

Continuous Disclosure Policy

Regis Healthcare Limited
ACN 125 203 054

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Continuous Disclosure policy

1 General disclosure policy and obligations

Regis Healthcare Limited (the **Company**) has significant obligations under the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Listing Rules of ASX Limited (**ASX**) to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities.

The Company's policy is to ensure compliance with these requirements, and the Company discharges its obligations by releasing information to the ASX in the form of an ASX release or, where appropriate, through disclosure of other relevant documents (eg the annual report, results announcements etc) and, where appropriate, by requesting a trading halt.

2 Overview of continuous disclosure obligations, contraventions and penalties

2.1 ASX Listing Rule 3.1

The ASX has described Listing Rule 3.1, known as the continuous disclosure rule, as its most important and 'cornerstone' Listing Rule. It requires that the Company must immediately notify the ASX of:

any information the Company becomes aware of concerning itself that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The information must be given to the ASX (and an acknowledgement that the ASX has released the information to the market must be received) before the information can be given to any other person or released on the Company's website.

The basic principle underlying the continuous disclosure framework is that: timely disclosure must be made of information which may affect security values or influence investment decisions, and information in which security holders, investors and ASX have a legitimate interest.

'Immediate' disclosure under Listing Rule 3.1 requires disclosure to be made 'promptly and without delay'. The information must be disclosed to the ASX as quickly as possible in the circumstances and must not be deferred, postponed or put off to a later time.

2.2 Materiality

Materiality must be assessed having regard to all the relevant background information, including past announcements that have been made by the Company and other generally available information.

Strategic or reputational matters clearly have the potential to be very significant issues for the Company. They can be just as important as (or even more important than) financial and other 'quantifiable' matters.

2.3 Exceptions to the continuous disclosure rule

Disclosure to the market is not required where **each** of the following conditions is and remains satisfied:

- (a) **one or more** of the following apply:
- 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 the internal management purposes of the Company; or
 - the information is a trade secret; **and**
- (b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; **and**
- (c) a reasonable person would not expect the information to be disclosed.

Confidentiality

When the Company is relying on an exception to Listing Rule 3.1, or is involved in a development that may eventually require reliance on an exception, appropriate confidentiality protocols must be adhered to. A leak of confidential information will immediately deny the Company the ability to withhold the information from the ASX and force the Company to make a 'premature' announcement, regardless of where the leak comes from.

Information about a matter involving the Company may cease to be confidential if there is:

- a reasonably specific and reasonably accurate media or analyst report about the matter;
- a reasonably specific and reasonably accurate rumour known to be circulating the market about the matter; or
- a sudden and significant movement in the market price or traded volumes of the Company's securities that cannot be explained by other events or circumstances.

2.4 False market

If the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must immediately give the ASX that information. The obligation to give this information arises even if an exception described in paragraph 2.3 would apply but for the ASX's request.

2.5 Contraventions

The Company contravenes its continuous disclosure obligation if it fails to notify the ASX of information required by Listing Rule 3.1.

Either the ASX or ASIC, as co-regulators, may take action upon a suspected contravention.

(a) ASX Listing Rules

If the Company contravenes its continuous disclosure obligation under the Listing Rules, the ASX may suspend trading in the Company's shares or, in extreme cases, may delist the Company from the ASX.

(b) Corporations Act

If the Company contravenes its continuous disclosure obligation, it may also be liable under the Corporations Act and may face:

- criminal liability which attracts substantial monetary fines; and
- civil liability for any loss or damage suffered by any person as a result of the failure to disclose relevant information to the ASX.

There is no fault element required to establish civil liability. However, a court has power to relieve a person from civil liability if the person acted honestly and in the circumstances the person ought fairly to be excused for the contravention.

ASIC can also initiate investigations of suspected breaches under the *Australian Securities Commission Act 2001* (Cth).

(c) Class action risk

If the Company fails to disclose materially price sensitive information in accordance with Listing Rule 3.1, people who buy or sell the Company's securities during the period of the failure (and possibly other affected stakeholders) may be entitled to bring a class action against the Company. Even when they are not successful, class actions can be costly to defend and may have a serious negative effect on the Company's reputation and share price. A successful class action may have the potential to threaten the solvency of the Company.

Contravention of the Company's continuous disclosure obligation may also lead to unwanted publicity for the Company and may cause damage to its reputation in the market place which may adversely impact the market value of its securities.

2.6 Persons involved in a contravention

The Company's officers (including its directors), employees or advisers who are involved in any contravention of the Company's continuous disclosure obligation may also face criminal penalties and civil liability. Substantial penalties or imprisonment, or both, may apply.

A person will not be considered to be involved in the contravention if the person proves that they:

- (a) took all steps (if any) that were reasonable in the circumstances to ensure that the Company complied with its continuous disclosure obligation; and
- (b) after doing so, believed on reasonable grounds that the Company was complying with those obligations.

The procedures specified in this policy are the minimum expected of relevant officers and employees in relation to compliance with the Company's continuous disclosure obligation. Depending on the circumstances, officers and employees may have obligations over and above those contained in this policy.

To avoid potential civil or criminal liability, in all situations officers and employees must do everything they reasonably can to ensure that the Company complies with its continuous

disclosure obligation. In particular, staff must not try to hide or delay 'material news', especially when the information is likely to impact the company's share price.

3 Further background information

Relevant officers and employees will receive training that includes:

- familiarisation with the Company's continuous disclosure obligation and the penalties that may result from their breach;
- the business costs associated with a 'suspected' continuous disclosure breach, including the risk of ASIC investigations and class actions and the reputational damage to the Company; and
- an overview of this policy and the officer's or employee's role under this policy.

4 Reporting disclosable events

- (a) The Board has responsibility for compliance with the Company's continuous disclosure obligation.
- (b) If management becomes aware of any information at any time that should be considered for release to the market, it must be reported immediately to the CEO or delegate.
- (c) Operating divisional heads and group functional heads must ensure they have appropriate procedures in place within their areas of responsibility to ensure that all relevant information (ie any information that could be materially price sensitive) is reported to them immediately for onforwarding in accordance with this policy.

It is important for management to understand that just because information is reported to the CEO that does **not** mean that it will be disclosed to the ASX. It is for the Board 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 CEO or delegate even where the reporting officer or division is of the view that it is not in fact 'material'. The officer's or division's view on materiality can (and should) be shared with the Board but will not be determinative.

A similar reporting obligation also arises where a non-executive director (in their capacity as a director of the Company) becomes aware of information that should be considered for release to the market.

- (d) Where any information is reported as referred to in paragraph 4(b), the Board will (as appropriate):
 - review the information in question;
 - urgently seek any advice that is needed to assist the Board to interpret the information (provided that disclosure of the information cannot be delayed if the information is clearly materially price sensitive on its face);
 - 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 the approval for the proposed disclosure.
- (e) Where any information is reported as referred to in paragraph 4(b), and the Board determines that the circumstances are developing but the information is not presently disclosable, the Company Secretary or General Manager Investor Relations must oversee the preparation of an appropriate draft announcement to facilitate immediate disclosure of the information if it later becomes disclosable (for example, as a result of confidentiality being lost through a 'leak').
- (f) In addition, the Company has a duty not to disclose information in a way that could mislead the market. Appropriate care must therefore be taken to ensure that the content of any announcement accurately discloses the material information.
- (g) All announcements under Listing Rules 3.1 or 3.1B must be approved by the Board before the announcement is made or disclosure released through the Company Secretary.
- (h) **Rapid Response Process:** If the full Board are unavailable to determine whether to make or approve an ASX announcement, the following individuals may authorise the disclosure:
- the Chair of the Board; or
 - if the Chair of the Board is unavailable, the Chair of the Audit Risk and Compliance Committee (**ARCC**).
- (i) Where open briefings or public speeches are to be made and, in accordance with this policy, relevant presentation materials and speeches are to be lodged with the ASX, prior approval will be obtained from the Board
- (j) The Board will be provided with copies of all information disclosed to the ASX.
- (k) It is a standing agenda item at all of the Company's Board meetings to consider whether any matters reported to or discussed at a Board meeting should be disclosed to the market pursuant to the Company's continuous disclosure obligation. Continuous disclosure is also a standing agenda item at senior management meetings for the purpose of monitoring compliance with the Company's obligations.

5 Trading Halts

The Company may request a trading halt to maintain fair, orderly and informed trading in its securities and to manage disclosure issues.

If the market is or will be trading at any time after the Company becomes aware of an obligation to disclose information but is not in a position to make immediate disclosure to the market, the Board should consider whether to request a trading halt or, in exceptional circumstances, a voluntary suspension.

The Board may call a trading halt.

Rapid Response Process: If the full Board are unavailable to call a trading halt, the following individuals are authorised to call a trading halt:

- the Chair of the Board; or
- if the Chair of the Board is unavailable, the Chair of the ARCC.

6 Public comment / statements

In order to ensure the Company meets its continuous disclosure obligation, it is important to exercise strict control over what is said publicly, and by whom. It is therefore necessary to limit who is authorised to issue statements or make verbal comment to the media and in this regard, the Company has established a Media Relations Policy which must be read in conjunction with this Disclosure Policy.

Group Secretariat will ensure all announcements to the ASX made under this Disclosure Policy are placed promptly on the Company's website following receipt of acknowledgement from the ASX that it has released the information to the market.

7 Financial markets communications

7.1 The Company's contact with the market

Throughout the year the Company has scheduled times for disclosing information to the financial market on its performance. The financial results announcements, and the supporting information, must be lodged with the ASX.

If "outlook statements" or forecasts are included in the Company's annual report or results announcements for a previous period, any material change in earnings expectations (either upwards or downwards) must be announced to the ASX before being communicated to anyone outside the Company.

In addition, the Company interacts with the market in a number of ways which can include one-on-one briefings, speeches etc. At all times when interacting with the financial community, the Company must adhere to its continuous disclosure obligation and must not selectively disclose material price sensitive information to an external party unless that information has first been released to the ASX.

7.2 Authorised spokespersons

The only Company representatives authorised to speak on behalf of the Company to major investors and stockbroking analysts are:

- Chair of the Board;
- CEO;
- CFO;
- General Manager Investor Relations; or
- their delegates nominated for a specific purpose.

Authorised spokespersons must not provide any material price sensitive information that has not already been announced to the market nor make comment on anything that may have a material effect on the price or value of the Company's securities.

No guidance on actual or forecast financial performance will be provided to any external party that has not already been provided to the market generally.

Any questions or enquiries from the financial community (whether received in writing, verbally or electronically including via the website) should be referred in the first instance to General Manager Investor Relations.

7.3 Communication blackout periods

Between the end of a reporting period and the announcement of the financial results, the Company imposes a blackout period in order to avoid the risk of creating a false market by inadvertently disclosing information that is incomplete or uncertain. The Company's policy is that during this time it will not hold one-on-one briefings with institutional investors, individual investors or stockbroking analysts to discuss financial information concerning the Company and will not hold any open briefings to discuss anything other than information which has been announced to the ASX.

Any proposal to deviate from this policy must be subject to approval in advance from the Board and, if any briefings or meetings are held during a blackout period, there must be no discussion or provision of financial or other information in breach of the Company's continuous disclosure obligation.

7.4 Open briefings to institutional investors and stockbroking analysts

The Company holds open briefing sessions, often at times when the Company has posted results or made other significant announcements. The Company will not disclose any information in these sessions which may have a material effect on the price or value of the Company's securities unless such information has already been announced to the ASX.

The Company will advise the market in advance of open briefings and public speeches via the ASX and the Company's website, lodge all presentation materials with the ASX prior to the presentation commencing and place such information on the Company's website promptly following completion of the briefing. The Company may web cast its open briefings at the time they occur and if so, will keep a clearly dated historical archive record of the web cast for at least a 6 month period. This information will be retained by the General Manager Investor Relations.

Where the representative believes that information which may have a material effect on the price or value of the Company's securities has been disclosed inadvertently, the representative must immediately report the matter to the Company Secretary for review by the Board for immediate disclosure to the ASX.

The General Manager Investor Relations is responsible, including by liaising with Group Secretariat as appropriate, for ensuring the policy requirements in relation to open briefings are met.

7.5 One-on-one briefings with the financial community / institutional investors

From time to time the Company may conduct one-on-one briefings with the financial community or institutional investors. Where such briefings occur, no information will be provided which may have a material effect on the price or value of the Company's securities unless it has been announced previously to the ASX.

The General Manager Investor Relations or representative will be involved in all discussions and meetings with analysts and investors. The General Manager Investor Relations will be fully briefed about these meetings.

The General Manager Investor Relations will ensure a record or note of all one-on-one briefings is kept for compliance purposes.

7.6 Site Visits

The Company may conduct visits to its sites from time to time which involve the presence of members of the financial community.

Nothing will be disclosed during these site visits which may have a material effect on the price or value of the Company's securities unless it has already been announced to the ASX.

The General Manager Investor Relations or their representative should be in attendance at such site visits.

7.7 Broker sponsored investor and general conferences

Where the Company's executives give speeches or presentations to, or participate in, conferences or forums, it is important that the same protocols are maintained as for presentations to investors or analysts. In addition, where appropriate having regard to the principles underlying this Disclosure Policy, the General Manager Investor Relations will ensure such presentations are posted promptly on the Company's website.

7.8 Review of briefings, meetings, visits and presentations

Immediately following any briefings, meetings, visits or presentations referred to in this section 7, the General Manager Investor Relations (or, in their absence, the senior executive involved) will review the matters discussed and presented (including any questions and answers provided). Where they believe any information has been disclosed inadvertently which may have a material effect on the price or value of the Company's securities, they must immediately report the matter to the CEO or delegate for review by the Board to consider the necessity for an ASX announcement or the necessity for a trading halt.

7.9 Review of analyst reports and forecasts

The Company recognises the importance placed on reports by stockbroking analysts. Any comment by the Company to an analyst in relation to an analyst's report or financial projections should be confined to errors in factual information and underlying assumptions provided such comment of itself does not involve a breach of the Company's continuous disclosure obligation or amount to a selective briefing.

The General Manager Investor Relations will maintain a record of analysts' earnings forecasts and provide a summary report of these forecasts to the CFO on a regular basis.

The CFO will monitor the general range of analysts' forecast earnings relative to the Company's own internal forecasts and any financial forecasts previously published by the Company. If the CFO 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 the Company's securities, the CFO will refer the matter immediately to the Board to consider the necessity for an ASX announcement or trading halt.

Accordingly, analyst briefings should not be used to manage analyst's expectations. If necessary (eg consensus analyst forecasts diverge from the Company's expectations) a public ASX release must be made.

7.10 Monitor media and share price movements

The General Manager Investor Relations will monitor:

- media reports about the Company;
- media reports about significant drivers of the Company's business;
- the Company's share price movements; and
- significant investor blogs, chat-sites or other social media it is aware of that regularly posts comments about the Company.

If the General Manager Investor Relations identifies unusual or unexpected price movements or unexpected media coverage (for example, media coverage in relation to price sensitive matters that have not yet been disclosed by the Company to the market) or the circumstances suggest that a false market may have emerged in the Company's securities, the General Manager Investor Relations will report the matter to the CEO or delegate to determine whether the circumstances should be reviewed by the Board.

8 Electronic communication with shareholders

In addition to its continuous disclosure obligations, the Company has a policy of seeking to keep shareholders informed through electronic communication. This policy is set out in the Company's Communication Strategy.

9 Role of the Company Secretary

The Company has nominated the Company Secretary as the person with the primary responsibility for all communication with the ASX in relation to Listing Rule matters. In particular the Company Secretary is responsible for:

- liaising with the ASX in relation to continuous disclosure issues;
- the lodging of announcements with the ASX in relation to continuous disclosure matters;
- implementing procedures to ensure that the Company's PIN and individual passwords are secure;
- ensuring senior management are aware of the Company's Disclosure Policy and related procedures, and of the principles underlying continuous disclosure;
- ensuring this Disclosure Policy is reviewed and updated periodically as necessary;
- developing template ASX announcements and trading halt requests; and
- maintaining an accurate record of all announcements sent to the ASX and all correspondence with ASIC in relation to the Company's continuous disclosure obligations.

10 Role of the Board

The Board is responsible for ensuring compliance with the Company's continuous disclosure obligations and requesting trading halts where required.

Where an announcement is to be considered and approved by the Board, the Company Secretary 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 their information' after the announcement has been made).

11 Other disclosure obligations

The Company has numerous other disclosure obligations under Chapter 3 and Chapter 4 of the Listing Rules, including disclosure obligations in relation to:

- periodic disclosure;
- making a takeover bid;
- making a buy-back;
- agreements between the Company (or a related party or subsidiary) and its directors (or a related party of the director);
- recommendations or decisions in relation to the declaration or payment of dividends;
- changes to the Company's share capital;
- changes to the beneficial ownership of the Company's share capital;
- options over shares;
- general meetings of the Company;
- the Company's registered office and share register;
- changes in officeholders;
- documents sent to shareholders;
- loan assets;
- ownership limits;
- directors' interests; and
- record dates and timetables.

The Company Secretary is responsible for ensuring that necessary disclosures are made as and when required.

12 Policy breaches

The Company regards its continuous disclosure obligation very seriously. Breach of this policy may lead to disciplinary action being taken against the employee, including dismissal in serious cases.