuss financial information concerning the Company and will not hold any open briefings to discuss anything other than information which has been announced to the ASX.

Any proposal to deviate from this policy must be subject to approval in advance from the CEO and, if any briefings or meetings are held during a blackout period, there must be no discussion or provision of financial or other information in breach of the Company's continuous disclosure obligation.

### **7.4 Open briefings to institutional investors and stockbroking analysts**

The Company holds open briefing sessions, often at times when the Company has posted results or made other significant announcements. The Company will not disclose any information in these sessions which may have a material effect on the price or value of the Company's securities unless such information has already been announced to the ASX.

The Company will advise the market in advance of open briefings via the ASX and the Company's website, lodge all presentation materials with the ASX prior to the presentation commencing and place such information on the Company's website promptly following completion of the briefing. The Company may web cast its open briefings at the time they occur and if so, will keep a clearly dated historical archive record of the web cast for at least a 6 month period. This information will be retained by the CFO.

Public speeches will often be categorised as open briefings and these will be lodged first with the ASX if they may contain material price sensitive information and will also be posted on the Company's website.

A representative of the CFO will be present at all open briefings. Where the representative believes that information which may have a material effect on the price or value of the Company's securities has been disclosed inadvertently, the representative must immediately report the matter to the Company Secretary for review by the Disclosure Committee for immediate disclosure to the ASX.

The CFO is responsible, including by liaising with Office of the Company Secretary as appropriate, for ensuring the policy requirements in relation to open briefings are met.

### **7.5 One-on-one briefings with the financial community / institutional investors**

From time to time the Company may conduct one-on-one briefings with the financial community or institutional investors. Where such briefings occur, no information will be provided which may have a material effect on the price or value of the Company's securities unless it has been announced previously to the ASX.

The CFO or authorised representative will be involved in all discussions and meetings with analysts and investors. The CFO will be fully briefed about these meetings.

The CFO will ensure a record or note of all one-on-one briefings is kept for compliance purposes.

## **7.6 Site Visits**

The Company may conduct visits to its sites from time to time which involve the presence of members of the financial community.

Nothing will be disclosed during these site visits which may have a material effect on the price or value of the Company's securities unless it has already been announced to the ASX.

The CFO or their representative should be in attendance at such site visits.

## **7.7 Broker sponsored investor and general conferences**

Where the Company's executives give speeches or presentations to, or participate in, conferences or forums, it is important that the same protocols are maintained as for presentations to investors or analysts. In addition, where appropriate having regard to the principles underlying this Disclosure Policy, the CFO will ensure such presentations are posted promptly on the Company's website.

## **7.8 Review of briefings, meetings, visits and presentations**

Immediately following any briefings, meetings, visits or presentations referred to in this section 7, the CFO (or, in their absence, the senior executive involved) will review the matters discussed and presented (including any questions and answers provided). Where they believe any information has been disclosed inadvertently which may have a material effect on the price or value of the Company's securities, they must immediately report the matter to the Company Secretary for review by the Disclosure Committee to consider the necessity for an ASX announcement or the necessity for a trading halt.

## **7.9 Review of analyst reports and forecasts**

The Company recognises the importance placed on reports by stockbroking analysts. Any comment by the Company to an analyst in relation to an analyst's report or financial projections should be confined to errors in factual information and underlying assumptions provided such comment of itself does not involve a breach of the Company's continuous disclosure obligation or amount to a selective briefing.

The CFO will maintain a record of analysts' earnings forecasts and provide a summary report of these forecasts to the CEO on a regular basis.

The CFO will monitor the general range of analysts' forecast earnings relative to the Company's own internal forecasts and any financial forecasts previously published by the Company. If the CFO becomes aware of a divergence between the 'consensus' of the analysts' forecasts and management's own expectations, which may have a material effect on the price or value of the Company's securities, the CFO will refer the matter immediately to the Disclosure Committee to consider the necessity for an ASX announcement or trading halt.

As with any other deliberations of the Disclosure Committee, it is important that any consideration given by the Disclosure Committee to any matter referred by the CFO must be shared without delay with the Chair or, in his absence, the Chair of the Finance, Audit and Risk Committee. Where a decision is made to make an announcement about the Company's profit outlook, it is of critical importance that the Company provides clear guidance to the market regarding the Company's view of profit outlook.

During an analyst briefing, if the Company is concerned that the analyst's 'forecast' diverges from the Company's internal expectations, then there is a risk that even a carefully scripted communication limited to previously disclosed information may be interpreted by the analyst as a 'down grade' and thus amounts to 'selective disclosure'. Accordingly, analyst briefings should not be used to manage analyst's expectations. If necessary (eg consensus analyst forecasts diverge from the Company's expectations) a public ASX release must be made.

## **7.10 Monitor media and share price movements**

The CFO will monitor:

- media reports about the Company;
- media reports about significant drivers of the Company's business;
- the Company's share price movements; and
- significant investor blogs, chat-sites or other social media it is aware of that regularly posts comments about the Company.

If the CFO identifies unusual or unexpected price movements or unexpected media coverage (for example, media coverage in relation to price sensitive matters that have not yet been disclosed by the Company to the market) or the circumstances suggest that a false market may have emerged in the Company's securities, the CFO will report the matter to the CEO to determine whether the circumstances should be reviewed by the Disclosure Committee.

## **7.11 ASX price query letters and aware letters**

The ASX can issue a price query letter (if there is a material movement in the Company's share price or trading volumes that is not explained by an announcement or by information that is generally observable) or an aware letter (to determine if the Company has complied with its continuous disclosure obligations under the Listing Rules). The ASX will give the Company a short period (often no more than 24 hours) to respond and will publish both the ASX letter and the Company's response on the Market Announcements Platform.

The questions that the ASX may ask in conjunction with a price query can be quite broad. The preparation of a response can be particularly difficult in the period leading up to the Company's results announcement because of the heightened possibility that the Company may be forced to make a premature announcement of incomplete information.

In order to be in a position to deal promptly with any price query, the Company Secretary should have a system in place which will enable rapid discussion and review of the proposed response. Draft language should also be prepared in advance where a development can be anticipated as being likely to occur.

Any response to the ASX should be mindful of any likely future announcements so that the response will not appear, with the benefit of hindsight, to have been less than clear and transparent.

## **7.12 Clear communication**

It is recognised that the Company Secretary and the CFO interact with different external stakeholders in the course of their respective roles. Whilst both functions must ensure the Company complies at all times with its continuous disclosure obligation, it is important for both functions to liaise closely in relation to all information provided to their respective stakeholders so as to ensure consistent and accurate communication across all areas and in order to avoid inconsistencies or ambiguities which can lead to confusion or misinformation in the market place.

## 8 Electronic communication with shareholders

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In addition to its continuous disclosure obligations, the Company has a policy of seeking to keep shareholders informed through electronic communication. This policy is set out in the Company's Communication Strategy.

## 9 Role of the Disclosure Committee

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The Board has appointed the Disclosure Committee with responsibility for compliance with the Company's continuous disclosure obligations.

The **Disclosure Committee** is constituted by the CEO, CFO, and the Company's Compliance Officer (or their delegates).

Responsibilities of the Disclosure Committee include:

- ensuring the Company complies with its continuous disclosure requirements;
- reviewing information which is brought to its attention to determine if there is a discloseable matter and, if so, whether any Listing Rule non-disclosure exception applies;
- overseeing and coordinating disclosure of information to ASX, analysts, brokers, shareholders, the media and the public;
- establishing and maintaining the Company's disclosure policies and procedures and ensuring that there is an adequate system in place for the disclosure of all material information to the ASX and other authorities in a timely fashion;
- considering any enquiries received from the ASX, including any "false market" response letters;
- reviewing, and advising the Board on, any infringement notice, or written statement of reasons issued to the Company by ASIC; and
- educating management and staff on the Company's disclosure policies and procedures.

The Disclosure Committee meets regularly and may meet at short notice where necessary. Meetings and decisions of the Disclosure Committee may be made electronically (including by telephone, email or other electronic means).

## 10 Role of the Company Secretary

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The Company has nominated the Company Secretary as the person with the primary responsibility for all communication with the ASX in relation to Listing Rule matters. In particular the Company Secretary is responsible for:

- liaising with the ASX in relation to continuous disclosure issues;
- the lodging of announcements with the ASX in relation to continuous disclosure matters;
- implementing procedures to ensure that the Company's PIN and individual passwords are secure;
- ensuring senior management are aware of the Company's Disclosure Policy and related procedures, and of the principles underlying continuous disclosure;
- ensuring this Disclosure Policy is reviewed and updated periodically as necessary;
- developing template ASX announcements and trading halt requests; and

- maintaining an accurate record of all announcements sent to the ASX and all correspondence with ASIC in relation to the Company's continuous disclosure obligations.

## 11 Role of the Board

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The usual procedure for making disclosures under ASX Listing Rule 3.1 is through the Disclosure Committee as outlined in section 4.

Board approval and input will only be required in respect of matters that are clearly within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to the Company. Such matters will include:

- significant profit upgrades or downgrades;
- dividend policy, guidance or declarations;
- company-transforming transactions or events; and
- any other matters that are determined by the CEO, Disclosure Committee or the Chair to be of fundamental significance to the Company.

Where an announcement is to be considered and approved by the Board, the Company Secretary and Disclosure Committee must ensure that the Board is provided with all relevant information necessary to ensure that it is able to fully appreciate the matters dealt with in the announcement.

No other announcement should be referred to the Board for approval (as opposed to simply being circulated to directors 'for their information' after the announcement has been made).

**Rapid Response Process:** In the event that an announcement that would ordinarily require Board approval must immediately be disclosed to the market in order for the Company to comply with its continuous disclosure obligations, all reasonable effort must be made to have the announcement urgently considered and approved by the Board prior to release. However, if such approval cannot be obtained, the CEO and CFO may authorise disclosure to ensure compliance with the continuous disclosure laws. The announcement must then be considered by the Board at the first possible opportunity following its release to determine what, if any, further steps need to be taken by the Company.

## 12 Infringement notices and statement of reasons

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If ASIC has reasonable grounds to believe that the Company has contravened its continuous disclosure obligations, ASIC may issue an infringement notice to the Company.

The receipt by the Company of any written statement of reasons or infringement notice issued to it by ASIC must be reported immediately to the Disclosure Committee.

If the Company receives an infringement notice, the Disclosure Committee (in consultation with the Board where appropriate) must oversee the Company's response to the infringement notice.

## 13 Other disclosure obligations

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The Company has numerous other disclosure obligations under Chapter 3 and Chapter 4 of the Listing Rules, including disclosure obligations in relation to:

- periodic disclosure;
- making a takeover bid;

- making a buy-back;
- agreements between the Company (or a related party or subsidiary) and its directors (or a related party of the director);
- recommendations or decisions in relation to the declaration or payment of dividends;
- changes to the Company's share capital;
- changes to the beneficial ownership of the Company's share capital;
- options over shares;
- general meetings of the Company;
- the Company's registered office and share register;
- changes in officeholders;
- documents sent to shareholders;
- loan assets;
- ownership limits;
- directors' interests; and
- record dates and timetables.

The Company Secretary is responsible for ensuring that necessary disclosures are made as and when required.

## **14 Policy breaches**

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The Company regards its continuous disclosure obligation very seriously. Breach of this policy may lead to disciplinary action being taken against the employee, including dismissal in serious cases.

## Attachment 1

### More detailed information about continuous disclosure obligations, contraventions and penalties, infringement notices and statement of reasons

#### 1 Continuous disclosure obligations

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##### 1.1 ASX Listing Rule 3.1

This Listing Rule requires that the Company must immediately notify the ASX of **any information the Company becomes aware of concerning itself that a reasonable person would expect to have a material effect on the price or value of the Company's securities**. This is what is known as the continuous disclosure obligation.

##### 1.2 Material effect on the price of securities

A reasonable person is taken to expect information to have a **material effect** on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

Some examples of information that may require disclosure if material include:

- a) material changes in actual financial performance or projected financial performance from the previously disclosed actual or projected information;
- b) events likely to have a material effect on financial performance – either for the current period, or over a longer term;
- c) changes to the Board, senior executives, or company secretary;
- d) mergers, acquisitions, divestments, joint ventures or material changes in assets;
- e) significant developments in new projects or ventures;
- f) material changes to capital structure or funding;
- g) material information affecting joint venture partners or non-wholly owned subsidiaries;
- h) media or market speculation;
- i) analyst, broker or media reports based on incorrect or out of date information;
- j) industry issues which have, or which may have, a material impact on the Company;
- k) decisions on significant issues affecting the Company by regulatory bodies;
- l) information that may have an adverse effect on the reputation of the Company;
- m) new contracts, orders or changes in suppliers that are material to the Company's business;
- n) material changes in products or product lines;
- o) proposed changes in regulations or laws that could materially affect the Company's business;

- p) major litigation (brought by or brought against the Company);
- q) significant changes in the Company's accounting policies;
- r) any rating applied by a rating agency to the Company, or securities of the Company and any change to such a rating; and
- s) a proposal to change the Company's auditor.

### 1.3 Release of information to others

The Company must not release material price sensitive information to any person (eg the media or any analysts) until it has given the information to the ASX and has received an acknowledgement that the ASX has released the information to the market.

### 1.4 Information that is generally available

Criminal sanctions will not apply to a breach of the Company's continuous disclosure obligation if the information is generally available.

Information is generally available if it:

- a) consists of readily observable matter;
- b) has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in any of the classes of securities issued by the Company and since it was made known, a reasonable period for it to be disseminated among those persons has elapsed. That is, information will be 'generally available' if it has been released to the ASX or published in an annual report, prospectus or similar document and a reasonable time has elapsed after the information has been disseminated in one of these ways; or
- c) consists of deductions, conclusions or inferences made or drawn from information referred to in 1.4(a) or information made known as mentioned in 1.4(b), or both.

### 1.5 Exceptions to continuous disclosure obligation

Disclosure is not required to the market where **each** of the following conditions is and remains satisfied:

- a) **one or more** of the following apply:
  - it would be a breach of a law to disclose the information;
  - the information concerns an incomplete proposal or negotiation;
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for the internal management purposes of the Company; or
  - 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.

As soon as any one of these 3 conditions is no longer satisfied (eg the information is reported in the media and is therefore no longer confidential), the Company must immediately comply with its continuous disclosure obligation.

In this respect, it should also be noted that if the ASX forms the view that the information has ceased to be confidential, then such information will no longer be regarded as confidential and must be released to the market. The ASX will generally hold this view where there is a rumour circulating or there is a media or analyst report about the information and the rumour or comment is reasonably specific and reasonably accurate. This highlights the importance of maintaining confidentiality of sensitive information.

## **1.6 False market**

If the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must give the ASX that information.

The obligation to give this information arises even if an exception described in paragraph 1.5 of this attachment applies.

The ASX would consider that there is or is likely to be a false market in the Company's securities in the following circumstance:

- the Company has information that has not been released to the market, for example because an exception in paragraph 1.5 of this attachment applies;
- there is reasonably specific rumour or media comment in relation to the Company that has not been confirmed or clarified by an announcement by the Company to the market; and
- there is evidence that the rumour or comment is having, or the ASX forms a view that the rumour or comment is likely to have, an impact on the price of the Company's securities.

## Attachment 2

### 1 ASX Lodgment procedures

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#### 1.1 Purpose

To outline the procedures to be followed by the Company in relation to the release of announcements to ASX Limited (**ASX**) in relation to the Company's continuous disclosure obligations.

#### 1.2 Background

ASX Listing Rules require a listed entity to immediately notify the ASX of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The entity does this by way of an online lodgment to the ASX Market Announcements Office (**MAO**). The online lodgment will be carried out on a secure online service that will be protected by a password referred to as the Company PIN.

There are 2 main types of announcements made to the ASX:

- price sensitive information, including annual and half-yearly results announcements; and
- general notifications required by the ASX (eg change of director, change in director shareholdings, issue of new securities).

All price sensitive announcements are to remain confidential until release with MAO.

Any information provided to MAO will be immediately released by MAO to the market. As such, it is extremely important that appropriate controls are placed over the ASX lodgment process to ensure:

- 1) only authorised personnel are able to lodge announcements with MAO; and
- 2) all documents lodged with MAO are the final versions approved by the CEO and CFO.

#### 1.3 ASX lodgement procedure

The procedure to be followed in relation to the lodgment of announcements with the ASX is as follows:

- 1) Office of the Company Secretary or the CFO (as appropriate) will draft the ASX release.
- 2) Subject to the Rapid Response Process in section 4(h), the CEO and CFO must approve all price sensitive releases.
- 3) The CFO will provide the final version of the ASX release they have drafted to the Company Secretary by email. The email should also provide confirmation that the release is the approved final version.
- 4) Any ASX releases drafted by Office of the Company Secretary (other than the Company Secretary) will be sent by email to the Company Secretary.
- 5) The Company Secretary will review all announcements before confirming their release to the ASX and ensure that the headings of all announcements accurately convey their contents.
- 6) Announcements must have a left-hand margin of at least 2.5 cm to accommodate the ASX's 'For Personal Use Only' watermark.

- 7) Once the ASX release has been approved and the timing for release has been confirmed, the Company Secretary will release the announcement online to the ASX at the relevant time using the secure Company PIN.
- 8) Confirmation of the ASX release is received via e-mail by the Company Secretary and also by fax to the Office of the Company Secretary fax machine.
- 9) Office of the Company Secretary will advise the appropriate Company management of the release via e-mail and a copy of the release will also be provided to all non-executive directors via the Company Secretary's Personal Assistant.
- 10) The email confirmation and fax confirmation should be filed with the hard copy of the announcement in the ASX release file.

## Attachment 3

### 1 Media Relations Policy

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#### 1.1 Statements and comments to the media

This document has been prepared to assist the Company's managers in dealings with the news media.

The Company maintains regular contact with the news media but, as a public company, must exercise strict controls on what is said, and by whom. It is therefore necessary to limit who is authorised to issue statements or make verbal comment to the media.

ASX Limited (**ASX**) has stringent requirements under Listing Rule 3.1 in relation to the continuous disclosure of price sensitive information. This has resulted in the Company determining that, as a matter of policy, all media releases made anywhere in the world, must first be provided to head office in Melbourne for clearance and possible lodgment at the ASX prior to that information being made publicly available in any other way. This is done through the Company Secretary.

### 2 Issuing a media release or other written statement

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#### 2.1 Australia and overseas

Media releases on Company policy, acquisitions, matters which could affect the Company's share price or which relate to other sensitive matters (such as the Company's performance, Government policy, economic or political issues) may only be made by the CFO on the authority of the CEO.

Divisional and heads, with the guidance of the CFO, may issue statements on matters pertaining solely to their area of business responsibility that relate to industry matters, new services and product releases, but not on strategic direction.

Copies of all proposed statements must be passed to the Company Secretary prior to release for clearance and possible lodgment at the ASX.

Media releases or other written statements (such as letters to the press) must not be issued in any circumstances other than as set out above, except with the approval of the CEO.

Questions from the Company's website and any media requests received via the website should be forwarded to the CFO for a response.

### 3 Verbal comment

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The continuous disclosure requirements of ASX Listing Rule 3.1 should be kept in mind at all times when making public comment. This means that, as a general rule, no information should be released which is not already in the public domain.

#### 3.1 Australia and overseas

Verbal comment to the media, such as a telephone interview or a face-to-face interview, generally can only be made by the Chair, the CEO or the CFO, or their specifically nominated delegates.

Verbal comment on Company policy, acquisitions, matters which could affect the Company's share price or which relate to other sensitive matters (such as the Company's performance, Government policy, economic or political issues) may only be made by the CEO or his specifically nominated deputy.

Off shore business unit heads are able to make comment to the media on matters pertaining solely to their area of business and only with prior discussion and approval by the CFO or the CEO.

Where this is not possible, unit heads in those countries should advise the CFO as soon as possible about the nature of the contact.

Comment must not be made on strategic direction or other matters that could affect the Company's share price.

In special circumstances the CEO may nominate other senior executives to make comment to the media on specific issues. Any variations to the above must be approved in advance by the CEO.

## **4 Responding to media inquiries**

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### **4.1 Australia and overseas**

Enquiries from journalists, or requests for information, must be treated as detailed in Section 2.

If any employee or executive is approached for information by a representative of the media, the employee should obtain the person's name, the organisation they represent, their location and phone number, as well as an outline of the information required, without responding to the questions/issues raised. The enquirer should be advised that arrangements will be made for someone to make contact with them. The matter should then be passed on to the CFO immediately.

The CFO is available to handle enquiries at the request of any business unit head.

On no account should an unauthorised person make a comment or respond to any media enquiries.

## **5 Emergencies**

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### **5.1 Australia**

In emergency situations, where the media are seeking immediate comment, the procedures detailed in Section 3 apply.

Managers should not make comment and instead, contact the CFO who will either handle media inquiries.

### **5.2 Overseas**

Business unit heads may wish to make their own emergency media arrangements, but should do so in consultation with the CFO.

## **6 Summary**

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The reputation of the Company is at risk on every occasion that a public statement is made. When making public statements, the Company must be consistent and accurate. It is better to err on the side of caution and say nothing rather than risk embarrassment or legal action.

In all cases where approval is granted to talk to the media particular attention must be paid to relevant laws, including Trade Practices, Consumer Protection, Environment and Health and Safety Legislation, and the requirements of ASX Limited Listing Rules.