

APA Group

Market Disclosure Policy

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Related documents	Securities Trading Policy Market Disclosure Standard & Procedure

1 Purpose

The purpose of this policy is to ensure:

- that securityholders and the market are provided with timely disclosure of material price sensitive information concerning APA Group; and
- compliance with continuous disclosure obligations contained in the ASX Listing Rules (**Listing Rules**) and the *Corporations Act 2001* (Cth) (**Corporations Act**).

2 Scope

APA Group comprises two registered managed investment schemes, APA Infrastructure Trust and APA Investment Trust, the responsible entity for which is APA Group Limited and the units in which are stapled and listed on the ASX under ticker symbol “APA”.

In addition, APA Group has debt securities listed on the Singapore Exchange. The Listing Rules and legal requirements for market disclosure in Singapore are substantially similar to those applicable in Australia.

In this policy, the term “**APA Securities**” covers each of these APA Group listed securities.

This policy applies to:

- directors of APA Group Limited and its subsidiaries;
- Group General Counsel and Company Secretary;
- members of APA Group’s Executive Leadership Team and their direct reports;
- General Manager Investor Relations; and
- other persons specified from time to time by the Managing Director.

However, all APA Group personnel need to be aware of this policy and how to report information which may have a material effect on the price or value of APA Securities.

3 Objectives

APA Group is committed to promoting securityholder confidence by ensuring that trade in APA Securities takes place in an efficient and informed marketplace.

4 Key requirements

4.1 *Immediate disclosure of “price sensitive information”*

Pursuant to Listing Rule 3.1 and section 674 of the Corporations Act, APA Group is required to immediately notify the market via an announcement to ASX of any information concerning APA Group that a reasonable person would expect to have a material effect on the price or value of APA Securities; that is, information that would, or would be likely to, influence persons who commonly invest in securities in deciding

whether or not to acquire or dispose of APA Securities. Such information is referred to in this policy as **price sensitive information**.

A non-exhaustive list of examples of potentially price sensitive information is outlined in Appendix A of this policy.

ASX interprets “immediately” to mean “promptly and without delay”. Doing something “promptly and without delay” means doing it as quickly as it can be done in the circumstances (acting promptly) and not deferring, postponing or putting it off to a later time (acting without delay).

This obligation is subject to the exceptions described in section 6.

4.2 **Communicating this policy and reporting “price sensitive information”**

All APA Group personnel upon becoming aware of any potentially price sensitive information must immediately inform relevant personnel of that information in accordance with section 3 of the [Market Disclosure Standard & Procedure](#).

All people to whom this policy applies are expected to be familiar with the requirements of this policy so that they are able to identify events and matters that may require disclosure to ASX. Members of the Executive Leadership Team are responsible for communicating this policy to APA Group personnel who work in their business unit or functional group.

Further information on reporting potentially price sensitive information is contained in the [Market Disclosure Standard & Procedure](#).

5 **Guidance disclosure considerations**

5.1 **Policy position on earnings guidance**

APA Group does not provide earnings guidance (measured by EBITDA or any other earnings measure), or interest guidance. Instead, APA Group provides guidance on distributions per security.

5.2 **Disclosure on distributions per security divergence**

Where APA Group is providing guidance on a distributions per security basis, APA Group’s Disclosure Committee will consider disclosure where there is a **potential divergence from guidance in the current reporting period of +/-5% (or greater)**¹.

However, the requirement to disclose ultimately remains subject to the threshold materiality test under Listing Rule 3.1. Irrespective of the size of any divergence, the

¹ This percentage is consistent with ASX’s Guidance Note 8 which uses this threshold as a guide for disclosure on earnings guidance divergence for companies that normally have very stable or predictable earnings (like APA Group). Refer to section 7.3 subsection 4 of that Guidance Note.

Disclosure Committee must exercise its judgement as to whether a divergence between the guidance given in the current reporting period and the actual or expected outcomes is price sensitive and requires disclosure under that rule.

5.3 **Disclosure on earnings divergence**

Where an entity does **not** have published earnings guidance on foot for the current reporting period and is covered by sell-side analysts (like APA Group), ASX recommends the entity carefully consider notifying the market of a potential earnings surprise if and when it expects there to be a **15% or greater difference between its actual or projected earnings for the period and its best estimate of the market's expectations for its earnings.**²

However, notwithstanding the above, APA Group's Disclosure Committee will consider disclosure when it expects there to be a **5% or greater difference between its actual or projected Underlying EBITDA for the period and its best estimate of the market's expectations for its Underlying EBITDA.**

An earnings surprise will need to be disclosed under Listing Rule 3.1 if it is market sensitive. This will be the case if the difference is of such a magnitude that a reasonable person would expect it to have a material effect on the price or value of APA Securities.

6 **Exception to rule in section 4.1 (immediate disclosure of "price sensitive information")**

The obligation to immediately notify the market expressed in section 4.1 does not apply to particular information where all of the following criteria are satisfied:

- one or more of the following applies:
 - it would be a breach of the 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 internal management purposes; or
 - the information is a trade secret; **and**
- the information is confidential and 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.

As noted in ASX Guidance Note 8, these exceptions seek to balance the legitimate commercial interests of entities and their securityholders with the legitimate

² ASX recommends applying the guidance set out in "How does an entity translate sell-side analyst forecasts into an estimate of the market's expectations for its earnings?", in Listing Rule 8, Section 7.3, sub-sections 2 and 4.

expectations of investors concerning the timely release of market sensitive information. They also seek to ensure that information is not disclosed prematurely when it could misinform the market (e.g. because it concerns an incomplete proposal or negotiation or is insufficiently definite to warrant disclosure).

The Disclosure Committee will advise the Managing Director on whether any exceptions apply: see the Disclosure Committee's performance requirements in section 2 of the [Market Disclosure Standard & Procedure](#) for further details.

Even if one of the above exceptions applies, APA Group may be required to provide information to correct or prevent a false market: see section 7.3 of the [Market Disclosure Standard & Procedure](#) for further details.

7 Non-compliance with this Policy

Breaches of this policy may lead to disciplinary action being taken against APA personnel, including dismissal in serious cases. All breaches will be reported to the Audit and Risk Management Committee.

Contravention of APA Group's continuous disclosure obligations could also lead to significant consequences for both APA Group and the individual/s involved. The ASX and/or the Australian Securities and Investments Commission may take action in relation to a suspected contravention. There are also risks of class actions and significant reputational risks associated with contraventions of APA Group's continuous disclosure obligations.

8 Related policies/ procedures/ forms

- Securities Trading Policy
- Market Disclosure Standard & Procedure

9 Version Control

Date	Changes
31 March 2009	Rewrite
9 April 2010	Changes to section 2 and Part A, section 2.1 to reflect changes in organisational structure
24 May 2011	Changes to section 2.4
1 June 2012	Changes to titles of Disclosure Committee and others
21 May 2016	Update for revised ASX Listing Rules and Guidance Note
25 June 2018	Reformatting and various changes
19 June 2019	Updated for APA's current debt securities listing.
25 June 2020	Minor updates to reflect role changes resulting from APA's operating model review, and changes to Guidance Note 8.
1 July 2021	Reformatting and various changes to reflect APA's revised (FY22) policy on providing guidance.
1 Nov 2021	Minor update to drafting on section 5.3 per guidance from Board.
27 June 2022	Minor amendments.

Appendix A: Examples of price sensitive information

Listing Rule 3.1 lists some examples of information that would require disclosure if a reasonable person would expect the information to have a material effect on the price or value of an entity's securities and if none of the exceptions to disclosure apply. That list includes the following:

- the fact that the entity's earnings will be materially different from market expectations;
- a transaction that will lead to a significant change in the nature or scale of the entity's activities;
- a material acquisition or disposal;
- the granting or withdrawal of a material licence;
- the entry into, material variation or termination of a material agreement;
- becoming a plaintiff or defendant in a material lawsuit;
- the appointment of a liquidator, administrator or receiver;
- the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- under subscription or over subscription to an issue of securities;
- giving of or receiving a notice of intention to make a takeover; and
- any rating applied by a rating agency to an entity or its securities and any change in such a rating.

This list is not exhaustive and other types of information may need to be disclosed under Listing Rule 3.1.

Appendix B: Glossary

Terms and Definitions

Term	Definition
APA or APA Group	Defined in section 2.
APA Securities	Defined in section 2.
Corporations Act	Defined in section 1.
Executive Leadership Team	The members of the executive who report to the Managing Director.
Listing Rules	Defined in section 1.
Managing Director	The Managing Director and Chief Executive Officer of the APA Group.