

# Disclosure and communication policy

**Estia Health Limited ACN 160 986 201 (“Company”) and all related entities  
in the Estia Health Group (“Group”)**

**Approved by the Board on 04 February 2020**

# Disclosure and communication policy

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## 1 Introduction

### 1.1 Company's commitment to disclosure and communication

The Company is committed to the objective of promoting investor confidence and the rights of investors by:

- (a) complying with the continuous disclosure obligations imposed on it by law and the ASX Listing Rules ("**Listing Rules**");
- (b) ensuring that company announcements are presented in a factual, clear and balanced way and are not misleading or deceptive (including by omission);
- (c) ensuring that investors have equal and timely access to material information concerning the Company; and
- (d) communicating effectively with investors and making it easy for them to participate in general meetings.

### 1.2 Purpose of this policy

This policy outlines corporate governance measures adopted by the Company to further its commitments. It seeks to incorporate:

- Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of security holders) of the ASX Corporate Governance Council's: Corporate Governance Principles and Recommendations;
- the principles in ASX's Guidance Note 8 Continuous Disclosure: Listing Rules 3.1- 3.1B ("**Guidance Note 8**") and the principles set out in ASIC's Regulatory Guide 62 Better disclosure for investors; and
- the disclosure obligations in the Listing Rules.

### 1.3 Application of this policy

This policy applies to all Directors on the board of the Company ("**Board**"), as well as officers, employees and consultants of the Group.

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## 2 Continuous disclosure obligations

### 2.1 Disclosure obligations

The Company is listed on ASX and must comply with the continuous disclosure obligations in the Listing Rules. These obligations have the force of law under the Corporations Act 2001 (Cth) ("**Corporations Act**").

### 2.2 Immediate notification of information which may have a material effect on price or value

Listing Rule 3.1 requires that, once the Company is or becomes aware of any information concerning it, subject to certain exceptions, it must immediately disclose to the market any information concerning the Company that a

reasonable person would expect to have a material effect on the price or value of the Company's securities. Disclosure is made by making an announcement to ASX.

"Immediately" means promptly and without delay, that is, doing it as quickly as it can be done in the circumstances and not deferring, postponing, or putting it off to a later time.

Under ASX Listing Rule 19.12, the Company will be considered to have become aware of information if, and as soon as, a Director or other officer of the Company has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a Director or other officer of the Company. Under the Corporations Act and Listing Rules, an 'officer' is a person who is concerned in, or takes part in, the management of the Company, regardless of their designation, and includes Directors, secretaries and certain senior managers of the Company.

The disclosure obligation applies not only to market sensitive information of which the Company's Directors or other officers are actually aware, but also market sensitive information of which they ought reasonably to have been aware. This rule necessitates that a listed entity takes positive steps to establish and maintain an effective internal compliance program to ensure that all material information which a reasonable person would expect to have a material effect on the price or value of the entity's securities is immediately disclosed to ASX.

Information will be taken to have a material effect on the price or value of the Company's securities if it would be likely to influence investors in deciding whether to buy, hold or sell the Company's securities if the information became public. Materiality must be assessed having regard to all the relevant circumstances and background information, including past announcements that have been made by the Company and other information (eg. information that is the subject of analyst reports). In addition, regard should be had to ASX's views as expressed in Guidance Note 8 as to when information is market sensitive (as well as relevant case law). This type of information is referred to as "price sensitive" information. This information needs to be disclosed to ASX under Listing Rule 3.1 unless an exception in Listing Rule 3.1A applies at that time.

What is material depends on the Company's business activities, size and place in the market. A matter may be material even if there is little impact on the Company's financial position and/or financial prospects. For example, the matter may have a significant impact on the Company's reputation or perception of the Company's strategy.

ASX provides examples of the types of information that may need to be disclosed in Listing Rule 3.1 and Guidance Note 8. Relevantly, the types of information that may need disclosure include:

- (a) a transaction that will lead to a significant change in the nature or scale of the Company's activities;
- (b) a significant transaction, such as a material acquisition or disposal;
- (c) the granting or withdrawal of a material licence;
- (d) the entry into, variation or termination of a material contract;
- (e) a labour dispute;
- (f) a threat, commencement or settlement of any material litigation or claim;
- (g) the fact that the Company's earnings will be materially different from market expectations or a change in revenue or profit or loss forecasts that is materially different from market expectations;
- (h) the appointment of a liquidator, administrator or receiver;

- (i) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- (j) under subscriptions or over subscriptions to an issue of securities by the Company;
- (k) the giving or receiving a notice of intention to make a takeover;
- (l) a change in asset values or liabilities;
- (m) a change in tax or accounting policy;
- (n) a decision of a regulatory authority in relation to the Group's business;
- (o) a formation or termination of a joint venture or strategic alliance;
- (p) an agreement between the Company and one of its Directors or one of their related parties; or
- (q) any rating applied by a rating agency to the Company, or securities of the Company, and any change to the rating.

There are many other types of information that could give rise to a disclosure obligation.

If any material information disclosed to the market becomes incorrect, the Company must release an announcement correcting or updating the information.

## 2.3 Exceptions to disclosure of information and confidentiality

Under Listing Rule 3.1A, the Company does not have to give ASX information if;

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

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 ASX and force the Company to make a 'premature' announcement. ASX may also form the view that information about a matter ceases to be confidential if there is a reasonably specific and reasonably accurate media, analyst report or rumour known to be circulating the market, about the matter, or if there is a sudden and significant movement in market price or traded volumes of the Company's securities that cannot be explained by other events or circumstances. If ASX forms such a view, the Company must release that information to the market even if an exception to Listing Rule 3.1 is relied upon.

Guidance Note 8 provides further detail on exceptions to the requirement for the Company to make immediate disclosure of material information.

Price sensitive information, which is not disclosed to the market, because it satisfies the three limbs outlined above under Listing Rule 3.1A, must not be passed onto third parties (other than to those connected with the proposed transaction and on the basis that they keep the relevant information confidential). Accordingly, Directors, officers, employees and consultants of the Company negotiating the transaction which be material to the Company's business must ensure, to the extent possible, any third party involved with the transaction must not disclose the information to other parties or deal in the Company's securities.

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## **3 Disclosure roles, responsibilities and internal procedures**

### **3.1 Role and responsibilities of the Board**

The Board will manage the Company's compliance with its continuous disclosure obligations and this policy. The Board's responsibilities include:

- (a) seeking to ensure that the Company complies with its disclosure obligations including having relevant procedures in place and reviewing compliance with, and the effectiveness of, such procedures;
- (b) assessing the possible materiality of information which is potentially price sensitive;
- (c) making decisions on information to be disclosed to the market (including in relation to potentially material issues raised under section 3.3 of this policy and in accordance with section 5.2 of this policy);
- (d) seeking to ensure that announcements are made in a timely manner, are not misleading, do not omit material information and are presented in a clear, balanced and objective way;
- (e) reviewing the Company's periodic disclosure documents and media announcements before release to the market; and
- (f) monitoring disclosure processes and reporting.

### **3.2 Role and responsibilities of the Company Secretary**

The Company has appointed the Company Secretary as the person responsible for communication with ASX in relation to listing rule matters and also for the general administration of this policy.

The Company Secretary's responsibilities include:

- (a) preparing or overseeing the preparation of all announcements to be released on ASX in accordance with the processes described in this policy;
- (b) seeking to ensure that ASX is immediately notified of any information which needs to be disclosed, including lodging announcements with ASX in relation to continuous disclosure matters;
- (c) distributing continuous disclosure announcements to the Board and senior managers by email, and placing them promptly on the Company's website immediately after receipt of acknowledgement from ASX that they have released the information to the market;
- (d) reviewing board papers and other information referred to the Company Secretary for events that the Company Secretary considers may give rise to disclosure obligations;

- (e) convening meetings of the Board as necessary to consider disclosure issues (including after being informed of potentially material issues under section 3.3 of this policy); and
- (f) maintaining a record of discussions and decisions made about disclosure issues by the Board and a register of announcements made to ASX and all correspondence with ASIC and ASX in relation to the Company's continuous disclosure obligations.

The Company Secretary must ensure that appropriate delegations are in place if the Company Secretary is unavailable at any time.

### 3.3 Other officers and employees

This policy is provided to all officers, members of the Executive Leadership Team (each a “**Relevant Person**”) on appointment or engagement by the Company (as the case may be). They must read this policy so as to gain an appreciation of what type of information may potentially be price sensitive and when to immediately refer to the Chief Executive Officer of the Company (“**CEO**”), the Chief Financial Officer of the Company (“**CFO**”) and Company Secretary any matter or event which, based on the description of the Company's continuous disclosure obligations set out in this policy, should be considered for release to the market.

It is important for Relevant Persons to understand that just because information is reported to the CEO, CFO and Company Secretary, that does not mean that it will be disclosed to ASX. The information will then be dealt with by the CEO, CFO, Company Secretary and/or Board in accordance with this policy to determine whether information is material and requires disclosure.

The Board will annually review this policy and, where considered necessary, organise training for Relevant Persons to:

- (a) assist with their understanding of the Company's and their own legal obligations relating to disclosure of price sensitive information, materiality and confidentiality;
- (b) raise awareness of the internal processes and controls; and
- (c) promote compliance with this policy and the guidelines.

Significant amendments made by the Board to this policy will be communicated to Relevant Persons by the Company Secretary.

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## 4 Disclosure matters generally

### 4.1 Inform ASX first

The Company will not release any information publicly that is required to be disclosed through ASX until the Company has received formal confirmation of its release to the market by ASX, unless otherwise permitted by the Listing Rules.

Information must not be given to the media before it is given to ASX, even on an embargo basis.

### 4.2 Speculation and rumours

- (a) Market speculation and rumours, whether substantiated or not, have the potential to impact the price of the Company's securities. Speculation may also contain factual errors that could materially affect the price of the Company's securities. The CFO will monitor movements in the price or trading activity of the Company's securities to identify circumstances in

which a false market may have emerged in the Company's securities.

- (b) Generally, the Company will not respond to market speculation or rumours unless a response is required by law or the Listing Rules (including as referred to in section 4.3 of this policy.
- (c) On market speculation, the Company has a strict “no comment” policy which must be observed by all employees. The Company may only make a statement about or respond to speculation or rumour where the Board considers that it is obliged, required or prudent to do so. The Board will decide if a response is required.

#### **4.3 False market**

If 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 ASX the information needed to correct or prevent the false market.

#### **4.4 Trading halts and voluntary suspension**

- (a) The Company may ask ASX to halt trading in the Company's securities to:
  - (i) maintain orderly trading in the Company's securities; and
  - (ii) manage its continuous disclosure obligations.
- (b) Decisions about trading halts are made following consultation between the CEO, the CFO and the Board. The CEO, the CFO and the Board may consider a trading halt to be prudent if:
  - (i) there are indications that the information may have leaked ahead of an announcement of price-sensitive information and is having, or (where the market is not trading) is likely when the market resumes trading to have, a material effect on the market price or traded volumes of the Company's securities;
  - (ii) the Company has been asked by ASX to provide information to correct or prevent a false market;
  - (iii) the information is especially damaging and likely to cause a significant fall in the market price of the Company's securities;
  - (iv) where the market is trading and the Company is not in a position to give an announcement to ASX immediately; or
  - (v) where the market is not trading, the Company will not be in a position to give an announcement to ASX before trading next resumes.

#### **4.5 Breaches**

Failure to comply with the disclosure obligations in this policy may lead to a breach of the Corporations Act or Listing Rules and to personal penalties for Directors and officers. Breaches of this policy may lead to disciplinary action being taken.

## 5 Market communication

### 5.1 Communication of information

The Company will post on its website relevant announcements made to the market and related information, (which may include slides and presentations used in analyst or media briefings) after they have been given to ASX and following confirmation of release to the market by ASX.

Material price sensitive information will be posted as soon as reasonably practicable after its release to ASX following receipt of confirmation from ASX.

Information may also be provided from time to time to the media on behalf of the Company but not before disclosure to ASX, even on an embargo basis.

### 5.2 Announcement sign off protocol

The Company has put in place the following authorisation procedures in respect of announcements which are proposed to be released to ASX .

- (a) announcements in relation to statutory accounts and results releases will require all Directors to approve the announcement;
- (b) announcements of a general corporate nature (eg divestments, acquisitions) will require all Directors to review the announcement, and the Chairman to approve the announcement, unless delegated authority has been specifically provided by the Board to a sub-committee or individual Directors;
- (c) announcements of a compliance related nature (excluding Director's interest notices) do not require the review of the Board or approval of the Chairman. Such announcements will be approved by the CEO and CFO except as noted in point (d) below; and
- (d) Appendix 3X, 3Y and 3Z, (Director's interest notices) filings will require the approval of the Director to whom the notice relates.

### 5.3 Analysts and institutional investors

The Company may conduct briefings for analysts and institutional investors from time to time to discuss matters concerning the Company. Only the CEO and the CFO or approved representatives of the Company are authorised to speak with analysts and institutional investors.

Before each reporting period, the CEO and CFO will formulate guidelines for briefings for that period. The Company's policy at these briefings is that:

- (a) the Company will not comment on price sensitive issues or profit forecasts, earning guidance or information regarding expected financial performance ("**earnings guidance**") not already disclosed to the market; and
- (b) any questions raised in relation to price sensitive issues not already disclosed to the market will not be answered or will be taken on notice.

If a question is taken on notice and the answer would involve the release of price sensitive information or earning guidance not already disclosed to the market, the information must be released through ASX before responding.

A Company representative in attendance may make notes of meetings and briefings with investors or analysts. Alternatively, an event may be webcast or teleconferenced or a recording or transcript added to the Company's website.

After briefings, the CEO or CFO will consider the matters discussed at the briefings to ascertain whether any price sensitive information or earnings



guidance not already disclosed to the market was inadvertently disclosed. If so, the information must be communicated to the market as set out in this policy.

#### **5.4 Analyst reports**

The Company is **not** responsible for, and does not endorse, reports by analysts commenting on the Company. If requested, the Company may review analyst reports. The Company's policy is that, unless otherwise required by ASX or the Listing Rules it will only review these reports to clarify historical information and correct factual inaccuracies if this can be achieved using information that has been disclosed to the market generally. Any correction of a factual inaccuracy does not imply that the Company endorses an analyst research report.

No comment or feedback will be provided on financial forecasts, including profit forecasts prepared by the analyst, or on conclusions or recommendations set out in the report. The Company will communicate this policy whenever asked to review an analyst report.

The Company will not incorporate reports of analysts in its corporate information, including on its website (this also extends to hyperlinks to websites of analysts).

#### **5.5 Earnings guidance**

In relation to disclosure regarding market expectations of the financial performance of a listed entity, Guidance Note provides that where:

- (a) the Company provides periodic earnings guidance, this guidance must have a reasonable basis in fact or else it may be deemed to be misleading. Should the Company anticipate with sufficient certainty a material change to this guidance, the market should be informed immediately;
- (b) the Company does not give earnings guidance, care needs to be taken to ensure that statements could not be construed as de facto guidance. In addition, if the Company is covered by sell-side analysts the CFO should generally be monitoring analyst forecasts so that there is an understanding of the market's expectations for the Company's earnings; and
- (c) neither of the above scenarios apply to the Company, the market is entitled to rely on the earnings results of the Company for the prior corresponding reporting period.

If the Company becomes aware that its earnings for the current reporting period will differ materially from market expectations, it needs to consider carefully whether it has a legal obligation to notify the market of this.

#### **5.6 Inadvertent disclosure or mistaken non-disclosure**

If price sensitive information (including earnings guidance) is inadvertently (or de facto) disclosed or a Relevant Person becomes aware of information which should be disclosed, the CEO, the CFO and the Company Secretary must immediately be contacted so that appropriate action can be taken including, if required, announcing the information through ASX and then posting it on the Company's web site.

#### **5.7 Black-out periods pre results**

During the time between the end of the financial year or half year and the reporting of actual results, the Company has put in place blackout periods to ensure that there are no one-on-one briefings to discuss financial information with stockbroking analysts, institutional investors or individual investors ahead of annual and half yearly results, unless the information to be discussed at these briefings has already been disclosed to the ASX.

The blackout period will commence at the end of the financial year and at the end of each half year (i.e. 30 June and 31 December each year) and will end on the date the results for the relevant year end are released to the market.

In addition, there is a comprehensive blackout period for 14 days prior to the release of the annual and half yearly results where no meetings are permitted to be held with stockbroking analysts, institutional investors or individual investors.

## 5.8 Media relations and public statements

Media relations and communications are the responsibility of the CEO, CFO and Chairman. On major matters, the CEO is generally the spokesperson, and on financial matters, the Chairman, CFO or the CEO may generally speak.

Other officers or senior employees of the Company or the Company's media adviser may be authorised by the Board or the CEO to speak to the media on particular issues or matters.

Any inquiry that refers to market share, financials or any matter which the recipient considers may be price sensitive must be referred to the Company Secretary.

No information is to be given to the media on matters which are of general public interest or which may be price sensitive without the approval of the CEO and CFO. An authorised spokesperson may only clarify information that the Company has publicly released and must not comment on price-sensitive information or earnings guidance that has not been released to the market.

When dealing with the media, authorised spokespersons must be respectful and professional. Authorised spokespersons must represent the Group in a professional manner and in keeping with legal considerations: e.g. no personal insults, no swearing, no disparaging competitors etc.

The guidelines outlined above are subject to any directions given by the Board, either generally or in a particular instance.

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## 6 Investor relations and communication

### 6.1 Investor relations program

The Company implements a range of investor relations strategies to facilitate effective two-way communication with investors. The Company also recognises the importance of general stakeholder engagement.

### 6.2 Periodic reporting

The Company produces half yearly and yearly financial reports and an annual report in accordance with the Corporations Act, the Listing Rules and applicable accounting standards. It seeks to give balanced and understandable information about the Company and its proposals in its reports to investors.

### 6.3 The Company's website

The Company uses its website to provide investors with information about the Company and its governance. Investor information will be posted in a separate part on the website from other material about the Company. The website will include:

- (a) **a corporate governance section** linking to information about the Company's officers, the constitution, Board and committee charters, the code of conduct and other governance policies;
- (b) **a communications area** including links to ASX announcements, media releases, notices of security holder meetings (with accompanying documents), annual reports and financial statements, and webcasts or transcripts of security holder meetings and investor or

analyst presentations;

(c) **Company information:** including:

- the Company's history, structure and current business;
- key events calendar (including venue and other details when known);
- historical information about the market prices of the Company's securities and the distribution history;
- the Company's dividend or distribution policy; and
- links to download forms eg for transfer, transmission, distribution reinvestment.

(d) **Company and Registry contact details:** for investors to direct inquiries to the Company and securities registry.

## 6.4 Use of electronic communication and other technology

Shareholders may elect to receive information electronically as it is posted on the Company's website. The website provides information about how to make this election. Shareholders may also communicate electronically with the Company and its Registry as provided for on the website.

The Company will communicate by post with shareholders who have not elected to receive information electronically.

The Company may consider the use of other technologies as they become widely available.

## 6.5 General meetings

General meetings are used to communicate with shareholders and allow an opportunity for informed shareholder participation. Shareholders are encouraged to attend or, if unable to attend, to vote on the motions proposed by appointing a proxy or using any other means included in the notice of meeting.

The Company conducts its general meetings in accordance with the Company's constitution, the Corporations Act and the Listing Rules. The Board will consider the use of technology and other means to facilitate shareholder participation as appropriate.

## 6.6 Notices of meetings

The Company seeks to ensure that the form, content and delivery of notices of general meetings will comply with the Company's constitution, the Corporations Act and Listing Rules. Notices of meeting and accompanying explanatory notes aim to clearly, concisely and accurately set out the nature of the business to be considered at the meeting. The Company will place notices of general meetings and accompanying explanatory material on the Company's website.

## 6.7 Auditor to attend AGM

The external auditor will attend the annual general meeting and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.

## 6.8 Shareholder privacy

The Company recognises that privacy is important and will not disclose registered shareholder details unless required by law. Shareholder details will only be used in accordance with applicable privacy laws.

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## **7      Review and publication of this policy**

The Board will review this policy annually to ensure it remains relevant to the current needs of the Company and consider if any changes should be made. This policy may be amended by resolution of the Board.

This policy is available on the Company's website and the key features, are published in the Corporate Governance Statement.