

TOWER Australia Group Limited

ACN 003 401 698

TOWER Australia Group Limited Market Disclosure and Communications Policy



Version: 1.3
Issued: April 2010
Replacing: Version 1.2
Next Review: November 2010
Approved by: TAGL Board on 13 April
2010
Policy Owner: Philippa Ellis

MARKET DISCLOSURE AND COMMUNICATIONS POLICY

INTRODUCTION AND BACKGROUND

- 1 The TOWER Australia Group Limited (TOWER Australia) Market Disclosure and Communications Policy is designed to:
 - 1.1 reinforce TOWER Australia's commitment to the continuous disclosure obligations imposed by law and to describe the processes implemented it to ensure compliance; and
 - 1.2 ensure timely and accurate information is provided equally to all stakeholders (including shareholders, the market and other interested parties) regarding TOWER Australia.
2. The securities of TOWER Australia are listed on the Australian Securities Exchange (ASX: TAL)). To maintain the listing, TOWER Australia must comply with the requirements of the ASX Listing Rules (Listing Rules).
- 3 Chapter 3 of the Listing Rules sets out the requirements for TOWER Australia to continuously disclose information which can be expected to have a material effect on the price or value of its securities.

DISCLOSURE PRINCIPLES

- 4 TOWER Australia Group Limited (TOWER Australia) recognises that public confidence in its integrity requires continuous, full and open disclosure of information about its activities to the market and relevant stakeholders. TOWER Australia believes a planned, pro-active communication programme with the wider investment community assists in creating a fully informed market and enhances shareholder value.
- 5 TOWER Australia will immediately notify the market of any "price sensitive" information concerning the business of TOWER Australia which a reasonable person would expect to have a material effect on the price or value of its securities or which a reasonable investor is likely to use as part of the basis for making decisions on whether to buy, hold or sell TOWER Australia securities.

POLICY

- 6 TOWER Australia will comply with the continuous disclosure requirements set out in Section 3 of the ASX Listing Rules.
- 7 The Board of Directors, executives, employees and contractors of TOWER Australia (collectively Personnel) are required to adhere to the procedures set out in the Continuous Disclosure Policy and Guidelines to ensure compliance with the Listing Rules. TOWER Australia will require any consultant or professional adviser engaged to undertake work on behalf of TOWER Australia to abide by this Policy.
- 8 The Board has established a Disclosure Committee to be responsible for reviewing Material Information and determining what information must be disclosed and for ensuring TOWER Australia's complies with its continuous disclosure obligations.

- 9 The Market Disclosure and Communications Policy provides TOWER Australia with a framework for:
- 9.1 ensuring that it immediately discloses all information where disclosure is required to the ASX; and
 - 9.2 dealing with the communication of company information to investors and the market generally.
- 10 In addition to the Market Disclosure and Communications Policy, TOWER Australia has formulated a Trading Policy in TOWER Australia securities and a Code of Conduct. These documents should be read in conjunction with this Policy.

COMMITMENT TO CONTINUOUS, FULL AND OPEN DISCLOSURE

- 11 TOWER Australia supports its commitment to continuous, full and open information disclosure through:
- 11.1 the establishment of a Disclosure Committee and appointment of a Corporate Disclosure Officer;
 - 11.2 compliance with its disclosure obligations under the ASX Listing Rules;
 - 11.3 effective media relations;
 - 11.4 briefings to analysts and investors using information that is publicly available or non-material;
 - 11.5 regular informative shareholder communications; and
 - 11.6 ensuring that all stakeholders have equal and timely access to information publicly issued by TOWER Australia.

MARKET DISCLOSURE AND COMMUNICATION GUIDELINES

Purpose

- 1 TOWER Australia's Market Disclosure and Communications Guidelines outline TOWER Australia's corporate governance standards and related processes which are aimed at ensuring timely and accurate information is provided equally to all stakeholders regarding TOWER Australia. Accordingly the Guidelines establish:
 - 1.1 procedures allowing for continuous, full and open disclosure of all Material Information to stakeholders and the market in accordance with TOWER Australia's disclosure obligations;
 - 1.2 methods of corporate disclosure providing for the release of information to all stakeholders and the market in a manner designed to reach the widest public audience possible in a timely manner; and
 - 1.3 practices aimed at providing effective communication to enhance the relationship between TOWER Australia and the investment community.

Objectives

- 2 These Guidelines have been prepared to:
 - 2.1 reinforce TOWER Australia's commitment to the continuous disclosure obligations imposed by law and to describe the processes implemented by it to ensure compliance;
 - 2.2 ensure that Directors, executives, employees, contractors and consultants are aware of TOWER Australia's continuous disclosure obligations;
 - 2.3 maintain best practice with regard to market communications; and
 - 2.4 assist TOWER Australia to develop proactive communication programmes to ensure a fully informed market exists for TOWER Australia securities.

Information that must be disclosed

- 3 TOWER Australia is subject to the disclosure rules contained in the ASX Listing Rules, which must be adhered to in respect of disclosures of information.
- 4 Under the ASX listing rules once TOWER Australia 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 its securities (Material Information), TOWER Australia must immediately tell ASX that information.
- 5 Types of information, which will require disclosure (if material), include:
 - 5.1 financial information (including current position, performance and forecasts) and changes in financial information or forecasts;
 - 5.2 variations in underlying profit (based on internal management accounts) in excess of 10-15% compared with the previous corresponding period and/or variations in excess of 10-15% from analysts' consensus forecasts and expectations (refer paragraph 50 of these Guidelines);

- 5.3 changes in credit rating;
 - 5.4 changes in the Board of Directors and senior management;
 - 5.5 significant mergers, acquisitions, divestments, joint ventures or changes in assets;
 - 5.6 transactions the consideration for which exceeds 5% of the value of TOWER's consolidated assets;
 - 5.7 significant developments in regard to TOWER Australia's activities;
 - 5.8 major litigation;
 - 5.9 giving or receiving notice of an intention to make a takeover;
 - 5.10 details of any arrangements (even if not material) between any TOWER Australia Group company and a TOWER Australia Group Limited Director or person associated with a Director;
 - 5.11 events regarding TOWER shares eg calls, repurchase plans, stock splits, declarations of dividends or distributions, and changes in dividend policy;
 - 5.12 public or private issues of additional shares or securities;
 - 5.13 under or over subscription to an issue of securities;
 - 5.14 appointment of a receiver, manager or liquidator in respect of any loan or security held by a TOWER Australia Group company;
 - 5.15 significant industry issues that may have an impact on TOWER Australia; and
 - 5.16 significant changes in TOWER Australia's business environment, for example government policies, or new legislation.
- 6 The ASX may also require TOWER Australia to give it information so as to correct or prevent a false market which may have arisen due to a specific rumour or a media comment that has had an impact on TOWER Australia's share price. In such event, every effort will be made to contact the Chairman of the Board or the Chairman of the Audit, Compliance and Risk Management Committee or in their absence any other independent Director before the information is given to the ASX or any announcement released.

Exception to information disclosure

- 7 Information that would otherwise need to be disclosed can be withheld when all three following conditions are met:
- 7.1 a reasonable person would not expect the information to be disclosed; and
 - 7.2 the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
 - 7.3 one of the following applies:
 - (a) the release of information would be a breach of law;

- (b) the information concerns an incomplete proposal or negotiation;
- (c) the information is supposition or insufficiently definite;
- (d) the information is generated for internal management purposes; or
- (e) the information is a trade secret.

Disclosure Committee

- 8 The Board of TOWER Australia has established a Disclosure Committee with responsibility for managing TOWER Australia's compliance with its continuous disclosure obligations. The Committee comprises the Managing Director, the Chief Financial Officer, Head of Corporate Governance and the General Manager Investor Relations and Listed Company Secretary. Any three members of the Committee shall constitute a quorum.
- 9 In connection with these Guidelines, the Disclosure Committee is responsible for:
- 9.1 establishing procedures for the collection and assessment of price sensitive information;
 - 9.2 ensuring appropriate education and training is provided to all Personnel in relation to TOWER Australia's continuous disclosure obligations;
 - 9.3 determining what "Material Information" is and what information should be disclosed to the market;
 - 9.4 engaging the Board in reviewing and approving all announcements to be released to the market where the information relates to something of major significance to TOWER Australia;
 - 9.5 reviewing and releasing all announcements to, and communication with, ASX;
 - 9.6 reviewing information to be disclosed or provided at meetings/briefings with analysts and investors; and
 - 9.7 monitoring and ensuring compliance with this Policy, and regularly updating it in response to legislative, regulatory and "best practice" developments.
- 10 Minutes of Disclosure Committee deliberations will be maintained. Copies of the minutes will be provided to ACRMC.
- 11 The Disclosure Committee will meet at least twice yearly to review disclosures made in the previous period and changes to market conditions and practices.

Corporate Disclosure Officer

- 12 The Board has appointed the General Manager Investor Relations and Listed Company Secretary as the Corporate Disclosure Officer to:
- 12.1 be responsible (at the direction of the Board and/or Disclosure Committee) for disclosures, where appropriate, to the ASX;
 - 12.2 email all Directors a copy of the ASX confirmation of release relating to all non-standard ASX releases from TOWER Australia immediately such confirmation is received and provide a report to the Board at each Board meeting which details all disclosures made to the ASX during the period

- since the last meeting;
- 12.3 have responsibility for communication with the ASX in relation to the Listing Rules;
 - 12.4 take such action as considered necessary and appropriate to ensure that the Business Unit Disclosure Officers and their Business Units are aware of and understand the nature of TOWER Australia's continuous disclosure obligations and the requirements of TOWER Australia's Continuous Disclosure Policy and Guidelines; and
 - 12.5 maintain minutes of Disclosure Committee meetings.

Business Unit Disclosure Officers

- 13 Business Unit Disclosure Officers have been appointed to co-ordinate the provision of "Material Information" to the Corporate Disclosure Officer.
- 14 Business Unit Disclosure Officers as defined under this Policy, comprise individuals in executive roles who report directly to the Managing Director (or their alternate).
- 15 Business Unit Disclosure Officers are expected to be familiar with the requirements of this Policy and Guidelines so that they are able to identify events and matters that may require disclosure to the ASX. The Business Unit Disclosure Officers are also responsible for communication of the Policy and Guidelines to all Business Unit employees and helping employees understand what information may require disclosure to the market on the basis that it is price sensitive.
- 16 Employees must immediately inform their Business Unit Disclosure Officer of:
 - 16.1 any potentially material price or value sensitive information or proposal; or
 - 16.2 a matter that meets the criteria in the materiality guidelines outlined in the Policy.
- 17 Employees must consult their Business Unit Disclosure Officer or the Corporate Disclosure Officer if they are unsure whether a matter should or needs to be disclosed.
- 18 The Business Unit Disclosure Officers are responsible for immediately passing information from their respective Business Unit that they think should or may need to be disclosed to the Corporate Disclosure Officer.

Disclosure of Material Information

- 19 Once a determination is made that information is Material Information and there is a duty to disclose that information, it will be disclosed immediately to the market via the ASX. The Corporate Disclosure Officer is responsible for making the disclosure.
- 20 Once TOWER Australia has received confirmation that the information has been received by the ASX, the information will be distributed as soon as possible to TOWER Australia's Investor Relations and media contact lists and placed on TOWER Australia's website.

Media Contact and Comment - Authorised to speak to the Media

- 21 In order to ensure full, open and consistent disclosure of information to the media only the following people are authorised to speak with the media on matters subject to this Policy:
- 21.1 Board Chairman;
 - 21.2 Managing Director;
 - 21.3 Chief Financial Officer;
 - 21.4 General Manager, Investor Relations and Listed Company Secretary and/or Manager Media & Public Relations when authorised by the Managing Director; or
 - 21.5 Business unit Chief Executive Officers and other Executives when authorised by the Managing Director.

External Communications – Authorised to speak to the Investment community

- 22 In order to ensure the consistent delivery of information to the financial markets only the following people are authorised to conduct discussions with investment professionals or shareholders on matters subject to this Policy:
- 22.1 Board Chairman;
 - 22.2 Managing Director;
 - 22.3 Chief Financial Officer;
 - 22.4 General Manager Investor Relations and Listed Company Secretary; or
 - 22.5 Business unit Chief Executive Officers and other Executives when authorised by the Managing Director.
- 23 Where practical the General Manager Investor Relations and Listed Company Secretary and one other person noted above must be present at any meeting with members of the investment community. A record will be kept of all such meetings.
- 24 Where Executives are authorised by the Managing Director to communicate with investment professionals and/or shareholders, communications will be limited to the area of expertise of that Executive. A member of the Investor Relations team must always be present during any communications.
- 25 Authorised Spokespersons must ensure that no non-public Material Information is inadvertently disclosed during any communication, briefing or meeting. If Material Information is disclosed the Corporate Disclosure Officer must release the Material Information to the ASX immediately.

Discussing public information

- 26 Authorised Spokespersons may discuss non-material and Material Information that has been publicly released on an individual or selective basis. Non-material non-public information may also be discussed on an individual or selective basis.
- 27 Where there is doubt or uncertainty as to whether the information is material, non-material and/or public Authorised Spokespersons must consult with the Corporate Disclosure Officer.

- 28 Only information that has been released publicly through the ASX will be clarified. No comment will be made on Material Information without having first advised the market via the ASX.

Measures for avoiding the emergence of a false market - The Media

- 29 TOWER Australia's general policy on responding to media/market speculation and rumour is one of "no comment". This Policy must be observed at all times. All speculation and rumours must be reported to the Managing Director, Chief Financial Officer, and/or the Corporate Disclosure Officer.
- 30 Notwithstanding TOWER Australia's no comment policy, TOWER Australia may issue a statement in relation to market speculation or rumour where:
- 30.1 it is necessary to prevent a market being materially influenced by false or misleading information emanating from:
 - 30.1.1 TOWER Australia or persons associated with it; or
 - 30.1.2 other persons in circumstances where the information would appear to have substantial credibility;
 - 30.2 there are factual errors that could materially affect TOWER Australia; or
 - 30.3 TOWER Australia is required to respond to a formal request from ASX for information.
- 31 In these circumstances, the Disclosure Committee will decide on the appropriate response.
- 32 TOWER Australia will not provide "exclusive" interviews or stories to the media that contain Material Information nor will it provide Material Information to the media "off the record". If Material Information is inadvertently disclosed to the media, that information must be immediately released to the ASX.

Dealing with leaks

- 33 TOWER Australia's general policy on responding to all suspected leaks is one of "no comment". This Policy must be observed at all times. All suspected leaks must be referred immediately to the Managing Director or failing that to the Chief Financial Officer and/or the Corporate Disclosure Officer so that a decision can be made on the appropriate handling of the incident.

Trading Halts

- 34 In order to facilitate an orderly, fair and informed market it may be necessary to request a trading halt from the ASX. The Disclosure Committee, in consultation with the Board, will make all decisions relating to a trading halt.

Method of delivering External Communications

Specified Disclosures - Distribution of Information/Methods of Distribution

- 35 The disclosure of corporate information will be disseminated equitably. It will be released in a manner designed to reach the widest public audience possible in a timely manner. Where practical, TOWER Australia will use multiple technologies to disseminate information e.g. press releases to major wire services, newspapers, conference calls, broadcast fax, e-mail, video conferences, webcasts, website, stock exchange notices and/or mailing to all registered

holders.

- 36 TOWER Australia (through its Share Registry) has established an Email Register to provide information electronically to shareholders.
- 37 TOWER Australia will respond in a timely manner to all legitimate requests for information. Any selective requests for material, non-public information will be refused.

Differential disclosure

- 38 Analysts and portfolio managers often require more detailed information to make their analyses and assessments regarding a company's performance and prospects than individual investors or financial reporters. Provided care is taken, Authorised Spokespersons may provide detailed non-material and/or publicly available information to those who request it.
- 39 TOWER Australia will not provide analysts and portfolio managers with Material Information that has not been disclosed to the ASX.

Group briefings to analysts and investors

- 40 Video, audio conference calls and/or webcasting will be used for open briefings to cover a broader geographic audience than can be achieved in briefing an audience in a single location.
- 41 All Material Information to be disclosed at the briefing must be lodged with the ASX prior to it being provided to analysts and investors.
- 42 The Corporate Disclosure Officer must ensure that any non public Material Information inadvertently disclosed during these briefings or meetings is released to the ASX immediately to comply with TOWER Australia's disclosure obligations.
- 43 All relevant information will be made available on the TOWER Australia website simultaneously with the commencement of briefings to analysts and investors. Recordings from the briefing will be available on request and may be added to the TOWER Australia website.

One-on-one discussions with analysts and investors

- 44 Non-public Material Information will not be disclosed in one-on-one discussions with analysts or investors.
- 45 During one-on-one discussions with analysts and investors, information that is non-material or already in the public domain may be discussed such as:
- 45.1 long term strategy;
 - 45.2 company history, mission and goals;
 - 45.3 management philosophy; strength and depth of management;
 - 45.4 competitive advantages and disadvantages;
 - 45.5 industry trends and issues; and
 - 45.6 assumptions underlying earnings forecasts (but not the forecasts, per se).

- 46 The Corporate Disclosure Officer must ensure that any non public Material Information inadvertently disclosed during these discussions or meetings is released to the ASX immediately to comply with TOWER Australia's disclosure obligations.

Pre-results period

- 47 During the time between the end of the financial year or half year and the actual results release, TOWER Australia will not discuss financial performance, broker estimates and forecasts (and particularly any pre-results analysis), with stockbroking analysts, investors or the media, unless the information discussed has already been disclosed to the ASX.

Review of analyst reports and forecasts

- 48 TOWER Australia comment on analysts reports will be restricted to:

48.1 information TOWER Australia has publicly issued; and

48.2 information that is in the public domain.

- 49 TOWER Australia will not generally comment on analyst's forecasts. However, TOWER Australia may comment on an analyst report or earnings projections where:

49.1 a projection differs significantly from any TOWER Australia published earnings projections;

49.2 the analyst has overlooked previously disclosed facts, factors or trends relating to TOWER Australia's historical performance or publicly available information; and/or

49.3 there is a factual error in a draft report or projection.

- 50 TOWER Australia may consider it appropriate to issue a profit warning/statement if the market's earnings projections are materially above or below TOWER Australia's own earnings projections. The statement will not detail TOWER Australia's actual earnings projections but provide reasons why the market projections differ significantly from TOWER Australia's projections.

- 51 TOWER Australia will not endorse, or be seen to endorse, analyst reports or the information they contain. In particular TOWER Australia will not:

51.1 externally distribute analyst projections or reports;

51.2 post analysts' research on the company website;

51.3 selectively refer to specific analysts; or

51.4 publicly comment on analyst recommendations or research.

Website Communication

- 52 TOWER Australia's corporate website provides a medium by which shareholders and investors can obtain publicly available information. TOWER Australia's website will include the following public information:

52.1 Annual Reports/Shareholder Reviews;

- 52.2 Investor Reports/Presentations/Supplementary Information;
 - 52.3 Results Announcements;
 - 52.4 Press releases, including all ASX Announcements;
 - 52.5 Shareholder Newsletters;
 - 52.6 Webcasts of results announcements and General Meetings;
 - 52.7 TOWER Australia profile; and
 - 52.8 TOWER Australia contact details.
- 53 As soon as practicable after its public release, information released to the ASX will be made available on TOWER Australia's website.

Guidelines relating to Disclosure of Market Information

- 54 These guidelines are not exhaustive and where there is any doubt, disclosure issues must be discussed with the Managing Director and/or the Corporate Disclosure Officer.

Promoting understanding of and compliance with the Market Disclosure and Communciations Policy and Guidelines

- 55 The TOWER Australia Board takes its business reputation seriously. Failure to comply with this Policy and Guidelines may lead to disciplinary action and, in serious cases, dismissal.
- 56 This Policy and Guidelines will be accessible to all Personnel via the TOWER Australia intranet.
- 57 Education and training on the Policy and Guidelines will be provided as part of the induction program for all new Personnel.
- 58 Business Unit Disclosure Officers will receive training annually to ensure they are up to date with best practice disclosure requirements.
- 59 This Policy and Guidelines is to be read in conjunction with the Trading Policy and the Code of Conduct.

Monitoring Compliance with this Policy

- 60 This Policy and Guidelines and compliance with it will be reviewed annually by the Board.
- 61 Comments and queries should be given to the General Manager Investor Relations and Listed Company Secretary.

Publicly Available Material

- 62 This Policy and Guidelines will be publicly available and posted on the website in the section marked "Corporate Governance".

Adopted by the Board:

Chairman

Date