



Disclosure and Communication Policy

Costa Group Holdings Limited ACN 151 363 129 (“**Company**”)

Approved by the Board on 24 June 2015

Disclosure and Communication Policy

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Disclosure and Communication Policy

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 by law;
- (b) ensuring that company announcements are presented in a factual, clear and balanced way;
- (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:

- (a) 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;
- (b) the principles in ASX's Guidance Note 8 Continuous Disclosure: Listing Rules 3.1- 3.1B ("**Guidance Note 8**") and to the 10 principles set out in ASIC's Regulatory Guide 62 Better disclosure for investors; and
- (c) disclosure obligations in the ASX Listing Rules ("**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 Company.

This policy is a general guide to complex legal provisions and should not be taken as legal advice.

Disclosure and materiality guidelines for officers and employees are available to assist officers and employees to understand their obligations under this policy.

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 the Company, subject to certain exceptions, to immediately (meaning, “promptly and without delay”) 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.

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. This information needs to be disclosed to ASX under ASX Listing Rule 3.1 unless an exception 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 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, including a material acquisition or disposal;
- (b) the granting or withdrawal of a material licence;
- (c) the entry into, variation or termination of a material contract;
- (d) becoming a plaintiff or defendant in a material law suit;
- (e) takeovers, mergers, de-mergers, restructures, schemes of arrangement and all other transactions involving a transfer of control or significant change in the nature or scale of the Company’s activities;
- (f) share buybacks and capital reductions concerning the Company securities;
- (g) equity capital raisings for the Company;
- (h) market updates, including any earnings guidance for the Company or a change in the revenue or profit or loss forecasts that is materially different from market expectations;
- (i) interim and final results, including media releases, investor presentations and investor reports accompanying the release of interim and final results;
- (j) dividend policy and dividend determinations/declarations concerning the Company;
- (k) the appointment of a liquidator, administrator or receiver;
- (l) a change in tax or accounting policy;
- (m) a decision of a regulatory authority in relation to the Company’s business;
- (n) a new relationship with a new or existing significant customer or supplier;
- (o) a formation or termination of a joint venture or strategic alliance;

- (p) giving or receiving a notice of intention to make a takeover;
- (q) any matter in respect of which Directors make a recommendation to the Company shareholders; and
- (r) any other matter that the Board determines to be a significant matter affecting the Company.

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. Further guidance on materiality is provided in the disclosure and materiality guidelines for officers and employees.

2.3 Exceptions to disclosure of information

Disclosure of price sensitive information is not required while the following paragraphs (a), (b) and (c) are satisfied:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following 5 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.

The Company must disclose the information to ASX as soon as one of paragraphs (a), (b) or (c) is no longer satisfied.

Guidance Note 8 provides further detail on the exceptions to immediate disclosure.

3 Disclosure roles, responsibilities and internal procedures

3.1 Disclosure Committee

The Company has established a Disclosure Committee. At the date of adoption of this policy, the members are:

- the Company Secretary;
- the Chief Executive Officer (“**CEO**”); and

- the Chief Financial Officer (“CFO”).

The members of the Disclosure Committee may vary from time to time, but will consist of at least 2 members of senior management and the Company Secretary.

3.2 Role and responsibilities of the Disclosure Committee

The role of the Disclosure Committee is to manage the Company’s compliance with its disclosure obligations and this policy.

Subject to any directions given by the Board (either generally or in a particular instance), its responsibilities include:

- (a) seeking to ensure that the Company complies with its disclosure obligations including having relevant procedures in place;
- (b) assessing the possible materiality of information which is potentially price sensitive;
- (c) making decisions on information to be disclosed to the market;
- (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) referring any announcement which the Disclosure Committee considers to be a matter of key significance to the Board for consideration;
- (f) reviewing the Company’s periodic disclosure documents and media announcements before release to the market; and
- (g) monitoring disclosure processes and reporting.

3.3 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) seeking to ensure that ASX is immediately notified of any information which needs to be disclosed;
- (b) distributing continuous disclosure announcements to the Board and senior managers by email immediately after they have been released to the ASX;
- (c) reviewing board papers and other information referred to the Company Secretary for events that the Company Secretary considers may give rise to disclosure obligations;
- (d) convening meetings of the Disclosure Committee as necessary to consider disclosure issues; and
- (e) maintaining a record of discussions and decisions made about disclosure issues by the Disclosure Committee and a register of announcements made to ASX.

3.4 Other officers and employees - disclosure and materiality guidelines

This policy and the disclosure and materiality guidelines are provided to all officers and relevant employees on appointment. They must read this policy and the guidelines so as to gain an appreciation of what type of information may potentially be price sensitive and when to immediately refer any matter or event which may need to be disclosed to the Company Secretary.

The Disclosure Committee will periodically review the disclosure and materiality guidelines and, where considered necessary, organise training for the Company's officers and relevant employees 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 Disclosure Committee to this policy or the disclosure and materiality guidelines will be communicated to officers and relevant employees by the Company Secretary.

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

Generally, the Company will not respond to market speculation or rumours unless a response is required by law or ASX, including for the purposes of section 4.3 ("False market") of this policy.

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

If necessary, the Disclosure Committee may consider and are authorised to request a trading halt from ASX to prevent trading in the Company's securities on an uninformed basis, and to manage disclosure issues.

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 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 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 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, 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, a member of the Disclosure Committee will consider the matters discussed at the briefings to ascertain whether any price sensitive information was inadvertently disclosed. If so, the information must be communicated to the market as set out in section 5.4 ("Inadvertent disclosure or mistaken non-disclosure") of this policy.

5.3 Analyst reports

If requested, the Company may review analyst reports. The Company's policy is that, unless otherwise required by ASX for the purposes of section 4.3 ("False market") of this policy, 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.

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.

5.4 Inadvertent disclosure or mistaken non-disclosure

If price sensitive information is inadvertently disclosed or a director or employee becomes aware of information which should be disclosed, a member of the Disclosure Committee 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.

5.5 Media relations and public statements

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

Other officers or senior employees 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.

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

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 information relating to the following (as recommended in the ASX Corporate Governance Council's: Corporate Governance Principles and Recommendations):

- (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, notices of security holder meetings (with accompanying documents), annual reports and financial statements;

- (c) **Company information**, including the Company's history, structure and current business; and
- (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.

7 Review and publication of this policy

The Disclosure Committee will review this policy from time to time to ensure it remains relevant to the current needs of the Company and report to the Board any changes it considers 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, or a URL link to the webpage, are published in the annual report.