

# Continuous Disclosure Policy

Investa Listed Funds Management Limited

ACN 149 175 655

AFSL 401 414

## What scheme does this policy apply to?

This policy applies to Investa Office Fund comprising the stapled entities Armstrong Jones Office Fund (ARSN 090 242 229) and the Prime Credit Property Trust (ARSN 089 849 196) (**IOF**).

## What is this policy about?

Investa Listed Funds Management Ltd (**ILFML**) must comply with the continuous disclosure provisions of the Corporations Act and the ASX Listing Rules in relation to IOF.

This means, we have a continuous obligation to immediately notify the market of price sensitive information, unless the information satisfies all the exceptions available.

In addition, insider trading legislation prescribed in the Corporations Act prohibits the passing on of inside information, which is not generally available.

This document deals with:

- what information needs to be disclosed to the market;
- ILFML's responsibility for responding to market rumours or speculation;
- communications with analysts and major investors, including the review of their forecasts;
- the communication procedures that are to be adopted when dealing with the media in relation to IOF; and
- the procedures for communicating with the ASX.

This policy will be reviewed regularly to ensure it remains relevant and appropriate to our operations.

## Principles and objectives of the policy

This policy incorporates the Continuous Disclosure framework as set out in the ASX Listing Rules Chapter 3, as well as ASX Guidance Note 8 and embraces the principles contained in ASIC guidance note titled "Better Disclosure for Investors".

Furthermore, this policy should be read in conjunction with the Insider Trading Policy which provides a summary of the law associated with Insider Trading and provisions put in place to safeguard against the risks of non-compliance.

The latter part of this Continuous Disclosure Policy deals with procedures governing effective handling of media communications and has been modelled upon the framework put in place by ILFML.

The objectives of this policy are to:

- Ensure compliance with the continuous disclosure obligations under the ASX Listing Rules and the Corporations Act and accountability for that compliance;
- Ensure that all relevant personnel are aware of the continuous disclosure obligations;
- Minimise the risk of selective or inadvertent disclosure of material information by establishing a framework for external communications and analyst briefings.

## What information must be disclosed to ASX?

### Disclosure Requirement

Under ASX Listing Rule 3.1, ILFML must immediately (ie promptly and without delay) notify the market, via an announcement to the Australian Securities Exchange (**ASX**), any information concerning IOF that a reasonable person would expect to have a material effect on the price or value of IOF's securities (whether that effect be positive or negative). The Corporations Act imposes heavy penalties for failing to comply with ASX Listing Rule 3.1.

Information that would be expected to have a "material effect on price" is defined in the Corporations Act as being likely to influence persons who commonly invest in securities in deciding whether or not to buy or sell units in IOF.

**In summary, disclosure is required where it is likely that the information would be significant enough to influence an investor to buy or sell units in IOF.**

While each potentially disclosable event must be assessed on its own facts, as a general rule, IOF has adopted a materiality level of 2.5% of forecast net profit for the year and 5% of current net assets. Where either of these thresholds is likely to be reached, ILFML will carefully consider whether disclosure should be made. Note that certain events may be material and disclosable despite their effect on the price of IOF's securities not being easily quantifiable.

The ASX Listing Rules include specific instances where disclosure is required – these are reproduced in **Schedule 1**.

### **Content of disclosure**

Wherever possible, an announcement under ASX Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of IOF's securities.

Depending on the type of event, certain content may also need to be disclosed in the relevant announcement. For example, in respect of the signing of a material contract for an acquisition or disposal, the ASX would generally expect disclosure of the counterparty, the expected completion date, the source of funds (for acquisitions), the intended use of funds (for disposals) and any other material information relevant to assessing the impact on the price of IOF's securities. Similarly, in respect of the entry into a material customer contract (such as a lease), the ASX would generally expect disclosure of the tenant, the term of the contract, any conditions precedent and the significance of the lease to IOF as a whole (bearing in mind that any revenue projections must have a reasonable factual basis). **Exceptions to ASX Listing Rule 3.1**

ASX Listing Rule 3.1 does not apply to particular information while **each** of the following are satisfied:

- one or more of certain conditions contained in ASX Listing Rule 3.1A.1 are satisfied. These include where:
  - 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 entity; or
  - the information is a trade secret; and
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- a reasonable person would not expect the information to be disclosed.

The effect of this exception allows an entity to delay the disclosure of particular information provided that all three requirements are met. Where one of these requirements ceases to be satisfied, the exception no longer applies and the entity must disclose the information.

In 2002, the ASX introduced disclosure rules where the "confidential" limb will cease to apply if ASX forms the view that the confidentiality is lost. If ASX forms that view, it will tell ILFML immediately. Loss of confidentiality may be indicated by otherwise unexplained changes to the price of the company's securities or by reference to the information in media or analysts' reports.

In the event that the three limbs of the carve-out are met, if ASX believes that there is (or is likely to be) a false market in securities, it will require IOF to make an announcement to correct or prevent a false market. The term "false market" refers to a situation where there is material misinformation or materially incomplete information in the market which is compromising proper price discovery. A false market could arise through inaccurate or partly accurate media or other comment.

Price sensitive information, which is not disclosed to the market, because it satisfies the three requirements, must not be passed onto third parties (other than to those connected with the proposed transaction). Staff negotiating the transaction must ensure strong confidentiality safeguards, which, among other things, requires that any third party involved with the transaction must not disclose the information to other parties or deal in the securities.

### **Internal Forecasts**

Income forecasts are maintained for IOF. The forecasts are primarily used for management purposes and to guide IOF's payout profile. Unless IOF is producing a Product Disclosure Statement or similar document, ILFML does not release details of these forecasts. The non-disclosure is permitted on two grounds:

- it is not price sensitive assuming the market price reflects our forecast, which is to say that the external analyst's forecast are similar to IOF's internal forecasts; or
- the forecast would meet the three requirements of the exception to disclosure (a reasonable person would not expect it to be disclosed, it is confidential and (for example) the information is generated for the internal management purposes of the entity).

Further information is provided below on the procedures that need to be adopted regarding the review of analyst's forecasts.

## **Market rumours and speculation**

The ASX does not expect an entity to respond to all comments made in the media or all market speculation. However, so that the market remains properly informed it will require a listed entity to respond if:

- the comment or speculation becomes reasonably specific; or
- when the market moves in a way that appears to be referable to the comment or speculation and the entity has not already made a statement in response.

Where any member of senior management believes there is a market rumour or speculation, then that person must raise the matter with the Fund Manager – IOF or other senior management.

IOF will issue a statement in relation to market speculation or rumour where:

- a decision is made in accordance with the terms of this policy that an announcement should be made to the ASX. The manner in which these decisions are made are described in more detail below; and/or
- IOF is required to issue a statement in response to a formal request from the ASX.

## **How do we deal with analysts and investors?**

In addition to the ASX announcements, senior management involved in the operation of IOF interact regularly with the market in a variety of ways, including result briefings, market announcements, one on one briefings, meetings and educational sessions.

Generally, price sensitive information must not be communicated to an external party unless it has previously been announced to the market.

## **Authorised Company Spokespersons**

ILFML has appointed authorised company spokespersons to speak on its behalf to institutional investors and stockbroking analysts. The authorised spokespersons that have been appointed are:

- ILFML Chairman
- Fund Manager – IOF
- Assistant Fund Manager – IOF
- Company Secretary
- Investor Relations Associate – IOF
- Such other spokespersons as are authorised by the Fund Manager – IOF or the ILFML Chairman from time to time.

If another person receives a request or comment from an external investor or analyst in relation to any matter concerning IOF, they must advise the person that they are not authorised to speak on behalf of IOF (unless authorised by the authorised person(s) above) and must refer enquiries to the Fund Manager – IOF, the Assistant Fund Manager – IOF or the Investor Relations Associate – IOF.

Please see below for further detail on how to deal with media inquiries.

## **Open briefings to institutional investors and stock broking analysts**

IOF's general rules for dealing with analysts' questions that raise issues outside the intended scope of discussion are as follows:

1. Only discuss information that has been publicly released through the ASX and not to discuss any material price/value sensitive information that has not been announced to the market generally.
2. If a question can only be answered by disclosing price sensitive information, the authorised representative may decline to answer the question or take it on notice, then announce the information through the ASX before responding.
3. All slides and presentation materials used in briefings with analysts and institutional investors are to be released to the ASX prior to the briefing, unless there is no new information.
4. Roadshows and one-on-one briefings with analysts or investors must be attended by at least 2 IOF authorised spokespersons unless otherwise authorised by the Fund Manager – IOF or the CEO.
5. For compliance purposes, notes must be made of all one-on-one briefings held by Investa personnel with equity research analysts and institutional investors concerning IOF. These file notes must be maintained for a reasonable period and should be reviewed following the meeting to ensure no market sensitive information was disclosed during the meeting or, if it was, to ensure an ASX announcement is made providing that information to the market.

## **Responding on financial projections and reports**

IOF provides sufficient detail on its property portfolio to enable investors and analysts to derive their own models to generate income forecasts for IOF. The forecast information provided by analysts of the major investment banks and stockbroking firms are widely used by investors in deciding to buy, hold or sell units in IOF.

Often analysts will send their models that they have created to generate their forecasts to Investa for comment. Comments should only be provided on those models where:

- the comments are based on information that has previously been released to the market or is otherwise known to the market; and
- the comments are made in general terms about the assumptions adopted by the analyst and do not disclose the confidential information of IOF.

Notes of these meetings are to be taken and kept by management.

## **Blackout periods**

ILFML applies blackout periods to ensure that there are no one-on-one briefings to discuss financial information with equity research analysts, institutional investors or individual investors ahead of annual and half yearly results.

The blackout period will commence at the end of the financial period at 30 June and 31 December and will end on the date the results are issued to the market.

An exception to the blackout period may be granted by the Fund Manager – IOF or the CEO in limited circumstances (for example where a new investor requests an initial meeting with IOF management). Any such meeting must be attended by at least 2 IOF authorised spokespersons, the scope of discussion must be limited to information that has been publicly released through the ASX and detailed file notes of the meeting must be taken and kept for a reasonable period.

## **Who can communicate with the ASX?**

ASX Listing Rule 1.1, Condition 12 and 12.6 requires an entity to appoint an officer with appropriate degree of seniority and authority to be responsible for communications to the ASX in relation to its obligations under the ASX Listing Rules.

ILFML has appointed the Company Secretary as the key person responsible for:

- making sure ILFML complies with continuous disclosure requirements;
- overseeing and co-ordinating disclosure of information to the ASX; and
- educating and distributing to staff copies of ILFML's disclosure policies and procedures with the objective of raising awareness of the principles governing disclosure.

Communications with the ASX must be approved in accordance with the terms of this policy.

## **Approval of ASX announcements?**

The procedure and sign off for an ASX announcement will vary slightly depending on the nature of the communication. In each case a sign off sheet will be prepared and retained as evidence that the required procedure has been followed.

## **Urgent Announcements – sudden material information, rumours, leaks, stock exchange queries**

If any member of senior management believes that a public statement of material information may be required the matter should be raised with the Fund Manager – IOF.

The decision as to whether a market announcement is required will be made by:

- the Fund Manager – IOF;
- the Group General Counsel and/or external legal counsel;
- the CEO; and
- the ILFML Chairman or in their absence another independent director.

If any of these parties are unavailable for any reason, the Fund Manager – IOF or the CEO will use their discretion as to who should decide whether an announcement is necessary.

The form of the ASX announcements should be signed off by:

- the Fund Manager – IOF;
- the ILFML Chairman or in their absence another independent director; and
- the General Manager Marketing & Communications, Assistant Fund Manager – IOF or Investor Relations Associate – IOF, if appropriate; and
- the Group General Counsel or external legal counsel.

If any of these parties are unavailable for any reason, the Fund Manager – IOF or the CEO will use their discretion as to who is required to approve the announcements.

## **Disclosure of Significant Transactions**

These announcements relate to significant transactions involving assets, financial arrangements, acquisitions, disposals or an activity, which is material to IOF or the appointment, resignation or removal of the Fund Manager – IOF. Such announcements are generally formally approved by the full Board through Board minutes or circular resolution, where time permits. Where time constraints apply, the provisions relating to urgent announcements apply.

## **Annual and Half Yearly Results, Profit Forecasts and Outlook Statements**

Results announcements, and profit forecasts and outlook statements prepared during the reporting cycle, require the formal approval of the Board.

The following members of senior management are also required to approve the announcements:

- Fund Manager – IOF;
- CEO;
- Chief Financial Officer;
- General Manager Marketing & Communications, Assistant Fund Manager – IOF or Investor Relations Associate - IOF, if appropriate;
- Group General Counsel or external legal counsel.

If any of these parties are unavailable for any reason, the Fund Manager – IOF or the CEO will use their discretion as to who is required to approve the announcements.

## **Routine Announcements**

Routine announcements, such as leasing updates, property sales, personnel changes other than the Fund Manager – IOF, announcement of an approved distribution etc. should be approved by:

- Fund Manager – IOF; and
- General Manager Marketing & Communications or Investor Relations Associate – IOF, if appropriate; and
- General Counsel or external legal counsel.

If any of these parties are unavailable for any reason, the Fund Manager – IOF or the CEO will use their discretion as to who is required to approve the announcements.

## **Dealing with Media**

Communications with the media must be made in accordance with Investa's Media Policy.

## **Questions?**

Please contact:

Company Secretary  
Investa Listed Funds Management Limited  
Level 30  
420 George Street  
Sydney NSW 2000  
Phone: (02) 8226 9300  
Fax: (02) 9844 9300  
Email: [investa@investa.com.au](mailto:investa@investa.com.au)

# Schedule 1

## ASX Listing Rules

### Events requiring disclosure

1. a transaction that will lead to a significant change in the nature or scale of the entity's activities;
2. a material mineral or hydrocarbon discovery;
3. a material acquisition or disposal;
4. the granting or withdrawal of a material licence;
5. the entry into, variation or termination of a material agreement;
6. becoming a plaintiff or defendant in a material law suit;
7. the fact that the entity's earnings will be materially different from market expectations;
8. the appointment of a liquidator, administrator or receiver;
9. the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
10. under subscriptions or over subscriptions to an issue of securities (a proposed issue of securities is separately notifiable to ASX under Listing Rule 3.10.3);
11. giving or receiving a notice of intention to make a takeover; and
12. any rating applied by a rating agency to an entity or its securities and any change to such a rating.

This list is not exhaustive and provides by way of illustration instances which could give rise to an obligation to make disclosure under ASX Listing Rules 3.1.

#### Policy Information

**Responsibility:** Legal & Company Secretariat

**Date Last Reviewed:** Approved by the ILFML Board on 24 May 2018