

WOOLWORTHS LIMITED

CONTINUOUS DISCLOSURE POLICY

1. Purpose

The purpose of this Continuous Disclosure Policy is to:

- (a) assist Woolworths Limited ("Woolworths") in complying with its continuous disclosure obligations under the *Corporations Act 2001* (Cth) (the "Corporations Act"), and the Australian Securities Exchange ("ASX") Listing Rules;
- (b) establish a framework to enable Woolworths to provide shareholders and the market generally with timely, direct and equal access to relevant information about Woolworths; and
- (c) promote investor confidence in the integrity of Woolworths and its securities through the application of disciplined disclosure procedures by its directors and employees.

2. Legal requirements and best practice

2.1 Legal requirements

Woolworths is a public company listed on the ASX. It 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 periodic and specific disclosure requirements.

The disclosure requirement

The primary continuous disclosure obligation is contained in ASX 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."

What is material price sensitive information?

Under the ASX Listing Rules and section 677 of the Corporations Act, a reasonable person is taken to expect that information would have a material effect on the price or value of Woolworths' securities if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Woolworths' securities.

Such information is referred to as "Material Price Sensitive Information" in this Policy.

The ASX Listing Rules do not define when information will be considered to have the necessary influence on investors. However, some guidance is provided. Section 4 below discusses the concept of Material Price Sensitive Information further.

When is Woolworths aware of information?

Under ASX Listing Rule 19.12, Woolworths becomes aware of information if a director or executive officer of Woolworths has, or ought reasonably to have, come

into possession of information in the course of the performance of their duties as a director or executive officer of the company.

An executive officer of Woolworths would include a person concerned in, or taking part in, the management of Woolworths.

In recognition of the extent of the continuous disclosure requirements, one of the aims of this Policy is to ensure that appropriate persons within Woolworths actually become aware of information of which a director or executive officer ought to have been aware, so that Woolworths' disclosure obligations can be met.

Disclosure to ASX first

Woolworths must ensure it does not communicate Material Price Sensitive Information to an external party (refer ASX Listing Rule 15.7) that is for release to the ASX until it has given the information to the ASX, and has received an acknowledgment from ASX that the information has been released to the market.

2.2 Exceptions to disclosure

ASX Listing Rule 3.1A contains an exception to ASX Listing Rule 3.1 so that disclosure is not required where **each** of the following three tests is satisfied:

- (a) **Test 1:** A reasonable person would not expect the information to be disclosed.

The ASX's guidance states that a reasonable person would not expect information to be disclosed if it would result in unreasonable prejudice to Woolworths or an inordinate amount of detail being disclosed. In enforcing ASX Listing Rule 3.1, the ASX will balance the needs of the market and the interests of the company, bearing in mind the ASX's market information principle.

- (b) **Test 2:** The information is **confidential** and ASX has not formed the view that the information has ceased to be confidential.

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

- (c) **Test 3:** One or more of the following applies:

- (i) It would be a breach of a law to disclose the information.
- (ii) The information concerned an incomplete proposal or negotiation.
- (iii) The information comprises matters of supposition or is insufficiently definite to warrant disclosure.
- (iv) The information is generated for internal management purposes of the entity.
- (v) The information is a trade secret.

Woolworths must meet its continuous disclosure obligation as soon as any one of Tests 1, 2 or 3 is no longer satisfied. This means that the availability of the exception must be assessed by Woolworths on an ongoing basis in relation to any Material Price Sensitive Information that has not been disclosed to the ASX.

For example, any information that is not confidential will not qualify for the exceptions from disclosure. Therefore, it is essential that information which is to be withheld from the market remains subject to strict confidentiality procedures and is not leaked. If the information is leaked, even in breach of an obligation of confidentiality, it is no longer confidential and must be disclosed to the ASX. Even if information has not been technically leaked, the ASX may consider that it is no longer confidential, in which case it must also be disclosed to the ASX. Section 23 below discusses the maintenance and loss of confidentiality further.

Similarly, in the case of reliance on the information being an incomplete proposal or negotiation, and the proposal or negotiation is finalised, Woolworths will need to ensure that the information is disclosed immediately or arrange for a trading halt to be requested until the information can be disclosed. See section 22 below regarding the use of trading halts to facilitate continuous disclosure compliance.

2.3 ASX may request information to correct a false market

ASX Listing Rule 3.1B provides that if the ASX considers that there is, or is likely to be, a false market in Woolworths' securities, and requests information from Woolworths to correct or prevent the false market, Woolworths must give the ASX the information needed to correct or prevent the false market. Woolworths is required to provide this information even if the exception to disclosure (as set out in section 2.2 above) applies.

The ASX is likely to consider that there is, or is likely to be, a false market in Woolworths' securities if:

- (a) Woolworths has information that has not been released to the market (eg, because the exception to disclosure (as set out in section 2.2 above) applies);
- (b) there is a reasonably specific rumour or media comment in relation to Woolworths that has not been confirmed or clarified by an announcement to the market; and
- (c) there is evidence that the rumour or comment is having, or the ASX forms a view that the rumour or comment is likely to have, an impact on the price of Woolworths' securities.

2.4 Best practice guidelines

In addition to the legal requirements outlined above, there are a number of guidelines and recommendations published by various bodies which, though not necessarily mandatory, set out various views in relation to best practice in the area of continuous disclosure.

In seeking to promote investor confidence and maintain what it considers to be best practice procedures, Woolworths aims to take into account all relevant views with respect to its disclosure obligations.

2.5 Contraventions and liability

If Woolworths contravenes its continuous disclosure obligations, it may face criminal and civil liability under the Corporations Act. The Australian Securities and

Investments Commission can also institute proceedings under the *Australian Securities and Investments Commission Act 2001* (Cth). The Corporations Act also empowers the Australian Securities and Investments Commission to issue infringement notices for contraventions of the continuous disclosure obligations, imposing penalties (in Woolworths' case) of \$100,000 for each infringement.

Woolworths' officers (including its directors and employees) and advisers who are involved in a contravention by Woolworths may face civil liability and, if they aid, abet, or are in any way knowingly concerned in Woolworths' contravention, may be criminally liable under the Criminal Code.

2.6 This Policy

Woolworths' Continuous Disclosure Policy contains all current continuous disclosure requirements under the ASX Listing Rules and the Corporations Act, and incorporates various best practice guidelines suggested by market regulators and participants. This Policy has been reviewed and adopted by the Audit, Risk Management and Compliance Committee ("ARMCC") and the Board. This Policy is managed by the Company Secretarial Department, which is responsible for recommending amendments to this Policy as it applies to various matters from time to time.

3. Disclosure principle

As soon as Woolworths becomes aware of any Material Price Sensitive Information, it will notify the market via an announcement to the ASX, unless exempted from doing so by the ASX Listing Rules.

In this Policy, Material Price Sensitive Information that is not exempted from disclosure and that has not previously been disclosed by Woolworths to the ASX is referred to as "Disclosable Information".

4. Material Price Sensitive Information

4.1 Nature of Material Price Sensitive Information

The ASX Listing Rules do not explain when information will be regarded as information that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Woolworths' securities, and therefore constitute Material Price Sensitive Information.

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

4.2 Determining materiality

Subject to the Board's supervision, the Disclosure Committee – see section 6 below – is responsible for making decisions about information to be disclosed. Where there is doubt as to whether certain information should be disclosed, the Disclosure Committee will discuss the issue, and if necessary, seek external advice.

The Disclosure Committee may develop further guidelines for determining what may be Material Price Sensitive Information for separate Divisions and business units. For example, such guidelines may be in the form of quantitative ranges which is considered material having regard to Woolworths' business activities, size and place in the market.

4.3 Potential examples of Material Price Sensitive Information

The following provides a guide as to the type of information that may require disclosure. This is not an exhaustive list. As noted above, the determination of whether certain information is Material Price Sensitive Information which is subject to continuous disclosure necessarily involves the use of judgment. Subject to the Board's supervision, decisions on disclosure issues are for the Disclosure Committee to resolve.

Matters which may require disclosure, if material, include:

- (a) a matter that might affect Woolworths' ability to carry on business, or that might have a material effect on future activity;
- (b) a matter that might have a material effect on income, cash flow or the ability to generate profits (including where there would be a long term effect even if the effect in any one year is not material);
- (c) a matter involving any proposed change in regulation or law that could materially affect Woolworths' business;
- (d) a matter involving a significant allegation of any breach of the law, whether civil or criminal, by Woolworths or any of its directors or employees;
- (e) a change in Woolworths' financial forecasts or expectations. As a guide, a variation in excess of 10% to 15%, as appropriate, may be considered material. If Woolworths has not made a forecast, a similar variation from the previous corresponding period may be considered material;
- (f) a recommendation or declaration of a dividend or distribution, or a decision one will not be declared;
- (g) changes (or proposed changes) to Woolworths' Board of Directors, senior executives or auditors (such disclosure may also be required by ASX Listing Rule 3.16);
- (h) in the case of the appointment of a new chief executive officer, the key terms and conditions of the relevant contract entered into (e.g. major components of remuneration);
- (i) a change in Woolworths' accounting policy;
- (j) an agreement between Woolworths (or a related party or subsidiary) and a director (or a related party of the director);
- (k) events regarding Woolworths' securities or financing (e.g. under or over subscriptions to an issue of securities, or a share repurchase program, or a default);
- (l) information about the beneficial ownership of Woolworths securities obtained under the Corporations Act;
- (m) giving or receiving a notice of intention to make a takeover;
- (n) a transaction for which the consideration payable or receivable is a significant proportion of the written down value of Woolworths' consolidated assets (an amount of 5% or more would normally be significant but a smaller amount may qualify in a particular case);
- (o) mergers, acquisitions/divestments, joint ventures or changes in assets;

- (p) developments in regard to projects or ventures;
- (q) decisions by regulators having an impact on Woolworths (such as the Australian Competition and Consumer Commission or the New Zealand Commerce Commission);
- (r) natural disasters or accidents that have particular relevance to or impact on the businesses of the Woolworths or its suppliers;
- (s) the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by Woolworths or any of its subsidiaries; or
- (t) a copy of a document lodged with an overseas stock exchange or regulator that is available to the public, containing Material Price Sensitive Information not previously disclosed to the ASX.

5. Roles and responsibilities - at a glance

This Policy will be administered by several key personnel within Woolworths. However, all directors and employees of Woolworths have a role to play to ensure that Woolworths achieves the objectives of this Policy.

The responsibilities under this Policy are divided as follows:

- (a) **Board of Directors** - the Board will be responsible for approving this Policy and any amendments. The Board is responsible for monitoring the effectiveness of Woolworths' continuous disclosure compliance, and may be involved in the review of significant ASX announcements.
- (b) **Disclosure Committee** - responsible for the overall administration of this Policy and all communications with the ASX. The Disclosure Committee may appoint delegates to perform one or more of its functions.
- (c) **Authorised Spokespersons** - the only Woolworths' directors and employees authorised to speak on behalf of Woolworths to external parties (see section 8 below).
- (d) **Disclosure Officer** - the Company Secretary has been appointed as the Disclosure Officer and will be responsible for reporting any Disclosable Information. The Disclosure Officer may appoint delegates to perform one or more of his or her functions.
- (e) **All employees and directors** – all employees and directors are responsible for reporting to the Disclosure Officer if they become aware of any information that may be Material Price Sensitive Information arising in their division, business unit or area of responsibility that has not been previously disclosed.

Woolworths' "no comments" policy on responding to market speculation and rumours is to be observed by directors and employees at all times.

6. Disclosure Committee

Woolworths has formed a Disclosure Committee, comprising the Chief Executive Officer ("CEO"), the Finance Director ("CFO") and the Company Secretary, to assume responsibility for administering this Policy. In particular, it is responsible for ensuring that Woolworths is compliant with its continuous disclosure obligations.

The Disclosure Committee is responsible for:

- (a) deciding what information will be disclosed by Woolworths to the ASX;
- (b) preparing (or overseeing the preparation of), reviewing and approving proposed external announcements, and consulting with appropriate members of the Board, management and/or external advisers as necessary;
- (c) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information; and
- (d) approving amendments to this Policy for recommendation to the Board.

In performing its functions as set out in sections 6(a) and 6(b), the Disclosure Committee will act through such of its members as are reasonably available to perform the relevant function (whether one, two or three members on any occasion). Accordingly, all references in this Policy to the Disclosure Committee in relation to such functions (including in sections 4.2 (first paragraph), 4.3, 7(e), 9(b), 9(c), 9(d), 16(a), 21 and 23.2) are to be interpreted as references to the relevant member or members acting in that capacity, and their action in that capacity will be considered to be the action of the Disclosure Committee for the purposes of this Policy.

7. Disclosure Officer

Woolworths' Company Secretary has been designated as the company's Disclosure Officer for the purposes of the ASX Listing Rules and is the person responsible for communications with the ASX in relation to ASX Listing Rule matters (including continuous disclosure matters).

The Disclosure Officer is responsible for:

- (a) all communications with the ASX, including releasing approved announcements to the ASX and co-ordinating the response to any ASX price query;
- (b) ensuring an announcement has been approved under this Policy before it is released to the ASX;
- (c) informing appropriate persons within Woolworths once an announcement has been released to the ASX;
- (d) reporting on continuous disclosure issues as appropriate to the ARMCC and the Board of Woolworths;
- (e) keeping a record of all ASX and other announcements that Woolworths has made, and of all decisions, and reasons for decisions, not to make an announcement to ASX in relation to any potentially Material Price Sensitive Information referred to the Disclosure Officer or any other member of the Disclosure Committee;
- (f) regularly reviewing this Policy for legislative changes or development of best practice, recommending to the Disclosure Committee amendments to this Policy, and communicating any amendments to Woolworths' employees; and
- (g) ensuring that this Policy is made available to all directors and employees.

8. Authorised Spokespersons

The Authorised Spokespersons are the CEO and the CFO and other persons authorised by these officers from time to time. They are the only Woolworths personnel (including directors and employees) who may, subject to this Policy, speak to the media or other external parties in relation to Material Price Sensitive Information that Woolworths has publicly disclosed to ASX.

Authorised Spokespersons should be briefed by the Disclosure Officer on behalf of the Disclosure Committee about the continuous disclosure obligations of Woolworths: 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, will result in the information no longer falling within the exception to ASX Listing Rule 3.1 and therefore potentially becoming disclosable to the ASX immediately;
- (b) may clarify information that Woolworths has released to the ASX but must not comment on Material Price Sensitive Information that has not previously been released by Woolworths to the ASX;
- (c) should limit any comments to their area of expertise and authority;
- (d) should take care to ensure that comments are not made that could result in rumours or speculation about Woolworths; and
- (e) must immediately notify the Disclosure Officer if they consider that previously undisclosed Material Price Sensitive Information was disclosed in the communication with the external party.

9. Company announcements - the procedures

The management of Woolworths' 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 potential Material Price Sensitive Information** - as soon as a director or employee becomes aware of information that may be Material Price Sensitive Information which has not been previously released by Woolworths to the ASX, he or she should immediately notify the Disclosure Officer.

It is important that directors and employees do not prejudge whether information is price sensitive – if they think that information *might* be price sensitive, they should err on the side of caution and tell the Disclosure Officer.

In addition, the fact that a director or employee considers the potential Material Price Sensitive Information to be exempt from disclosure (for example, where it is confidential and is for internal management purposes or relates to an incomplete proposal or negotiation) does not derogate from their obligation to notify the Disclosure Officer.

"Continuous disclosure issues" will be a standing item on the agenda for consideration at each regular Board meeting, and otherwise when appropriate at ARMCC meetings and Senior Management Group meetings. However, directors and employees should not wait for, or rely on, such

regular reporting to advise of an important event that may require disclosure under continuous disclosure requirements.

- (b) **Review of potential Material Price Sensitive Information** - after receiving notification that information may be Material Price Sensitive Information, the Disclosure Officer will refer the information to the Disclosure Committee to determine whether or not the information is Disclosable Information. In making a determination, the Disclosure Committee may consult with members of the Board, other management and/or external advisers, as necessary.
- (c) **Prepare external announcement** - if the information is determined to be Disclosable Information, the Disclosure Committee, together or in consultation with relevant members of the Board and other management, where appropriate, will prepare (or oversee the preparation of) a draft announcement to ASX, in order to ensure compliance with Woolworths' continuous disclosure obligations. Such announcements should be factual, relevant, and expressed in an objective and clear manner. The use of emotive or intemperate language should be avoided. Communications to the market (via the ASX) may include, but are not limited to:
 - o media releases;
 - o analyst, investor or other presentations;
 - o public tender documents;
 - o annual reports and accounts; and
 - o disclosure documents.
- (d) **Obtain approval** - a proposed company announcement must be approved by the Disclosure Committee.
- (e) **Lodge announcement** – only the Disclosure Officer and such other person as designated by him or her from time to time may lodge the announcement with the ASX, and this should be done electronically via the ASX Company Announcements Platform.
- (f) **Post announcement on Woolworths' website** - **AFTER** receiving an acknowledgment from ASX that the announcement has been released to the market, the Disclosure Officer should arrange for the announcement to be posted onto its website (under the "Investor Centre" section) within 24 hours of receiving ASX's acknowledgment.

In light of Woolworths' obligation to disclose any Disclosable Information immediately upon it becoming aware of the information, the above steps, where required, should be taken as a matter of urgency.

10. Joint announcements

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

11. No selective disclosure

Woolworths will not engage in selective or differential disclosure. All releases of Material Price Sensitive Information must first be released through the ASX regardless of the situations in which third parties are seeking access to it.

12. Timing

Woolworths must not release Material Price Sensitive Information publicly until it has disclosed it to the ASX and received confirmation of its release by the ASX. The Disclosure Officer will confirm that receipt. If information is to be released by Woolworths' Head Office in Sydney and simultaneously in another geographical location (for example, by a foreign joint venture partner), the Disclosure Officer will consult with the relevant parties to determine how the requirement of the ASX Listing Rules will impact on the timing of the disclosure.

13. Communication of announcements

Consistent with best practice disclosure and continuous disclosure requirements, after receiving ASX's confirmation that an announcement has been released to the market, Woolworths will disseminate the information as soon as possible by posting the announcement on Woolworths' website (within 24 hours after receiving ASX's confirmation), and broadcasting via e-mail and/or fax to major stakeholders.

The Woolworths website (under the "Investor Centre" section) will contain relevant information on Woolworths such as:

- (a) corporate profile;
- (b) ASX announcements;
- (c) annual reports and other financial results;
- (d) where appropriate, speeches and other information provided to analysts and investor groups;
- (e) share information;
- (f) AGM information; and
- (g) employee shareholder information.

The Disclosure Officer or their authorised delegate must review all information prior to it being posted on the website. The "Investor Centre" section of the website will be reviewed continuously to ensure that it is up-to-date, complete and accurate.

14. 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, Woolworths' directors and management are required not to discuss any financial information, broker estimates or forecasts with investors, analysts or the media unless the information being discussed has previously been disclosed to the ASX.

15. Media and market speculation

Woolworths has a general "no comments" policy in relation to market speculation and rumours, which must be observed by directors and employees at all times. However,

Woolworths may issue an announcement in response to a market speculation or rumour where it is necessary to comply with Woolworths' continuous disclosure obligations. This may involve correction of factual errors or a response to a formal request from the ASX for information.

Woolworths 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". See section 11 above.

Woolworths will not disclose any information that is potentially Material Price Sensitive Information (even on an embargo basis) prior to its release to the ASX.

Directors and employees who are approached by the media or any external parties for information should observe the "no comments" policy and notify the Disclosure Officer as soon as possible.

16. Briefings/meetings/conference calls with analysts or investors

As part of Woolworths' management of investor relations and to enhance analysts' understanding of its background and technical information, the company conducts briefings with analysts, investors and the media from time to time to discuss information that has been released to the market, including:

- investor presentations/group briefings;
- analyst conference calls; and
- media interviews,

(collectively referred to as "briefings").

Woolworths' policy for conducting these briefings is not to disclose any information which is, or potentially is, Material Price Sensitive Information, where that information has not already been disclosed to the ASX. In addition, the following protocols will be followed in relation to such briefings:

- (a) any written material to be used at a briefing must be provided in advance to the Disclosure Officer to allow a determination to be made by the Disclosure Committee if that material needs to be released to ASX first because it contains Material Price Sensitive Information;
- (b) a member of the Disclosure Committee or another person authorised by the CEO or CFO should always be present at the briefing;
- (c) if any other person is authorised by the CEO or CFO to attend the briefing, the CEO or CFO should be fully briefed by that person after the briefing and appropriate records of the briefing be kept for a reasonable period after the briefing;
- (d) 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, any Woolworths director or employee present at the briefing must decline to answer the question, and in appropriate cases take the question on notice and wait until Woolworths announces the information publicly through the ASX before responding; and

- (e) any director or employee present at a briefing must immediately notify the Disclosure Officer if they consider that previously undisclosed Material Price Sensitive Information was disclosed during the briefing.

Woolworths will ensure that all material information used or made available for the briefing is disclosed at the briefing or on its website.

17. Broker sponsored investor conferences

Woolworths or its executives are from time to time invited to participate or present at broker sponsored investor conferences. The policy and protocols for Woolworths briefings (as set out in section 16 above) apply to such conferences.

18. Responding to analyst reports and forecasts

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

However, Woolworths is independent, and will do all things necessary to be seen as independent, from analysts. Woolworths will not endorse any such reports, and will restrict its comments to factual matters and information which has been previously disclosed to the ASX by Woolworths.

In particular, Woolworths:

- (a) will not generally comment on analyst forecasts or earnings projections. However, an Authorised Spokesperson may comment on analysts' report by correcting factual errors or underlying assumptions, but only to the extent that does not involve providing Material Price Sensitive Information that has not been previously disclosed by Woolworths to the ASX. Woolworths will not comment on any of the analysts' conclusions themselves. In particular, an Authorised Spokesperson must seek to avoid any response that may suggest that an analyst's projections are incorrect, and must also refrain from expressing "comfort" with analysts' consensus forecasts or a range of analysts' forecasts;
- (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 Woolworths is not responsible for, and does not endorse, the analyst report, in any response made to an analyst; and
- (d) may consider issuing a correction if it becomes apparent that in general the market's earnings projections on it materially differ from its own estimates.

If a draft report has been sent to Woolworths for comment, it should be forwarded immediately to the CFO.

19. Chat rooms, blogs and social networking sites

Woolworths' employees or associated parties must not participate in chat room discussions on the Internet where the subject matter relates to the business affairs of Woolworths, unless that person is authorised by a member of the Disclosure Committee to do so, and that person only does so in accordance the policy and protocols for Woolworths' briefings and the terms of the authorisation given to them.

Woolworths' employees may not discuss or post information on a social networking or other internet site relating to the business affairs of Woolworths or Woolworths' securities obtained as a result of their role at Woolworths, without prior approval from a member of the Disclosure Committee.

20. Responding to unexpected questions

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

When faced with an unexpected question, and subject to the other terms of this Policy (including in relation to Authorised Spokespersons and Woolworths' "no comments" policy) the director or employee concerned should respond only with information which has previously been disclosed by Woolworths to the ASX. If answering the question requires the disclosure of information that has not already been disclosed to the ASX, or there is any doubt as to whether or not certain information has already been disclosed to the ASX, the director or employee concerned should decline to answer the question and, if appropriate, take the question on notice so that the formal process of releasing information can operate.

21. Inadvertent disclosure of information

Disclosure of Material Price Sensitive Information to an external party prior to disclosure to the ASX constitutes a breach of ASX Listing Rule 15.7. To prevent a breach of ASX 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 Woolworths director or employee becomes aware that:

- (a) there may have been inadvertent disclosure of Material Price Sensitive Information (which has not already been disclosed by Woolworths to the ASX) during any communication with external parties; or
- (b) confidential Woolworths information may have been leaked (whatever its source),

he or she should immediately notify the Disclosure Officer who will inform the Disclosure Committee. In such a situation, the Disclosure Committee will consider the need to immediately issue a formal ASX announcement in relation to the relevant information.

22. Trading halts and holding announcements

In a fully informed market there should only be a limited need for Woolworths to request a trading halt from the ASX. However, in exceptional circumstances, Woolworths may need to request a trading halt from the ASX to maintain the efficient trading of its securities. A member of the Disclosure Committee will recommend to the Board whether to make a decision in relation to trading halts and the Disclosure Officer is the only person authorised to request a trading halt on behalf of Woolworths.

The ASX encourages the use of trading halts to assist an entity to manage its continuous disclosure obligations, eg where there has been media comment that warrants a response, but the entity is not able to make a response immediately.

As an alternative to a trading halt, Woolworths may need to consider making a holding announcement (eg, of the fact that negotiations are taking place, even if the details of the negotiations cannot be disclosed), if the company is not able to make a more complete announcement. Woolworths will need to ensure that the holding announcement is sufficient to inform the market.

23. Confidentiality and response to loss of confidentiality

23.1 Maintaining confidentiality

Woolworths may choose not to disclose Material Price Sensitive Information in reliance on the exception referred to in section 2.2 above. It may only do so, however, where the information is kept confidential.

Therefore, each Woolworths director and employee (as well as its advisers and consultants) who possess Material Price Sensitive Information that has not been disclosed to the ASX must protect and preserve the confidential nature of that information, including by:

- (a) refraining from discussing or divulging the information to any person except where that person is authorised by Woolworths to receive that information; and
- (b) ensuring that any material within their possession relating to that information is properly and securely stored and is not disclosed to an unauthorised person.

If an employee has any doubt as to whether a particular person is authorised to receive Material Price Sensitive Information, they should discuss the matter with the Disclosure Officer.

Directors and employees must also ensure that any third parties (eg the other party to a proposed acquisition) that receive or obtain Material Price Sensitive Information are bound by appropriate obligations of confidentiality.

23.2 Loss of confidentiality

Once confidentiality of information is lost, or once the ASX forms the view that confidentiality has been lost and indicates that to Woolworths, information may need to be disclosed by Woolworths to the ASX.

The ASX's view is that loss of confidentiality may be indicated by otherwise unexplained changes to the price of Woolworths' securities, or by reference to information in the media or analysts' reports, in particular if the information in the media is reasonably specific.

Accordingly, if there are price movements or changes in trading volumes, or media speculation, or any other matters that indicate that confidentiality in relation to Material Price Sensitive Information may have been lost, the Disclosure Committee must make an assessment as to whether the relevant information remains confidential, so that Woolworths can continue to rely on the exception to disclosure.

If the Disclosure Committee makes an assessment that confidentiality has been lost, the need for a trading halt must be considered (see section 22 above), pending an announcement to the ASX. The content of the announcement needs to be considered carefully, depending on the extent to which the information is not confidential – for example, the ASX notes that if a proposed transaction is revealed, ASX may ask Woolworths to confirm that negotiations are taking place, and not require disclosure of details of the transaction.

24. Advisers and consultants

Woolworths will require consultants and professional advisers engaged by Woolworths or any of its subsidiaries to adhere to this Policy (to the extent relevant). Woolworths may ask such consultants and professional advisers to sign a confidentiality agreement.

25. Breach of this Policy

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

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

26. Further information

All Woolworths' directors and employees should read this Policy carefully and familiarise themselves with the policy and procedures it details.

Woolworths (through the Disclosure Officer) will review this Policy as legislative requirements change and best practice for continuous disclosure evolves, and raise relevant matters for consideration by the Disclosure Committee. The Disclosure Officer will communicate to Woolworths' employees any amendments that have been approved by the Board.