



Disclosure Policy

Bapcor Limited ABN 80 153 199 912

Adopted by the Board on 31 March 2014

Bapcor Limited Disclosure Policy

1 Introduction

- (a) Under continuous disclosure laws, Bapcor Limited (**Bapcor** or **Company**) must immediately notify the Australian Securities Exchange (**ASX**) of materially price sensitive information (unless an exception applies). ASX requires that the share market is kept continuously informed of such information.
- (b) Failure to notify ASX can be a serious criminal offence, exposing Bapcor, its managers and directors to imprisonment, fines and damages.
- (c) For the purposes of this policy, "**Bapcor Person**" has the meaning given to it in Bapcor's Securities Trading Policy.

2 Continuous disclosure principle

- (a) ASX listing rule (**LR**) 3.1 requires Bapcor to immediately notify the ASX if it has, or becomes aware of, any information concerning Bapcor that a reasonable person would expect to have a material effect on the price or value of Bapcor's securities were that information to be generally available. This is known as the continuous disclosure obligation. Bapcor is also required by section 674 of the *Corporations Act 2001* (Cth) (**Corporations Act**) to comply with this obligation. In this context, ASX has confirmed in Guidance Note 8 that "immediately" means "promptly and without delay".
- (b) LR 15.7 requires that Bapcor must not release information that is for release to the market to any person until it has given the information to the ASX and has received acknowledgment that the ASX has released the information to the market.
- (c) The continuous disclosure obligation does not apply if the exception to the obligation outlined in section 3 of this policy applies.
- (d) Any material price sensitive information must be disclosed to the ASX in accordance with this policy.

3 Exception to the continuous disclosure principle

Availability of the exception

- (a) Disclosure under LR 3.1 is not required if each of the following is satisfied in relation to the information:
 - (i) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
 - (ii) one or more of the following applies:
 - (A) it would be a breach of a law to disclose the information;
 - (B) the information concerns an incomplete proposal or negotiation;
 - (C) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (D) the information is generated for the internal management purposes of Bapcor; or

- (E) the information is a trade secret; and
 - (iii) a reasonable person would not expect the information to be disclosed.
- (b) All three elements set out above must be satisfied before the exception to the continuous disclosure obligation applies. Should any of these elements no longer be satisfied, Bapcor must immediately disclose the information to the ASX in accordance with this policy.

A false market may cause the exception to be lost

- (c) LR 3.1B provides that if the ASX considers that there is, or is likely to be, a false market in Bapcor's securities, and requests information from Bapcor to correct or prevent the false market, Bapcor must give the ASX the information needed to correct or prevent the false market.

4 Disclosure Committee

- (a) Bapcor's board of directors (**Board**) has established a disclosure committee (**Committee**) comprising of:
- (i) Bapcor's Chief Executive Officer;
 - (ii) Bapcor's Chief Financial Officer
 - (iii) Bapcor's company secretary (who, for administrative convenience only, is primarily responsible for overseeing and coordinating all communication with the ASX, investors, analysts, brokers, the media and the public) (**Disclosure Officer**); and
- (b) The Committee's responsibilities include:
- (i) determining what information will be disclosed by Bapcor to the ASX;
 - (ii) implementing procedures to ensure that, if required:
 - (A) disclosures to the ASX can be made immediately; and
 - (B) trading halt requests can be lodged with the ASX immediately;
 - (iii) preparing (or overseeing the preparation of) external announcements (other than categories of routine announcements that the Committee determines may be prepared and released without its prior review, if any); and
 - (iv) reviewing and approving proposed external announcements for release to ASX, or, if (d) applies, to the Board.
- (c) The Committee must consult with the Board, Chief Executive Officer, senior management and external advisers as it considers necessary, including where there is doubt as to whether certain information should be disclosed.
- (d) If the Chief Executive Officer or the Committee considers that an announcement is of such a nature that it ought to be reviewed and approved by the Board, then the company secretary must:
- (i) take all steps necessary to convene a Board meeting as soon as practicable to consider the announcement; and

- (ii) take such other steps as the Committee determines are necessary to comply with Bapcor's continuous disclosure obligations, including, if necessary, liaising with ASX to request a trading halt or suspension from trading until the Board is able to meet.
 - (e) A quorum of the Committee is two members. If a quorum cannot be formed from the Committee members listed in paragraph 4(a), the following will be added as members of the Committee (in the order specified), until a quorum can be formed:
 - (i) the chair of the Board;
 - (ii) the chair of the Audit and Risk Management Committee; and
 - (iii) the chair of the Nomination and Remuneration Committee.
 - (f) Where a continuous disclosure obligation arises, disclosure should not be delayed to accommodate the availability of members of the Committee or, if applicable, the Board. If either the Committee (or, in the case of announcements to be approved by the Board, the Board) is unavailable to make a disclosure decision, the Disclosure Officer must take such other steps as he or she determines is necessary to comply with Bapcor's continuous disclosure obligations, including, if necessary, liaising with ASX to request a trading halt or suspension from trading until the Committee or the Board is able to meet.
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5 Reporting obligations

- (a) The Disclosure Officer is responsible for ensuring that all Board decisions that must be disclosed to the ASX are dealt with by an appropriate company announcement.
 - (b) All Bapcor Persons are required to immediately advise a member of the Committee of any information that they believe may be price sensitive or any issues which could develop into price sensitive information. If a Bapcor Person has doubt as to whether information concerning Bapcor is price sensitive, the Bapcor Person must report that information to a member of the Committee. He or she must not disclose that information to anyone outside Bapcor before the ASX is notified.
 - (c) If any Bapcor Person becomes aware that:
 - (i) there may have been inadvertent disclosure of material price sensitive information (which has not yet been disclosed to the ASX) during any communication with external parties; or
 - (ii) confidential Bapcor information may have been leaked (whatever its source),he or she should immediately notify a member of the Committee. The Committee will determine the appropriate next steps.
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6 Disclosure

- (a) If the Committee or Board (as applicable) approves the disclosure of information, the Disclosure Officer must immediately lodge that information with the ASX in the manner prescribed by the ASX Listing Rules.
- (b) Bapcor must not release information that is for release to the market to any person until it has given the information to the ASX and has received acknowledgment that the ASX has released the information to the market.

- (c) All information disclosed to the ASX in compliance with this policy will be promptly posted on Bapcor's corporate website following receipt of such an acknowledgement from the ASX and verification by the Disclosure Officer.

7 Trading halts

- (a) In exceptional circumstances, it may be necessary for Bapcor to request a trading halt to maintain fair, orderly and informed trading in Bapcor's shares and to manage disclosure issues (for example, if confidential price sensitive information is prematurely or inadvertently disclosed and an immediate release cannot be made).
- (b) The Committee is responsible for all decisions in relation to trading halts. Unless otherwise provided in section 4(f) above, only the Disclosure Officer is authorised to request a trading halt after a decision by the Disclosure Committee or Board (as applicable).

8 False markets

- (a) In the event that the Board or any member of the Committee is aware that Bapcor is relying on an exception to its continuous disclosure obligations, they must notify each other member of the Committee and the Committee may request the Disclosure Officer (or such other person as the Committee thinks fit) to monitor:
 - (i) the market price of Bapcor's shares;
 - (ii) major national and local newspapers;
 - (iii) if Bapcor (or any advisors of Bapcor working on the particular transaction) has access to them, major news wire services such as Reuters and Bloomberg;
 - (iv) any investor blogs, chat-sites or other social media that Bapcor is aware of that regularly post comments about Bapcor; and
 - (v) enquiries from analysts or journalists,

for signs that the information to be covered in the announcement may have leaked and, if it detects any such signs, to initiate discussions with ASX as soon as practicable.

- (b) Bapcor's general policy is to respond to market rumours or speculation by stating that "Bapcor does not respond to market rumours or speculation". However, if Bapcor receives a request from the ASX for information to correct or prevent a false market, the Disclosure Officer must (in consultation with the Committee and external advisers, if necessary) immediately provide that information to the ASX.

9 Briefing investors, analysts and the media

- (a) Bapcor Persons must ensure that they do not communicate market sensitive information to an external party except where that information has previously been released publicly through the ASX.
- (b) If any Bapcor Person participating in a briefing considers that a matter has been raised that might constitute a previously undisclosed material price or value sensitive matter, they must immediately refer the matter to a member of the Committee.
- (c) The only Bapcor Persons authorised to speak on behalf of Bapcor to investors, analysts or the media are:

- (i) the chair of the Board;
 - (ii) the Chief Executive Officer;
 - (iii) the Chief Financial Officer; or
 - (iv) such other Bapcor Persons approved by the chair of the Board, the Chief Executive Officer or the Chief Financial Officer.
- (d) Authorised spokespersons should clarify information that Bapcor has released publicly through the ASX but must not comment on material price or value sensitive issues that have not been disclosed to the market generally.
- (e) If a question is asked in a briefing which can only be answered by disclosing material price sensitive information which has not been publicly released, the relevant Bapcor Person must decline to answer the question or take the question on notice.
- (f) During the time between the end of Bapcor's financial reporting periods (31 December and 30 June) and the announcement to the ASX of the financial results for those periods (often termed blackout periods), further restrictions are imposed to help ensure that Bapcor does not inadvertently disclose price sensitive information. Generally, Bapcor may respond to requests for background information but will not hold meetings or briefings with individual or institutional investors, analysts or media representatives in relation to financial information, unless the Chief Executive Officer decides that it is appropriate for the Company to do so and the meeting or briefing will be the subject of a specific announcement to the ASX. Only the Chief Executive Officer or Chief Financial Officer may respond to questions from the financial community during blackout periods.
- (g) All briefing and presentation materials which contain previously undisclosed information will be disclosed to the market through the ASX and placed on Bapcor's corporate website.

10 Earnings expectations and forecasts

- (a) Comments on expected earnings are confined to Bapcor's annual and half year financial reports, the annual general meeting of Bapcor (which would be communicated to the ASX at the time of meeting) and forecasts in a bidder's statement or prospectus. Any material change in a disclosed earnings expectation must be immediately announced to the ASX before being communicated to anyone outside Bapcor.
- (b) The Chief Financial Officer is responsible for monitoring analyst reports and consensus broker forecasts for Bapcor to determine whether to raise with the Committee and the Board whether an announcement to the ASX may be necessary to correct factual inaccuracies or historical matters. If the Chief Financial Officer becomes aware of any such inaccuracies or a material divergence between an analyst's or consensus forecast and Bapcor's own forecasts, he or she shall liaise with the Committee so that the necessity for an announcement to the ASX and/or trading halt can be considered.
- (c) Any correction of factual inaccuracies by Bapcor does not imply an endorsement of the content of the report or forecast.

11 Breach of policy

Bapcor regards its continuous disclosure obligations as very important. Breach of this policy may lead to disciplinary action being taken against the employee, including dismissal in serious cases.