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APA Group

Market Disclosure Standard & Procedure



1 Primary role of Disclosure Committee

Performance requirements – Disclosure Committee

A *Disclosure Committee* has been established by *APA Group* as a management committee and **MUST**:

- make recommendations to the *Managing Director* to ensure *APA Group* complies with its continuous disclosure requirements through the administration of the **Market Disclosure Policy**;
- make recommendations to the *Managing Director* on what should be disclosed publicly under the **Market Disclosure Policy** and to oversee the effective disclosure of information subject to that policy; and
- promote the practices and procedures contained in the **Market Disclosure Policy** by raising awareness within *APA Group* of *APA Group's* continuous disclosure obligations.

2 Disclosure responsibilities

Performance requirements – Managing Director

Following consultation with the *Disclosure Committee*, the *Managing Director* **MUST** decide what information is required to be disclosed under the **Market Disclosure Policy** and, subject to section 4, the form of that disclosure.

The *Managing Director's* delegate may carry out the *Managing Director's* functions under the **Market Disclosure Policy**.

Performance requirements – Disclosure Committee

The *Disclosure Committee* **MUST** assist the *Managing Director* to make decisions with respect to what information is to be disclosed to the market in accordance with the Listing Rule requirements.

The *Disclosure Committee* **MUST** advise the *Managing Director* whether any of the exceptions apply to any particular information that would otherwise be required to be disclosed under section 4.1 of the **Market Disclosure Policy** and, if needed, will seek external advice.

The members of the *Disclosure Committee* are the:

- *Managing Director*;
- Chief Financial Officer; and
- *Group General Counsel & Company Secretary*.

Performance requirements – Meetings and minutes of Disclosure Committee

The members of the *Disclosure Committee* **MUST** meet, or otherwise consult with each other, to discuss market disclosure issues on an ad hoc basis, in person or by using any technological means.

The *Group General Counsel & Company Secretary* **MUST** maintain records of all *Disclosure Committee* decisions to disclose price sensitive information to the market where the Committee's decision is not otherwise evidenced in writing.

3 Reporting standards and procedure – APA Group Employees and Responsible Persons

Key Definitions:

APA Employee means a person employed by any member of the *APA Group*.

Exception means an exception described in section 6 of the *Market Disclosure Policy*.

Responsible Person means in relation to an *APA Employee* a member of the *Executive Leadership Team* in whose business unit or functional group they work, or the *Group General Counsel & Company Secretary* – or, if those persons are unavailable, the *Managing Director*.

Performance requirements

An *APA Employee* **MUST** immediately inform the applicable *Responsible Person* of:

- information that is potentially price sensitive information of which they become aware; and
- information of which they become aware that meets the criteria specified in the materiality guidelines, if any, issued by the *Disclosure Committee* from time to time.

Immediately after being advised of such information, a *Responsible Person* (other than the *Managing Director*) **MUST** inform the *Managing Director* and the other members of the *Disclosure Committee* to promptly consider whether the information needs to be disclosed to the market.

An *APA Employee* who is unsure as to whether a matter should be disclosed **MUST** immediately discuss the matter with a *Responsible Person*.

An *APA Employee* **MUST NOT** attempt to form their own opinion as to whether an Exception applies to any information that ought to be disclosed under the *Market Disclosure Policy*; they **MUST** report the information according to this section, leaving it to the *Managing Director*, following consultation with the *Disclosure Committee*, to determine whether an Exception applies.

4 Significant announcements requiring notification to Chair

Key Definitions:

Significant Matter means events or issues other than:

operational matters or matters within the normal course of APA Group's business (e.g. signing an extension to a pre-existing gas transportation agreement); or

routine administrative or compliance matters referred to in section 6.4.

Performance requirements – treatment of announcements regarding a Significant Matter

Subject to the exception immediately below, the *Managing Director* **MUST** refer a proposed announcement about a *Significant Matter* to the *Chair*, or another *Director* if the *Chair* is unavailable, who will determine whether the proposed announcement should be considered by the *Board*.

If the *Chair* or other *Director* (as the case may be) determines the proposed disclosure need not be considered by the *Board*, then subject to any comments the *Chair* or other *Director*

may have with respect to the announcement, the *Managing Director* **MAY** authorise its release.

Exception

The *Board* recognises the responsibility for timely continuous disclosure and authorises the *Managing Director* or, if the *Managing Director* is unavailable, the *Chair* or another *Director* if the *Chair* is also unavailable, to make announcements without consultation with other *Directors* if it is not feasible to arrange that consultation in the timeframe within which *APA Group* is required to comply with its continuous disclosure obligations.

As soon as possible after an announcement is made in the above exceptional circumstances, the *Managing Director* (or, if applicable, another *Director*) **MUST** consult with the *Board* to determine what, if any, further disclosure steps may be required to ensure *APA Group* complies with its continuous disclosure obligations.

Performance requirements – treatment of announcements regarding financial results or guidance or forecasts

Proposed announcements regarding *APA Group's* financial results or guidance or forecasts with respect to such results **MUST** be referred to the *Board* prior to disclosure.

5 Materiality guidelines

From time to time the *Disclosure Committee* may issue guidelines to assist *APA Employees* to understand what information may be price sensitive and therefore required to be disclosed in accordance with the [Market Disclosure Policy](#).

6 APA Group's announcements

6.1 Preparation by Investor Relations

Performance requirements – preparation and circulation

Investor Relations **MUST** draft *APA Group's* announcements which **MUST** be:

- factual and not omit material information;
- expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions; and
- made in a timely manner.

Announcements **MUST** be circulated by the General Manager Investor Relations to the Disclosure Committee for approval.

6.2 Immediate market disclosure via ASX

Performance requirements – release to the regulator, posting and Board circulation

The *Group General Counsel & Company Secretary* (who is the nominated *ASX* contact) **MUST** immediately notify *ASX* once the *Managing Director* determines that information meets the materiality test and does not fall within an *Exception*.

After receiving *ASX's* acknowledgement that an announcement made by *APA Group* has been released, the:

- General Manager Investor Relations **MUST** promptly post a copy of the announcement on *APA Group's* website;
- *Group General Counsel and Company Secretary* **MUST** provide the announcement to all members of the *Board*.

6.3 **No public release or embargo of price sensitive information prior to market disclosure** **Performance requirements – APA Group**

APA Group **MUST** not release any information publicly that is required to be disclosed through *ASX* until the *Group General Counsel & Company Secretary* has received formal confirmation of its release by *ASX*. That prohibition extends to the release of information to the media or anyone else on an embargoed basis.

6.4 **Routine administrative or compliance announcements**

The *Group General Counsel & Company Secretary* **MAY**, without reference to the *Managing Director*, the *Disclosure Committee* or the *Board*, authorise announcements on routine administrative or compliance matters (e.g. key dates and other particulars of a distribution; the terms of a Security Purchase Plan for *APA Securities* approved by the Board and the results of the operation of such a plan; a new issue of *APA Securities* by the operation of *APA Group's* Distribution Reinvestment Plan; a new issue of 'equity securities' under *APA Group's* employee incentive schemes; changes in *Directors'* interests in *APA Securities*).

7 **Market Speculation, Rumours and False Market**

7.1 **No comment policy**

APA Group generally does not respond to market speculation or rumours unless required to do so by law or the Listing Rules.

Performance requirements

The *Managing Director*, in consultation with the *Disclosure Committee*, **MUST** determine whether a comment is to be made in response to market speculation or a rumour.

7.2 **Statements regarding market speculation and rumour**

APA Group's procedure

A statement in relation to market speculation or rumour **MUST** be issued where:

- the *Managing Director*, in consultation with the *Disclosure Committee* considers *APA Group* is required at that time to make a statement to the market about a particular matter; or
- *APA Group* is required to respond to a formal request for information from *ASX*.

For example, a statement may be required to correct or prevent a false market (see section 7.3). The process set out in section 4 for consideration of a proposed announcement by the *Chair* and *Board* applies to proposed disclosures in response to market speculation and rumour.

7.3 False market

APA Group's procedure

If *ASX* considers there is or is likely to be a false market in *APA Securities*, *ASX* may require *APA Group* to give it information to correct or prevent the false market even if *APA Group* considers that the information falls within an *Exception*. In such circumstances, *ASX* may form the view that the information is no longer confidential and therefore, *APA Group* cannot rely on the exceptions. *APA Group* must promptly give *ASX* the information it asks for to the extent it is able to do so.

ASX Guidance Note 8 states that 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. *ASX* notes that this may arise, for example, where:

- an entity has made a false or misleading announcement;
- there is other false or misleading information, including a false rumour, circulating in the market; or
- a segment of the market is trading on the basis of market sensitive information that is not available to the market as a whole.

7.4 Monitoring of media and price movements

Performance requirements

The General Manager Investor Relations **MUST** monitor:

- media reports about *APA Group*;
- media reports about significant drivers of *APA Group's* business; and
- *APA Security* price movements.

If the General Manager Investor Relations identifies circumstances where a false market (see section 7.3) may have emerged in *APA Securities*, the General Manager Investor Relations **MUST** report the matter to the Chief Financial Officer / *Group General Counsel & Company Secretary* to determine whether the circumstances should be reviewed by the *Disclosure Committee*.

8 Trading halts

It may be necessary to request a trading halt from *ASX* to ensure that orderly trading in *APA Securities* is maintained and to manage disclosure obligations.

8.1 Procedure

The process for seeking a trading halt is as follows:

1. the *Disclosure Committee* **MUST** meet to consider the relevant circumstances and to make a recommendation to the *Managing Director* whether to seek a trading halt;
2. if the *Managing Director* considers that a trading halt should be sought:
 - the *Managing Director* **MUST** then brief the *Chair* or any other *Director* if the *Chair* is unavailable, and the *Chair* (or other *Director* as the case may be) may approve the trading halt;

- if neither the *Chair* nor any other *Director* is available, the *Managing Director* **MAY** approve the trading halt;
- 3. if the *Managing Director* is unavailable, the *Chair*, or any other *Director* if the *Chair* is also unavailable, is authorised to seek a trading halt after receiving a recommendation to do so from the *Disclosure Committee*; and
- 4. if a trading halt is approved, the *Group General Counsel & Company Secretary* **MUST** seek the trading halt from *ASX* and promptly inform the *Board* of the trading halt being granted.

8.2 Performance requirement

Other than the *Managing Director*, *Chair* or other *Director* as permitted above, an *APA Employee* **MUST NOT** seek a trading halt.

9 Financial markets communication

9.1 APA Group's contact with market

During the year, *APA Group* follows a calendar of regular disclosures to the market through *ASX* on *APA Group's* financial and operational results. Typically, these comprise the announcements of the half year and full year results and the annual meeting of securityholders. *APA Group* publishes the target dates for those events on its web site and webcasts the events. From time to time, *APA Group* may also hold briefings on significant events, such as a material acquisition, and, where practicable, it will also publish the anticipated date of those announcements on its website and webcast the briefings at which the announcements are made.

It is in the interests of *APA Group's* securityholders that the investment community has a good understanding of *APA Group's* business operations and activities and so from time to time *APA Group* also conducts other briefings of institutional investors, brokers and/or analysts that, unlike the events described in the previous paragraph, are not publicly announced or webcast. Such briefings are referred to in this policy as "*One-on-One Briefings*".

9.2 Prohibition against selective disclosure

APA Group **MUST NOT** communicate price sensitive information to any investor, broker, analyst, the media or other external party unless that information has been previously disclosed to the market through *ASX*.

9.3 Requests for briefing or comment

Performance requirement – media and other enquiries

If an *APA Employee*, other than the authorised spokespersons identified in section 9.4, receive a request for a briefing or for comment from an investor, broker, analyst or the media in relation to *APA Group's* financial and/or operational results, they **MUST** advise that person that they are not authorised to speak on behalf of *APA Group* and **MUST** refer the enquiries to the General Manager Investor Relations or, if unavailable, the Chief Financial Officer.

9.4 Authorised Spokespersons

APA Group will keep to a minimum the number of authorised spokespersons to avoid inconsistent communications and to reduce the risk of information being selectively released in breach of section 9.2.

The *APA Employees* authorised to speak to institutional investors, brokers, analysts and the media with respect to *APA Group's* financial and/or operational results are:

- the *Managing Director*;
- the Chief Financial Officer;
- the General Manager Investor Relations; and
- such other members of the Investor Relations team approved from time to time by the Chief Financial Officer or General Manager Investor Relations to do so.

Performance requirements – media interviews and other spokespersons

The *Managing Director* **MUST** conduct all media interviews with respect to *APA Group's* financial and/or operational results.

An *APA Employee* (other than the Managing Director) **MUST NOT** conduct any media interviews with respect to *APA Group's* financial and/or operational results.

The *Managing Director* or the Chief Financial Officer may authorise other spokespersons, but any comments from such other spokespersons **MUST** be limited to their area of expertise and (if applicable) the specific occasion or occasions for which the authority is given.

The *Chair* is the authorised spokesperson on behalf of the *Board*.

10 Conduct at briefings

10.1 Generally

At briefings of investors, brokers, analysts or the media, *APA Group* spokespersons **MUST**:

- not comment on issues that comprise price sensitive information and that have not been disclosed to the market generally;
- in answering questions, use the answers scripted in any “Q&A” approved by the *Managing Director* following consultation with the *Disclosure Committee* for the purpose of the briefing; and
- where a question raised in a briefing can only be answered by disclosing price sensitive information, decline to answer the question or take the question on notice, and then wait until *APA Group* releases the relevant information to the market through *ASX* before responding.

10.2 Inadvertent disclosure

Performance requirements

If an *APA Employee* participating in a briefing considers that an inadvertent disclosure of price sensitive information has been made, they **MUST** immediately refer the matter to the *Group General Counsel & Company Secretary*.

10.3 One-on-one briefings attended by the General Manager Investor Relations

Wherever possible, the General Manager Investor Relations, or a delegate approved in their stead, will attend *One-on-One Briefings*, as described in section 9.1, and keep notes of such briefings and retain those notes on the appropriate database.

10.4 Review of briefings

Performance requirements

Immediately following any *One-on-One Briefings*, General Manager Investor Relations (or, in their absence, the IR representative in attendance or the senior executive involved) **MUST** review the matters discussed and presented (including any questions and answers provided). Where they believe any price sensitive information has been disclosed inadvertently, they **MUST** immediately report the matter to the *Disclosure Committee* for review.

10.5 One-on-one briefings not permitted in closed periods

One-on-One Briefings may not be conducted in the designated closed periods being:

- the period starting 1 January and ending at the beginning of trading on the business day after the release of *APA Group's* half yearly results to the *ASX*;
- the period starting 1 July and ending at the beginning of trading on the business day after the release of *APA Group's* annual results to the *ASX*;
- the period starting on a date notified by the *Group General Counsel & Company Secretary* and ending at the beginning of trading on the business day after the release of *APA Group's* investor day presentation to the *ASX*;
- the period starting on a date notified by the *Group General Counsel & Company Secretary* and ending at the beginning of trading on the business day after the release of *APA Group's* Annual Meeting results to the *ASX*; or
- any other period that the *Group General Counsel & Company Secretary* specifies and notifies *Directors* and designated persons of from time to time.

11 Analysts' reports

11.1 Analysts' reports to be referred to the General Manager Investor Relations

Stockbroking analysts frequently prepare reports on listed entities that typically detail analysts' views of *APA Group's* strategies, financial and operational performance and financial forecasts.

Performance requirements – pass through reports

Any draft analysts' reports sent to an *APA Employee* for comment **MUST** immediately be referred to the General Manager Investor Relations.

11.2 Restricted comment on analysts' reports

To avoid inadvertent disclosure of price sensitive information concerning *APA Group*, *APA Group's* comments on analysts' reports **MUST** be restricted to:

- information *APA Group* has publicly issued; and
- other information in the public domain.

Given the level of price sensitivity to earnings and other forecasts, subject to the following, *APA Group* must only make comment on analysts' reports to correct factual errors in relation to publicly available information and company statements. *APA Group* **MUST NOT** disclose to

the analyst any market sensitive information that has not previously been released to the market or say anything that could be construed as de facto earnings guidance.¹

Given **APA Group** does not issue earnings guidance to the market, **APA Group MUST NOT** in any circumstance comment on any earnings or other forecasts that may be contained in analysts' reports. **ASX** cautions listed entities that choose to have conversations with analysts about their earnings forecasts that they need to tread very carefully so as not to breach their continuous disclosure obligations.

11.3 Review of analyst reports and forecasts

Performance requirements – records and summaries

The General Manager Investor Relations **MUST** maintain a record of analysts' earnings forecasts and provide a summary report of these forecasts to the Chief Financial Officer on a regular basis.

The Chief Financial Officer **MUST** monitor the general range of analysts' forecast earnings relative to **APA Group's** own internal forecasts and the guidance previously published by **APA Group**. This will be done by monitoring analyst forecasts on a regular basis (at a minimum every 6 months, after results announcements and after budget and reforecast intervals).

If the Chief Financial Officer becomes aware of a divergence between the 'consensus' of the analysts' forecasts and management's own expectations, which may have a material effect on the price or value of **APA Securities**, the Chief Financial Officer **MUST** refer the matter immediately to the **Disclosure Committee** for consideration as to whether an announcement should be made to **ASX**.

11.4 How large does an earnings surprise have to be to trigger a disclosure obligation?

APA Group will have regard to ASX Guidance Note 8² which provides that assessing whether or not information about a potential earnings surprise is market sensitive will require a consideration of factors such as:

- the extent of the earnings surprise (in both percentage and absolute terms);
- whether the market has an expectation that the entity's earnings will be stable or volatile;
- whether near term earnings is a material driver of the value of the entity's securities;
- whether the earnings surprise is attributable to a non-cash item (such as depreciation, amortisation or an impairment charge) that may not impact on underlying cash earnings;
- whether the earnings surprise is a permanent one or is simply due to a timing issue;
- whether the earnings surprise is attributable to one-off or recurring factors, or a change in accounting standards or policies;
- whether the earnings surprise will affect the entity's expected dividend for the current reporting period or future periods;
- whether the relative outlook for the entity in the coming financial periods is positive or negative; and

¹ Source: ASX Guidance Note 8, section 7.4.

² In section 7.3 subsection (3).

- the extent to which the earnings surprise may have been signalled to the market in previous announcements or is attributable to known market-wide or sector-wide events, that the market has already factored into the price or value of the entity's securities.

Other factors that will bear upon whether *APA Group* needs to disclose a potential earnings surprise include:

- the number, quality and reputation of the analysts covering its securities;
- how up-to-date their forecasts are; and
- whether those forecasts are reasonably consistent or vary wildly.

In addition, *APA Group* will have regard to *ASX's* recommendation that any *Director* or officer confronted by a decision on whether to disclose a potential earnings surprise ask themselves 2 questions:³

- *"Would information about the potential earnings surprise influence my decision to buy or sell securities in the entity at their current market price?"*
- *"Would I feel exposed to an action for insider trading if I were to buy or sell securities in the entity at their current market price, knowing information about a potential earnings surprise had not been disclosed to the market?"*

If the answer to either question is "yes", then *ASX* recommends that should be taken to be a cautionary indication that information about the potential earnings surprise may well be market sensitive and may therefore need to be disclosed to *ASX* under Listing Rule 3.1.

11.5 Not endorse analysts' reports

APA Group will not endorse, or behave in a manner that may be interpreted as an endorsement of, analysts' reports or the information they contain. Accordingly, *APA Group* will not:

- externally distribute individual analysts' projections or reports;
- refer to individual analysts' recommendations on *APA Group's* web site or provide hyperlinks on *APA Group's* web site to analysts' web sites; or
- selectively refer to individual analysts, or publicly comment on individual analysts' recommendations or proprietary research.

11.6 Not provide 'de facto' earnings guidance

Since *APA Group* has a policy of not giving earnings guidance, it needs to be careful in its communications with securityholders, analysts and the press that it preserves the confidentiality of its internal budgets and projections and does not make statement that could be construed as de facto earnings guidance. Accordingly, per *ASX Guidance Note 8*⁴, *APA Group* will not comment that *APA Group*:

- is "happy" or "comfortable" with, or expects its earnings to be "in line with", or above or below, analysts' forecasts or consensus; or

³ Source: *ASX Guidance Note 8*, section 7.4, subsection (4)(d).

⁴ In section 7.2.

- expects its earnings to be in line with, or above or below, its earnings for the prior corresponding period ('pcp earnings').

Appendix A - Authorities

Activity	Responsible	Accountable	Supporting	Consulted	Informed
Approval of proposed announcements regarding <i>APA Group's</i> financial results / guidance / forecasts					
<i>Board</i>	✓				
<i>Chair</i>					✓
<i>Disclosure Committee</i>			✓		
<i>Managing Director</i>		✓			
Approval of significant announcements outside the normal course of business/non-routine matters which the <i>Chair</i> determines should be referred to the <i>Board</i>					
<i>Board</i>	✓				
<i>Chair</i>			✓		
<i>Disclosure Committee</i>			✓		
<i>Managing Director</i>		✓			
Approval of significant announcements outside the normal course of business/non-routine matters which the <i>Chair</i> determines should <u>not</u> be referred to the <i>Board</i>					
<i>Board</i>					✓
<i>Chair</i>				✓	
<i>Disclosure Committee</i>	✓				
<i>Managing Director</i>		✓			

Appendix B - Glossary

Terms and Definitions

Term	Definition
APA Group or APA	The two registered managed investment schemes, APA Infrastructure Trust and APA Investment Trust, the responsible entity for which is APA Group Limited and their respective Related Bodies Corporate (as defined in the <i>Corporations Act</i>).
APA Employee	Defined in section 3.
APA Securities	Defined in section 2 of the Market Disclosure Policy .
ASX	Australian Securities Exchange
Board	The board of APA Group Limited.
Chair	The Chair of APA Group Limited.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of APA Group Limited.
Disclosure Committee	The committee constituted under sections 1 and 2.
Executive Leadership Team	The members of the executive who report to the Managing Director.
Exception	Defined in section 3.
Group General Counsel & Company Secretary	The Group General Counsel & Company Secretary of APA Group Limited.
Managing Director	The Managing Director and Chief Executive Officer of the <i>APA Group</i> .
Responsible Person	Defined in section 3.
Significant Matter	Defined in section 4