

# Continuous Disclosure Policy

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**29 August 2022**

**Continuous Disclosure Policy  
Cogstate Limited (ABN 80 090 972 723) and its subsidiaries  
(Cogstate)**

# 1 Background

## 1.1 Overview

Cogstate (“the Company”) is committed to effective communication with its shareholders, market participants, employees, other stakeholders and the wider investment community. The Company aims to ensure that all shareholders, stakeholders, market participants and the wider investment community are appropriately informed of its activities and performance.

The Company will endeavour to make publicly available all appropriate information to ensure that trading in its shares takes place in an efficient, competitive and informed market.

In particular, the Corporations Act 2001 (Cth) (**Corporations Act**) and the Australian Securities Exchange (**ASX**) Listing Rules impose obligations on the Company, the Directors and senior executives in relation to the disclosure to ASX of certain information, including periodic and continuous disclosure requirements.

## 1.2 Purpose

The purpose of the Continuous Disclosure Policy (the **Policy**) is to:

- a) ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules and so far as possible seeks to achieve or exceed best practice;
- b) provide shareholders and the market with timely, balanced, direct and equal access to information disclosed by the Company; and
- c) promote investor confidence in the integrity of the Company and its securities, systems and policies.

The Company Secretary is primarily responsible for monitoring compliance with the policy and procedures set out in this document. In exercising this authority, the Company Secretary will consult, where appropriate, with the Chairman and/or the Chief Executive Officer (CEO).

If you have any questions about this Policy please contact the Company Secretary by:

- phone: +61 3 9664 1300; or
- email: [companysecretary@cogstate.com](mailto:companysecretary@cogstate.com)

If the matter is urgent and the Company Secretary is unavailable, please contact the CEO, Brad O’Connor, either by:

- phone: +61 3 9664 1300; or
- email: [boconnor@cogstate.com](mailto:boconnor@cogstate.com).

# 2 Legal requirements and best practice

## 2.1 Legal requirements

The Company is a public company listed on the ASX. It is therefore an entity which is subject to continuous disclosure requirements under the Corporations Act and the ASX Listing Rules (which are given legislative force under section 674 of the Corporations Act), in addition to the periodic and specific disclosure requirements. The key elements of the continuous disclosure obligations are set out below:

- a) **The Rule:** The primary continuous disclosure obligation is contained in Listing Rule 3.1, which states that:

*"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."*

- b) **The Exception:** Listing Rule 3.1A contains the only exception to Listing Rule 3.1, namely that:

*"Listing Rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

3.1A.1 *One or more of the following 5 situations 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 internal management purposes of the entity; or*
- e) *The information is a trade secret;*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- c) **ASX may request information to correct false market:** Listing Rule 3.1B provides that if the ASX considers that there is, or is likely to be, a false market in an entity's securities, and asks the entity to give it information to correct or prevent the false market, the entity must immediately give ASX that information.
- d) **Disclosure to ASX first:** Listing Rule 15.7 further requires that an entity must not release information that is for release to the market to any person until it has given the information to ASX, and has received an acknowledgement that ASX has released the information to the market.
- e) **Material price-sensitive information:** Section 677 of the Corporations Act states that, a reasonable person would be taken to expect information to have a "material effect on the price or value" of securities if the information "would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of" those securities.

## 2.2 Best practice guidelines

In addition to the legal requirements, there are guidelines published by various bodies which, though not mandatory, set out various views of best practice in the area of continuous disclosure. The most important of these guidelines are:

- a) ASX Corporate Governance Council "Corporate Governance Principles and Recommendations" (4th edition), in particular Principle 5 "Make timely and balanced disclosure";
- b) ASX Guidance Note 8 "Continuous Disclosure";
- c) Australasian Investor Relations Association "Best Practice Guidelines for Communication between Listed Entities and the Investment Community";
- d) Governance Institute of Australia and Australasian Investor Relations Association "Handling confidential, market-sensitive information: Principles of good practice";
- e) Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 62 "Better disclosure for investors"; and
- f) Governance Institute of Australia "Good Governance Guide: Disclosure and communications policy".

## 2.3 This Policy

This Policy addresses all continuous disclosure requirements under the Listing Rules and the Corporations Act, and incorporates best practice guidelines suggested by the sources listed above, as at the date of its adoption.

# 3 Key concepts

## 3.1 Disclosure principle

The Company will immediately notify ASX of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless exempted by the Listing Rules.

## 3.2 Material price-sensitive information

Any information concerning the Company which would, or would be likely to, influence investors in deciding whether to acquire or sell the Company securities (**material price-sensitive information**) must be disclosed to ASX (absent an applicable exemption) in accordance with this Policy.

The Disclosure Committee (see Section 3.3 b) of this Policy) is responsible for compliance with this Policy.

The following provides a guide as to the type of information that is likely to require disclosure. This is not an exhaustive list. The determination of whether certain information is material price-sensitive information which is subject to continuous disclosure necessarily involves the use of judgment. There will inevitably be situations where the issue is less than clear. If you come across information which potentially falls within the category of material price-sensitive information, you should treat it as if it is material price-sensitive information and refer the matter to the Disclosure Committee to resolve.

It is important for management to understand that just because information is reported to the Disclosure Committee that does not mean that it will be disclosed to the ASX. It is for the Disclosure Committee to determine whether information is material and requires disclosure. Accordingly, the Company's policy is for all potentially material information to be reported to the Disclosure Committee.

Matters which generally require disclosure include (but are not limited to):

- a) a material change in the Company's financial forecasts or expectations;
- b) the fact that the entity's earnings will be materially different from market expectations;
- c) a recommendation or declaration of a dividend or distribution, or a decision one will not be declared;
- d) a substantive investor or analyst presentation;
- e) changes in the Board of Directors, senior executives or auditors. In the case of the appointment of a new CEO or executive director, disclosure of the key terms and conditions of the relevant contract entered into (eg components of remuneration package) will be necessary;
- f) a material change in the Company's accounting policy;
- g) an agreement between the Company (or a related party or subsidiary) and a director (or a related party of the director);
- h) events regarding the Company's shares, securities, financing or any default (eg under or over subscriptions to an issue of securities);
- i) material information about the beneficial ownership of shares obtained by the Company;
- j) giving or receiving a notice of intention to make a takeover offer;
- k) a transaction for which the consideration payable or receivable is a significant proportion of the written-down value of the Company's consolidated assets;
- l) material mergers, acquisitions, divestments, joint ventures or changes in assets;
- m) material developments in regard to new projects, products or ventures;
- n) new material contracts, orders, or material changes in suppliers or customers;
- o) significant changes in products, product lines, supplies or inventory;
- p) industry issues that may have a material impact on the Company;
- q) significant changes in technology or the application of technology which could affect business;
- r) significant legal proceedings against or allegation of any material breach of the law, whether civil or criminal, by the Company;
- s) decisions on significant issues affecting the Company by regulatory bodies in Australia or other relevant jurisdictions;
- t) natural disasters or accidents that have particular relevance to the business of the Company or its suppliers or customers; or
- u) the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by the Company or any of its subsidiaries.

Non-exhaustive examples of the type of information that, depending on the circumstances, could require disclosure by the Company are also set out in the notes to ASX Listing Rule 3.1.

Where any information is reported to the Disclosure Committee, it will (as appropriate):

- review the information in question and urgently seek any advice needed to assist the Disclosure Committee to interpret the information;
- determine whether any of the information is required to be disclosed to the ASX;
- consider whether it is necessary to seek a trading halt to facilitate an orderly, fair and informed market in the Company's securities;
- coordinate the actual form of disclosure with the relevant members of management; and
- confirm final approval by the CEO and CFO (or Board approval where required) for the proposed disclosure.

All announcements under Listing Rules 3.1 or 3.1B must be approved by the CEO and CFO, before the announcement is made or disclosure is released through the Company Secretary. The exception to this rule is an ASX announcement relating to matters listed in section 3.3 of this Policy which require Board approval.

If the CEO and CFO are unavailable to determine whether to make or approve an ASX announcement, the following individuals may authorize the disclosure:

- The Chair of the Board; or
- If the Chair of the Board is unavailable, the Chair of the Audit, Risk & Compliance Committee; or
- If neither the Chair nor the Chair of the Audit, Risk and Compliance Committee are available, the Company Secretary.

### **3.3 Roles and responsibilities - at a glance**

This Policy will be administered by several key personnel within the Company. However, employees at every level have a role to play to ensure that the Company achieves the objectives of this Policy.

The responsibilities under this Policy are divided as follows:

a) **Board of Directors** – the Board is responsible for approval of this Policy.

The usual procedure for making disclosures under Listing Rule 3.1 is through the Disclosure Committee as outlined in section 3.2 of this Policy. Board approval and input will be required in respect of matters that are clearly within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to the Company. Such matters will include:

- Significant profit upgrades or downgrades;
- dividend policy, guidance or declarations;
- company transforming transactions or events; and
- any other matters that are determined by the CEO, CFO, Disclosure Committee or the Chair of the Board to be of fundamental significance to the Company.

Where an announcement is to be considered and approved by the Board, the Disclosure Committee must ensure that the Board is provided with all relevant information necessary to ensure that it is able to fully appreciate the matters dealt with in the announcement.

No other announcement should be referred to the Board for approval (as opposed to simply being circulated to directors 'for information' after the announcement has been made).

In the event that an announcement that would ordinarily require Board approval must immediately be disclosed to the market in order for the Company to comply with its continuous disclosure obligation, all reasonable effect must be made to have the announcement urgently considered and approved by the Board prior to release. However, if such approval cannot be obtained, either the CEO or CFO may authorize disclosure to ensure compliance with continuous disclosure laws. The announcement must then be considered by the Board at the first possible opportunity following its release to determine what, if any, further steps need to be taken by the Company.

- b) **Disclosure Committee** – the Board has appointed the Disclosure Committee with responsibility for compliance with the Company's continuous disclosure obligations. The Disclosure Committee is constituted by the CEO, CFO and the Company Secretary (or their delegates).
- c) **Company Secretary** - responsible for the administration of this Policy and all communications with the ASX (see below);
- d) **Authorised Spokespersons** - only certain Company employees are authorised to speak on behalf of the Company to external parties (see below);
- e) **Other employees** - report any material price-sensitive information to a member of the Disclosure Committee and observe the Company's "no comments" policy.

### 3.4 **Company Secretary responsibilities**

The Company Secretary is responsible for the administration of this Policy, and in particular, is responsible for:

- a) monitoring the Company's compliance with its continuous disclosure obligations;
- b) all communications with the ASX;
- c) reviewing proposed external (including ASX) announcements, and consulting with appropriate members of the Board, senior executives and/or external advisers as necessary and in particular obtaining prior authorisation in relation to all continuous disclosure announcements in accordance with this Policy;
- d) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information;
- e) reporting on continuous disclosure issues regularly to the Board of the Company;
- f) keeping a record of all ASX and other external announcements that the Company has made;
- g) monitoring the effectiveness of the Policy, including employees' awareness and understanding of its terms and in general the principles and spirit of continuous disclosure; and
- h) regularly reviewing this Policy for legislative or ASX changes or development of best practice, and communicating any amendments to the Directors and Company employees.

### 3.5 **Authorised spokespersons**

The authorised spokespersons are the Chairman, CEO and Company Secretary as well as other persons authorised by the Board from time to time. They are the only Company personnel who may speak to the media or other external parties in relation to matters subject to this Policy. Authorised spokespersons should be briefed by the Company Secretary about prior disclosures by the Company before speaking with external parties. When communicating with external parties, an authorised spokesperson:

- a) should ensure all comments relate to information within the public domain and/or are not material, as the disclosure of confidential information, even if inadvertent, may result in the information no longer falling within the exception to Listing Rule 3.1 and therefore becoming disclosable to the ASX immediately;
- b) may clarify information that the Company has released to ASX but must not comment on material price-sensitive information that has not previously been released to ASX;
- c) should limit any comments to his or her area of expertise as much as possible; and
- d) should report to the Company Secretary after the external communication is made, to determine if any confidential information has been disclosed and whether as a consequence any disclosure to ASX is necessary.

### **3.6 Company announcements - the procedures**

The management of the Company's external announcements depends largely on an effective system of internal reporting and announcement preparation.

The following procedures will apply in relation to all external announcements:

- a) Identification and notification of material price-sensitive information - as soon as an employee becomes aware of material price-sensitive information which has not been previously released by the Company, he or she should immediately notify a member of the Disclosure Committee;
- b) "Continuous disclosure issues" will be a permanent item on the agenda for every Board meeting, committee meeting and other significant meetings as determined by the Company Secretary;
- c) Review of material price-sensitive information - after receiving any material price-sensitive information, the Company Secretary will review the information (in consultation with the Chairman, CEO, other senior executives and/or external advisers if necessary), to determine whether the information is required to be disclosed;
- d) Prepare external announcement - if the information is required to be disclosed, the Company Secretary and CEO, or an appropriate delegate, will prepare a draft announcement. Such announcements should be factual, complete, relevant, balanced and expressed in an objective and clear manner that allows investors to assess the impact of the information when making investment decisions. The use of emotive or intemperate language should be avoided;
- e) Obtain sign off - the draft company announcement must be signed off by two of the Chairman, the CEO and the Company Secretary, or, in their absence, a delegate approved by the Board;
- f) Board approval - if the draft announcement is significant, then subject to any legal requirement for its immediate release, it must first be approved by the Board;

- g) Lodge announcement - the Company Secretary, or a person appointed by the Company Secretary, will lodge the announcement with ASX electronically and will ensure that the Board receives copies of all material market announcements promptly after they have been made; and
- h) Post announcement on the Company website - within a reasonable time (and in any event within 24 hours) after receiving an acknowledgement from ASX that the announcement has been released to the market, post the announcement onto the Company's website.

In light of the Company's obligation to disclose any material price-sensitive information "immediately as soon as it becomes aware" of the information, the above steps, where required, should be taken as a matter of urgency.

### **3.7 Joint announcements**

In situations where the Company needs to issue a joint announcement with a joint venture or project partner, the Company will seek to give the partner the opportunity to review the announcement prior to its release, provided that it does not compromise the Company's ability to comply with its disclosure obligation.

### **3.8 Timing**

The Company must not release material price-sensitive information publicly until it has disclosed it to ASX and received confirmation of its release by ASX.

If information is to be released by the Company's Head Office and simultaneously in another geographical location (for example, by a foreign joint venture partner), the Company Secretary will consult with the relevant parties to determine how the requirement of the Listing Rules will impact on the timing of the disclosure.

### **3.9 Disseminating announcements**

After receiving ASX's confirmation that an announcement has been released to the market, the Company will disseminate the information as soon as possible by posting the announcement on the Company's website (within a reasonable time after receiving ASX's confirmation) as per its Communications Policy and, where considered appropriate, broadcasting via email to major stakeholders.

The Company's website will contain relevant information on the Company such as:

- a) company profile and statement of values;
- b) ASX announcements and releases;
- c) any other material media or other releases;
- d) a copy of the Company's most recent annual report and financial statements, as well as previous annual, half yearly and quarterly reports, including any Directors' reports contained in those documents;
- e) new and substantive speeches, investor or analyst presentations and other such information provided to shareholders, brokers, analysts and investors;
- f) notices of shareholder meetings and explanatory material and ancillary information about meetings;

- g) copies of any documents tabled or otherwise made available at meetings of shareholders and, if it keeps them, a recording or transcript of the meetings;
- h) the Company's corporate governance policies and charters, including this Policy; and
- i) key employee shareholder information.

The Company Secretary must review the relevant information prior to it being posted on the website. The website will be reviewed regularly to ensure that it is up-to-date, complete and accurate.

### **3.10 Pre-result periods**

To prevent inadvertent disclosure of material price-sensitive information, during the periods between the end of its financial reporting periods and the actual results release, the Company will not discuss any financial information, broker estimates and forecasts, with institutional investors, individual investors, stockbroking analysts, or the media unless the information being discussed has previously been disclosed to the ASX.

### **3.11 Media and market speculation**

The Company has a general "no comments" policy in relation to market speculation and rumours, which must be observed by employees at all times. However, the Company may issue an ASX announcement in response to a market speculation or rumour where it is necessary to comply with the continuous disclosure obligations, for example, for the purpose of correcting factual errors or responding to a formal request from the ASX for information.

The Company will not provide the media with exclusive interviews or information that potentially contains any material price-sensitive information prior to disclosing that information to the ASX. It will also not provide any such information "off the record".

The Company will not disclose any information that is potentially material price-sensitive information publicly under an embargo arrangement prior to release to the ASX.

Employees who are approached by the media or any external parties for information should observe the "no comments" policy and notify the Company Secretary as soon as possible.

### **3.12 Briefings/meetings/conference calls with analysts or investors**

As part of the Company's management of investor relations and to enhance brokers' and analysts' understanding of its background and technical information, it may conduct briefings with analysts or investors from time to time, including:

- one-on-one discussions (for the purpose of this Policy, this includes any communications between the Company and an analyst/investor);
- Company briefings; and
- conference calls, (collectively referred to as **briefings**).

The Company's policy for conducting these briefings is not to disclose any information which is, or potentially is, material price-sensitive information, that has not been announced to the ASX and the market generally. No briefing should be held during pre-results periods.

In addition, the following protocols will be followed in relation to such briefings:

- a) the Company will make an announcement of any material information, including copies of any new and substantive investor or analyst presentation materials, to be disclosed prior to the briefing to inform the market;
- b) any written material to be used at a briefing must be provided in advance to the CEO or Company Secretary to determine whether it contains any information that has not previously been disclosed;
- c) if the Company Secretary or other authorised representative cannot attend the briefing, they should be fully briefed within 1 day after the briefing;
- d) a file note should be made in relation to the briefing and provided to the Company Secretary (and, if appropriate, the Board). Any file note should be kept for a reasonable period after the briefing;
- e) if a question raised during the briefing can only be answered by disclosing material price-sensitive information which was not previously disclosed to the ASX, the Company employee must decline to answer the question, but take the question on notice;
- f) Company employee(s) participating at a briefing should conduct a post-briefing review on the same day to identify whether any confidential information was disclosed. If an employee present at a briefing considers that any non-public material price-sensitive information was disclosed during the briefing, he or she must immediately notify the Company Secretary; and
- g) following the briefing, the Company will post all material used or made available for the briefing on the Company's website.

### **3.13 Broker sponsored investor conferences**

The Company or its executives are from time to time invited to participate or present at broker sponsored investor conferences. The Policy and protocols for the Company's briefings apply to such conferences.

### **3.14 Responding to analyst reports and forecasts**

Brokers and analysts frequently prepare reports on securities of listed entities, including the Company, which may contain performance and financial forecasts. The Company acknowledges the importance of analyst reports in facilitating the operation of the market in an informed and efficient manner.

However, the Company is independent, and will do all things necessary to be seen as independent. The Company will not endorse any analysts' reports, and will restrict its comments to factual matters and information which has been previously disclosed to the ASX and the market generally.

In particular, the Company:

- a) will not generally comment on analyst forecasts or disclose its own earnings projections, however, it may comment on analyst reports by acknowledging the report's range of estimates and correcting factual errors or assumptions where the relevant information has already been disclosed;
- b) will not include any analyst reports in its own corporate information, or post any analyst reports (including hyperlinks) on its website, but may use the reports internally;
- c) will include a disclaimer that the Company is not responsible for, and does not endorse, the analyst report, in any response made to an analyst; and

- d) may consider issuing a profit warning/statement if it becomes apparent that in general the market's earnings projections for the Company materially differ from its own estimates.

If a draft report has been sent to the Company for comment, it should be forwarded immediately to the CEO or Company Secretary.

### **3.15 Chatrooms and social media**

Company employees or associated parties must not participate in chat room and social media discussions on the internet where the subject matter relates to the Company unless authorised in writing to do so by the CEO or Company Secretary. Any such participation must clearly identify the participant by name and as a Company spokesperson.

### **3.16 Responding to unexpected questions**

Company employees and executives are often faced with unexpected questions from external parties - for example, pre-arranged briefings sometimes move outside the scope of intended discussion, or Company executives may be asked for information in situations other than formal briefings.

When faced with an unexpected question, respond only with information which has previously been disclosed to the market. If answering the question requires the disclosure of information that has not been disclosed, or if in doubt as to whether or not certain information has already been disclosed, decline to answer the question. Take the question on notice so that the formal process of releasing information can operate if required.

### **3.17 Handling of confidential market-sensitive information**

In relation to the handling of confidential market-sensitive information, the Company will:

- a) implement internal systems to protect confidential, market-sensitive information, including to ensure that employees and Directors are aware of their confidentiality obligations;
- b) maintain an insider list when conducting a confidential, market-sensitive transaction;
- c) if considered appropriate, request advisers and other service providers to enter into confidentiality agreements before passing on confidential, market-sensitive information and, if in doubt, seek confirmation from those advisers and other service providers that they have in place policies and practices relating to the handling and control of confidential, market-sensitive information that satisfy the terms of the confidentiality agreement; and
- d) seek information from its advisers in relation to which, when and how potential investors are being sounded on the Company's behalf by those advisers in relation to a transaction involving the Company.

### **3.18 Inadvertent or premature disclosure of information**

Disclosure of material price-sensitive information to an external party prior to disclosure to the ASX constitutes a breach of Listing Rule 15.7. To prevent a breach of Listing Rule 15.7 and to minimise the consequences should such a breach occur, the following procedures apply.

A review should be done following any communications with an external party. If a Company employee becomes aware (including following communications with external parties, for example through analyst briefings or responses to security holder questions) that:

- a) there may have been disclosure of material price-sensitive information (which has not been disclosed to the ASX); or
- b) confidential Company information may have been leaked (whatever its source), he or she should immediately notify the CEO or Company Secretary. In such a situation, if the CEO or Company Secretary believes that the information may require disclosure, having regard to the Listing Rules including provisions relating to avoiding the emergence of a false market, the procedures in clause 3.6 will be followed in respect of that information.

## 4 Trading halts

In certain circumstances, the Company may need to request a trading halt from the ASX to maintain the efficient trading of its securities. The CEO and/or Chairman will make all decisions in relation to trading halts and are the only personnel who may authorise the Company Secretary to request a trading halt on behalf of the Company.

## 5 Other matters

### 5.1 Advisers and consultants

The Company will require consultants and professional advisers engaged by the Company or any of its subsidiaries to adhere to this Policy. The Company may ask any consultants and professional advisers to sign a confidentiality agreement.

### 5.2 Breach of Policy

The Company takes continuous disclosure very seriously. Non-compliance with continuous disclosure obligations may constitute a breach of the Corporations Act or the Listing Rules. This may result in fines for the Company, personal liabilities for directors and other officers, and damage to the Company's reputation.

Breaches of this Policy may result in disciplinary action against the employee including dismissal in serious cases.

### 5.3 Further information

The Company will periodically review this Policy regularly as legislative and/or ASX requirements change and best practice for continuous disclosure evolves, and check that it is operating effectively, and consider whether any changes are required to the Policy. The Company Secretary will communicate any amendments to Company employees.

If you have any questions on the Policy, or require further information, please contact the Company Secretary.

#### **5.4 Adoption of Policy**

This Policy was adopted by the Board on July 27, 2022 and takes effect from that date and replaces all previous policies in this regard.