

CONTINUOUS DISCLOSURE POLICY

1.1 Company's commitment to disclosure

The Company is committed to the objective of promoting investor confidence in the integrity of the Company and its securities by:

- (a) ensuring that the market, stakeholders and the public generally are provided with timely disclosure of information concerning the Company which may have a material effect on the price or value of the Company's securities;
- (b) the promotion of investor confidence by ensuring that trade in its securities takes place in an efficient, competitive and informed market;
- (c) complying with the periodic and continuous disclosure requirements contained in the Listing Rules and the Corporations Act;
- (d) making all disclosures in a manner that is accurate, complete and not misleading;
- (e) market announcements being accurate, balanced and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.

The Company is committed to responsible corporate governance and promoting investor confidence by observing its continuous disclosure obligations under the ASX Listing Rules (Listing Rules) and the Corporations Act 2001 (Cth).

1.2 Purpose

The purpose of the Continuous Disclosure Policy is to outline the corporate governance measures adopted by the Company to further its commitment to disclosure. Ensuring that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act and Listing Rules and as much as possible seeks to achieve and exceed best practice. This Policy seeks to incorporate:

- disclosure obligations in the ASX Listing Rules;
- Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of shareholders) of ASX Corporate Governance Council's Corporate Governance Principles and Recommendations; and
- the principles in ASX's Guidance Note 8 and the 10 principles set out in ASIC's Regulatory Guide 62: *Better disclosure for investors*.

1.3 Continuous disclosure obligations

The Company is a public company listed on the ASX. It is subject to mandatory continuous disclosure obligations under the Corporations Act and the Listing Rules (which are given legislative force under section 674 of the Corporations Act), in addition to the periodic and specific disclosure requirements.

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."

'Aware' of information

The Company is taken to be aware of information if any of its directors, Company Secretary or senior managers has, or ought reasonably to have, come into possession of that information in the course of the performance of their duties as an officer of the Company.

Immediate notification of information which may have a material effect on price or value

Section 677 of the Corporations Act states that, a reasonable person is taken to expect information will be taken to have a material effect on the price or value of the Company's securities (that is the information is **Market Sensitive Information**) if that information would, or would be likely to influence investors in deciding whether to subscribe for, buy, hold or sell the Company's securities.

A determination of whether or not information is market sensitive will be a matter of judgment in each particular case.

Each director and employee should immediately notify the Chair, the Chief Executive Officer (CEO) or, in their absence, the Company Secretary, of the Company, if they become aware of any information concerning the Company which may be market sensitive.

In assessing whether or not information is market sensitive, consideration is given to the Company's circumstances prevailing at the relevant time, including its business activities, size and place in the market. Any external information that is publicly available at the time and any previous disclosures made by the Company to the market, and the impact of the new information on the previously disclosed information, must also be considered.

ASX has provided examples of the type of information that may need disclosure in the notes to Listing Rule 3.1 and in Guidance Note 8.¹

If any material information disclosed to the market becomes incorrect, the Company must release an announcement correcting or updating the information if the change in the information is such that a reasonable person would expect it to have a material effect on the price or value of the Company's securities, or if ASX requires in order to correct or prevent a false market.

Exceptions to disclosure of information

Listing Rule 3.1A contains the only exception to Listing Rule 3.1:

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

3.1 A.1 *One or more of the following 5 situations applies:*

- *It would be a breach of a 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 of the entity; or*
- *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.*

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

The Listing Rules provide that disclosure of Market Sensitive Information is not required if all of the above three tests are satisfied.

As soon as any of three tests are no longer satisfied in relation to particular Market Sensitive Information, the Company must immediately disclose that information.

The availability of the exception regarding any Market Sensitive Information that has not been disclosed to ASX must be continually assessed by the Company.

11.4 Roles and Responsibilities

(a) Role and responsibilities of the CEO

The CEO (or equivalent) is primarily responsible for ensuring that the Company complies with its continuous disclosure obligations and the overall implementation and administration of this Policy.

In particular, the CEO is responsible for:

- i. considering the information in question and determining whether it is market

¹ Guidance Note 8 notes that, in determining whether information was market sensitive, ASX will look at the effect that information had on the market price when it was announced to the market. For these purposes ASX will generally apply the guidelines on materiality under the Australian Accounting and International Financial Reporting Standards. This means that if the market price has moved 10% or more, ASX will generally regard this as market sensitive information, and if has moved 5% or less, ASX will generally regard this as confirmation that the information was not market sensitive. However these are guidelines only and may not apply in all circumstances.

sensitive information which must be disclosed by the Company to ASX;

- ii. determining whether the market sensitive information falls within the exception referred to in section 11.3 above;
- iii. if of the view that the market sensitive information falls within the exception to the continuous disclosure obligation, creating and retaining a file note setting out reasons why the market sensitive information falls within the exception and therefore does not need to be released to ASX.
- iv. assessing whether the market sensitive information to be disclosed should be reviewed and approved by the Board before it is released and, where appropriate, referring the proposed announcement to the Board;
- v. when market sensitive information needs to be released, overseeing the preparation of release of such information and (as necessary) consulting with appropriate members of the Board, management and external advisers;
- vi. deciding whether a trading halt is required;
- vii. authorising the final form of announcements to the market (except any announcements that the Board is required to, elects to or is asked to approve as referred to in section 11.4(e) below); and
- viii. ensuring all officers and employees of the Company are aware of and educated on this Policy and the Company's continuous disclosure obligations.

(b) Role and responsibilities of the Company Secretary

The Board has appointed the Company Secretary as the responsible person for communication with ASX in relation to listing rule matters, with the Australian Securities and Investments Commission (ASIC) in relation to continuous disclosures matters and also for the general administration of this Policy.

In particular, the Company Secretary is responsible for:

- i. seeking final approval from the CEO or, in his or her absence, the Chair, and, if required the Board for all documents to be released to the ASX;
- ii. seeking to ensure that ASX is immediately notified of any information which needs to be disclosed;
- iii. ensuring the Board receive copies of all material market announcements promptly after they have been made;
- iv. reviewing board papers and other information referred to the Company Secretary for events that the Company Secretary considers may give rise to disclosure obligations; and
- v. maintaining a record of reasons for any decision to not make an announcement on ASX and maintaining a register of announcements made to ASX and lodged with ASIC.

(c) Obligations of officers and employees

All officers, employees and contractors of the Company must read and comply with this Policy at all times.

Officers and employees of the Company have the following obligations:

- i. any questions or inquiries regarding any aspect of this Policy, should be directed to the Company Secretary;
- ii. as soon as they become aware of any information that is not generally available and which may be considered market sensitive, they must immediately notify the CEO, the Chair or, in their absence, the Company Secretary;
- iii. if in doubt as to whether the information may be "market sensitive" or may influence an investor's decision to buy or sell the Company's securities, the information must be referred to the CEO or, in his or her absence, the Company Secretary for determination;
- iv. if they inadvertently leak information to the media or public or become aware that information has been leaked, they must make no comment in relation to the information and must notify the CEO or, in his or her absence, the Company Secretary immediately;

- v. they must not make any comments in respect to market speculation and rumours. If approached by the media or an external party for information, they must not make any comment and must notify the CEO or, in his or her absence, the Company Secretary immediately; and
- vi. senior managers are responsible for reporting any material matter arising in their areas of responsibility that could potentially require disclosure to the CEO or, in his or her absence, the Company Secretary.

(d) Information to be provided

If a director, officer or employee of the Company is required to provide details of a matter or event to the Chair or CEO, in his or her absence, the Company Secretary, they must provide the following information:

- i. a general description of the event or matter;
- ii. details of the parties involved;
- iii. the relevant date of the event or transaction;
- iv. the status of the event or matter;
- v. the estimated value of the transaction;
- vi. the estimated effect it may have on the Zip's operation or financial status; and
- vii. the names of any employees, external advisors or other parties involved in the event or matter.

(e) Review by the Board

The Company acknowledges not every ASX announcement of information needs to be referred to the Board. Although, the Policy requires that all matters affecting fundamental areas of the business or structure of the Company should be approved by the Board. Example matters include major corporate actions such as a takeover proposal, structural change or capital raisings. The Board also has authority to elect to approve specific announcements.

The CEO may at his or her discretion deem it appropriate to refer disclosure matters to the Board for review.

This Policy will be periodically reviewed to check that it is operating effectively and whether any changes are required to the Policy. The disclosure and significant amendments made to this Policy will be communicated to officers and relevant employees.

11.5 Disclosure matters generally

(a) Inform ASX first

Listing Rule 15.7 further requires that the Company must not release information publicly that is for release to the market to anyone until it has given the information to ASX, and has received a formal confirmation from ASX that the information has been released to the market by ASX. Information must not be given to the media or otherwise distributed to shareholders before it is given to the ASX, even on an embargo basis.

(b) False market

Listing Rule 3.1B provides that if ASX considers that there is, or is likely to be, a false market in the Company's securities, and requests information from the Company to correct or prevent the false market, the Company must give ASX the information needed to correct or prevent the false market.

(c) Trading halts

If necessary, the Company may consider requesting a trading halt from ASX to prevent trading in shares on an uninformed basis and to manage disclosure issues.

(d) Breaches

Failure to comply with the disclosure obligations in this policy may lead to a breach of the Corporations Act or ASX Listing Rules and to personal penalties for directors and officers. Breaches of this policy may lead to disciplinary action being taken.

(e) Confidentiality

Confidential information is information that is confidential as a matter of fact.

All employees and officers of the Company owe a duty of confidentiality to the Company and must ensure that the confidentiality of any information concerning the Company within their possession is protected, by:

- i. refraining from discussing or divulging the information to any person except in accordance with this Policy; and
- ii. ensuring that any material within their possession relating to that information is properly and securely stored and is not disclosed to an unauthorised person.

It is important all employees and officers safeguard the confidentiality of corporate information to avoid premature disclosure.

(f) Guidelines of information to be disclosed if material

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.

Matters which generally require disclosure include:

- a change in the Company's financial forecasts or expectations. As a guide, a variation in excess of 10% may be considered material. If the Company has not made a forecast, a similar variation from the previous corresponding period may be considered material;
- a recommendation or declaration of a dividend or distribution, or a decision one will not be declared;
- changes in the Board of Directors, Senior Executives or Auditors;
- a change in the Company's accounting policy;
- an agreement between the Company (or a related party or subsidiary) and a Director (or a related party of the Director);
- events regarding the Company shares, securities, financing or any default on any securities (e.g. under or over subscriptions to an issue of securities, share repurchase program);
- giving or receiving a notice of intention to make a takeover offer;
- a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets (an amount of 5% or more would normally be significant but a smaller amount may qualify in a particular case);
- mergers, acquisitions/divestments, joint ventures or changes in assets;
- significant developments in regard to new projects or ventures;
- major new contracts, orders, or changes in suppliers or customers; or
- legal proceedings against or allegation of any breach of the law, whether civil or criminal, by the Company.

11.6 Review of Policy

The Board will periodically review this Policy. External reviews may be undertaken of this Policy at the request of the Board.

This Policy may be amended by resolution of the Board.

Date of last review: 1 July 2020