

Continuous Disclosure Policy

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I. Overview

The key continuous disclosure obligation is imposed by ASX Listing Rule 3.1.

That rule requires the immediate disclosure of information to ASX once an entity 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 disclosure obligation is subject to limited exceptions discussed below.

In addition, if ASX considers that there is or is likely to be a false market in an entity's securities and asks the entity to give information to correct or prevent a false market, the entity must give ASX the information needed to correct or prevent the false market.

Ensuring compliance with the continuous disclosure requirements is important, not only to make sure there is not a breach of the listing rules, but also to promote investor confidence and provide all investors with equal access to information.

Failure to comply with this rule can result in civil and criminal proceedings against both Sequoia Financial Group Limited ("the Company") and any person involved in the contravention. Substantial damages and penalties apply under the Corporations Act.

This document sets out the Company's continuous disclosure policy.

A breach of this policy will be regarded as a serious breach of the policies and procedures of the Company.

2. Policy

The ASX Listing Rules

2.1 What is the key disclosure requirement?

Once an entity is or becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of the entity's securities (price-sensitive information), the entity must immediately give ASX that information.

2.2 When is an entity 'aware' of information?

An entity becomes aware of information if a director or executive officer (that is, a person concerned in, or taking part in, the management of the entity), has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of the entity.

2.3 What is price-sensitive information?

Information is price-sensitive if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.

A monetary test, using thresholds for accounting standards, may be used to assist in making a decision. However, qualitative materiality is also relevant, for example, whether a matter could significantly affect the company's image or reputation and whether a matter could significantly affect the company's ability to carry on business.

The following are types of information that may be price-sensitive:

- a change in financial forecast – the ASX guidance note suggests that, as a general policy, a variation in excess of the 10% to 15% range may be considered material
- an alliance, joint venture or acquisition
- a change in credit rating
- a significant new proposal or development
- ending an existing alliance or joint venture
- a significant funding arrangement
- a capital raising
- a dividend or change in dividend policy
- a change in capital structure, including a buy-back of shares
- an unexpected potential liability, for example, material litigation
- a significant bad debt or credit loss;
- a change in the directors or a significant change in senior management
- the half-yearly or full-time results – note, it may be necessary to disclose information under Listing Rule 3.1 before the specified reporting date, for example, if the accounts are completed, or if, during the course of preparing the results, price-sensitive information which was previously insufficiently definite to warrant disclosure becomes more precise.

2.4 When can information be withheld from disclosure?

Three separate tests must all be met in order for price-sensitive information to be withheld from disclosure:

Test 1:

A reasonable person would not expect the information to be disclosed.

Test 2:

The information is confidential and ASX has not formed the view that the information has ceased to be confidential.

An entity may give information to third parties in the ordinary course of its business and activities and continue to satisfy this requirement, provided the entity retains control over the use and disclosure of the information. For example, the information may be given to the entity's advisers for the purpose of obtaining advice or to a party with whom the entity is negotiating for the purposes of the negotiation.

Test 3:

One or more of the following (known as 'carve-outs') applies:

- it would be a breach of 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 the internal management purposes of the entity
- the information is a trade secret.

2.5 False market: ASX requires information to be disclosed

If 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 a false market, the entity must give ASX the information needed to correct or prevent the false market.

2.6 Information to ASX first

If information is required to be disclosed to ASX, it may not be given to anyone else until the information has been given to ASX and ASX acknowledges that the information has been released to the market. This also means that information must not be given to the media before ASX even on an embargoed basis.

2.7 Trading halts

An entity may ask ASX to apply a trading halt. To request a trading halt, an entity must give ASX the information set out in the listing rules, including information about the reasons for the trading halt, how long it wants the trading halt to last and the event it expects to happen that will end the trading halt. Generally, a trading halt can only last until the commencement of trading on the second trading day after the day the trading halt is imposed.

The use of trading halts is encouraged by ASX to assist an entity in managing its continuous disclosure obligations, for example, where there has been media comment that warrants a response, but the entity is not able to make a response immediately.

3. Disclosure protocols

3.1 Procedure for decision whether to disclose information

- (a) Directors, senior management and all employees must immediately notify the Company Secretary as soon as they become aware of information that should be considered for release to the ASX ("material information");
- (b) the Company Secretary will:
 - (1) review the material information reported;
 - (2) determine, in consultation with the Chairman, Chief Financial Officer (CFO) or other members of the executive and Board ("Consultation Group"), whether any of the material information is required to be disclosed to the ASX; and
 - (3) co-ordinate the actual form of disclosure with the relevant members of management.

It is important that you do not prejudice whether information is price-sensitive – if you think it may be price-sensitive, tell the Company Secretary.

3.2 Information to the Company Secretary

If a decision to determine whether disclosure is required, the following information must be provided to the Company Secretary:

- (a) a general description of the matter;
- (b) details of the parties involved;
- (c) the relevant date of the event or transaction;
- (d) the status of the matter (e.g. final/negotiations still in progress/preliminary negotiations only);
- (e) the estimated value of the transaction;
- (f) the estimated effect on the Company's finances or operations; and
- (g) the names of any in-house or external advisers involved in the matter.

3.3 Reliance on carve-out

If information is not disclosed in reliance on a carve-out, the Company Secretary, in consultation with the Chairman must make sure that all three tests (see 2 above) are satisfied.

If the carve-out no longer applies, for example, in the case of reliance on the information being an incomplete proposal or negotiation, and the proposal or negotiation is finalised, the information must be disclosed immediately or arrange for a trading halt to be requested until the information can be disclosed.

In relation to maintaining confidentiality, see 3.5 below.

3.4 Register of decisions and announcements

The Company Secretary must maintain a register of information referred under this policy.

The CEO and/or COO and Chairman is responsible for keeping the Company Secretary informed of information referred to them to enable the Company Secretary to maintain the register.

If a decision is made by the Company Secretary not to refer information to the Chairman, this decision and the reasons for it must be disclosed in the register at the time the decision is made.

If a decision is made by the CEO and/or COO not to disclose information referred to the CEO and/or COO, this decision and the reasons for it must be documented in the register at the time the decision is made.

If an announcement is made, the announcement must be included in the register.

3.5 Confidentiality and responses to loss of confidentiality

Keeping information confidential:

If information is not disclosed in reliance on a carve-out in the listing rules, the confidentiality requirement must continue to be satisfied at all times.

The CEO and/or COO and Chairman must make sure that any third parties (for example, the other party to a proposed acquisition) are bound by obligations of confidentiality and that employees keep the information confidential.

Each employee also owes obligations of confidentiality to the company – this includes keeping confidential information about the Company, its related companies and its customers and information coming to the knowledge of an employee in the performance of their duties as an employee.

Loss of confidentiality:

Loss of confidentiality may be indicated by otherwise unexplained changes to the price of an entity's securities, or by reference to information in the media or analysts' reports, in particular if the information in the media is reasonably specific.

If there are price movements or changes in trading volumes, or media speculation, the board must make an assessment as to whether the relevant information remains confidential, so that the company can continue to rely on the carve-out from disclosure (see Key Responsibilities, below – Share Registry Manager).

If the board makes an assessment that confidentiality has been lost, the need for a trading halt must be considered (see 2.7 above), pending an announcement. The content of the announcement needs to be considered carefully, depending on the extent to which the information is not confidential; for example, if a proposed transaction is revealed, ASX may ask the entity to confirm if negotiations are taking place and not require disclosure of details of a transaction.

3.6 Availability of information

A link is provided on the company's website for access to announcements that are made to ASX. www.sequoiainancial.com.au

3.7 Media and public statements

Only authorised spokespersons may speak to the media on behalf of the company.

Care must be taken to make sure that comments are not made to the media that could result in rumours or speculation about the company.

The company generally will not comment on media speculation and rumour unless required to do so by ASX under the listing rules or by law.

Care must also be taken to make sure that any public speeches or addresses do not result in rumours or speculation about the company or unauthorised disclosure.

Refer to the Media Release Policy for further information.

3.8 Analysts, stockbrokers and institutional shareholders

Only authorised spokespersons may speak with analysts, stockbrokers and institutional investors.

Briefings and discussions: The following requirements apply to discussions with analysts, stockbrokers and institutional shareholders.

- At the time of preparation of the results announcement, the board in conjunction with the CEO and/or COO will set the parameters for briefings for the next reporting period. If any other matter is raised for discussion before a briefing with an authorised spokesperson by a proposed attendee, the authorised spokesperson will consult with the Chairman before the briefing.
- In dealing with questions that raise issues outside the intended scope of the discussion, the authorised spokesperson must only discuss information that has been released through ASX and any parameters agreed with the board and Directors and CEO and/or COO. If a question can only be answered by disclosing price-sensitive information or, by disclosing information outside the parameters agreed, the authorised spokesperson must decline to answer the question or take it on notice. If the question is taken on notice, and the response would involve the disclosure of price-sensitive information, the information must be released through ASX before responding.
- Comments on analysts' financial projections must be confined to errors in factual information and underlying assumptions. The authorised spokesperson must seek to avoid any response that may suggest that the company's or the market's current projections are incorrect. The authorised spokesperson must also refrain from expressing 'comfort' with analysts' consensus forecasts or a range of analysts' forecasts.
- After the briefing the authorised spokesperson must review the briefing to consider whether any price-sensitive information has been inadvertently disclosed. If the authorised spokesperson forms the view that price-sensitive information may have been disclosed, the procedure in 8 below applies.
- Any slides and presentations used in briefings must be given to ASX before the briefing and also made available on the company website by the link to announcements released to ASX.

Analysts' reports: Comments on financial projections must be confined to errors in factual matters and underlying assumptions. In the case of comments by the authorised spokesperson, after the briefing they must inform the Chairman of the substance of any corrections made.

Pre-results period: No briefings are to be held with analysts, stockbrokers or institutional investors or otherwise discussing financial performance or earnings estimates (except to the extent information has already been released to the market) in the period before the release of its results – in the case of the half-year results, from 1 December, and in the case of the full-year's results, from 1 June, until release.

3.9 Inadvertent disclosures or mistaken non-disclosure

If any price-sensitive information is inadvertently disclosed by an employee or director in discussions outside the company or if any director or employee becomes aware of information that has not been disclosed in accordance with this policy, the employee must immediately contact the Company Secretary and, in the case of a director, the Chairman, so that appropriate action can be taken.

4. Key responsibilities

4.1 Board

The board is responsible for approving this policy and any changes to it. The board agenda includes a standing item on continuous disclosure and the board is provided with a summary of decisions and announcements contained in the register (refer to 3.3 above).

The board is responsible for monitoring the effectiveness of the company's compliance with continuous disclosure requirements.

4.2 CEO and/or COO

The CEO and/or COO have a level of responsibility for making sure that the company complies with its disclosure obligations.

Responsibilities under this policy include the following:

- deciding whether they are in possession of price sensitive information and what information, if any, will be disclosed
- providing information to the Company Secretary to enable the Company Secretary to maintain a register of decisions and announcements (see 3.3 above).

In the absence of the CEO, the responsibilities of the CEO may be discharged by an authorised executive director.

4.3 Company Secretary

The Company Secretary has been appointed as the person responsible for communications with ASX in relation to all Listing Rule matters.

Responsibilities under this policy include the following:

- ensuring that due diligence is completed on an announcement before the announcement is made – confirming factual matters and any financial details

- ensuring an announcement is authorised under this policy before it is given to ASX
- giving ASX announcements by eLodgement through ASX Online
- informing the CEO and/or COO and board on receipt of confirmation of release of an announcement from ASX
- maintaining a register of all announcements given to ASX and of all decisions, and the reasons for decisions, not to make an announcement when information is referred to the Company Secretary or CEO and/or COO and Chairman under this policy
- monitoring daily share price movements and trading volumes in the company shares – if significant trades or material movements in price or volume occur this must be immediately reported to the board
- ensuring this policy is made available in accordance with 5 below.

4.4 All employees and directors

All employees and directors are responsible for making sure that any price-sensitive information they have is kept confidential. Failure to do so may result in the Company breaching its continuous disclosure obligations.

If an employee or director comes into possession of information that may be price-sensitive, the employee must immediately inform the Company Secretary and the director must immediately inform the Chairman.

5. Promoting understanding of compliance

5.1 How is the policy made available?

This policy has been made available to all staff through the Policy Development and Release Procedure by being circulated to all staff by email, printed in the Company Policy manual and made available on the Company Intranet.

A copy has been provided to all existing directors and executive committee members and will be provided to all new directors and executive committee members.

6. Guidance in applying this policy

6.1 Additional information

See the following:

- ASX Guidance Note 8: Continuous Disclosure: Listing Rule 3.1 (this includes ASIC Guidance Principles – Better disclosure to investors)
- ASX Guidance Note 14: Company Announcements Platform
- ASX Guidance Note 16: Trading Halts
- ASX Guidance Note 20: ASX Online
- Corporations Act: Chapter 6CA.

Any queries relating to this policy should be referred to the Company Secretary.