

## Introduction

The Altium Limited Staff share trading policy (“Policy”) regulates the dealings by directors and employees in all securities issued by Altium Limited (“the Company”).

This policy supplements but does not replace the insider trading provisions stated in the Corporations Act 2001 (‘the Law’).

## Purpose of the Policy

The aim of this policy is to ensure that all Altium directors and employees are aware that the law places restrictions on persons trading shares whilst in the possession of unpublished price-sensitive information.

Regardless of any of the terms of this policy all directors and employees must adhere to the Law at all times and not trade Altium Limited Shares whilst in the possession of price-sensitive information that is not publicly available.

Ensure that Employees and Directors are aware that they may not provide unpublished information to others who could use this information as a trading advantage to profit over the market.

## General Prohibition

- Altium directors and employees must not trade Altium shares whilst in possession of price sensitive information about the company which has not been publicly released to the market.
- Altium directors and employees must not provide any information which has not been publicly released to the market to any other individual or party to provide them with a trading advantage over the market.

## Trading Procedure

1. Before undertaking a trade it is recommended that all employees inquire of the Company Secretary or his direct reports whether there are any imminent financial announcements due to be released, or any other reason why it would be inappropriate to trade company shares.
2. Directors and Designated Officers are expected to seek approval from the Company Secretary or a Director before commencing a trade.
3. Directors and Designated Officers must not trade company Shares in a “blackout period” (see below) or at any other time in which they have access to price sensitive information which is not available to the market, unless they have written permission from the Board granted only under extenuating circumstances. In this instance the decision of the Board and the circumstance will be recorded in the Minutes.
4. On completion of a trade all employees must complete a ‘Staff Share Trading Form’ and submit it to the Company Secretary.
5. All Directors must complete a ‘Director Share Trading Form’ within 2 days of trading to enable the Company to meet their ASX Listing Rule obligations.

## Additional Requirements for Directors and Designated Officers

### What if my job makes me an insider all/most of the time?

Due to the nature of their job Directors and some employees have access to 'inside' information most/all of the time. These employees fall into the category of 'Designated Officers' and as such are subject to more stringent requirements.

### Who is a Designated Officer?

The company considers all Directors, Associate Directors and Senior managers eligible to participate in the LTI Plans, and Direct Reports to the Company Secretary to be 'Designated Officers'. In addition to these individuals, there may be other Managers or employees who at times fall into this category, if in doubt, please consult the Company Secretary.

### What are the Additional Rules for Designated Officers?

If you are an Altium Director or Designated Officer you must abide by the following rules in addition to adhering to the Corporations Act.

1. You must not trade if you have inside information.
2. You are restricted from trading during specified Blackout periods (see below)
3. You must notify the Company Secretary or a Board director of any trading intention, and receive verbal approval prior to undertaking any trading activity
4. On the completion of a trade, you must notify the Company Secretary of the final trade details **within 2 business days**.
  - Employees should do this by completing a '**Staff Share Trading Notification Form**'.
  - Directors are required to complete a '**Director Share Trading Form**'.

### Blackout Periods

Designated Officers must not trade during a Blackout Period without written consent from the board.

The designated blackout periods are

- From the 31<sup>st</sup> December until the release of the Half Year Financial Performance Update to the ASX.
- From the 30<sup>th</sup> June until the release of the Annual Financial Performance Update to the ASX

In addition to these periods ALL DIRECTORS AND EMPLOYEES of Altium Limited are prohibited from trading at ANY OTHER TIME they have access to price sensitive information.

### The Recommended Trading Window

The recommended best time to trade is within the 4 weeks commencing the day after a financial results disclosure or the Company Annual General Meeting.

You should only trade during this period if you do not have access to inside information which could have a material impact on the value/price of the company's securities.

**Extenuating Circumstances**

Trading during a 'Blackout Period' is strictly prohibited without written permission from the board.

Employees/Directors seeking to trade during a Blackout Period should prepare a written submission to the Board detailing the reasons why the employee/Director is seeking consent to trade.

Permission will only be considered in extenuating circumstances such as extreme personal hardship and shall be assessed on a case by case basis.

Where the board decides to grant permission, the Director/Employee will receive a written '*consent to trade*' letter and the decision and reasoning will be recorded in the Board Minutes.

## **IMPORTANT TERMS TO UNDERSTAND**

### ***Who is an Insider***

You are considered to be an 'insider' if:

You have access to information that is not publicly available, knowledge of which a reasonable person would expect to impact the value of the company's securities if it were publicly available; and

It is reasonable to expect you to be aware that this information is not publicly available and that if it were published, it would have a material effect on the value/price of the security.

### ***What do we mean by Company Securities?***

Any Altium Limited share or option held over an Altium Limited share.

### ***What do we mean by Inside Information?***

Inside information is information about the company that has not been made public through the Australian Stock Exchange Company announcements platform

Examples include;

- Financial results
- Dividend declaration
- Sales/profit forecast or actual results
- Information concerning a merger, acquisition, float, takeover sale or partial sale of a business
- Details of a significant new product/technology or a substantial new business contact.
- Appointment or resignation of a director or senior executive
- Information concerning signification litigation

### ***When are you no longer an Insider?***

You are no longer an 'insider' once the inside information you are aware of, is publicly released with a 'reasonable time' elapsing for the trading market to become aware of the release of the information.

**'Reasonable time'** – generally this would be the business day following the ASX announcement.

### ***How does this Policy affect my Options?***

Vested Options may be exercised at any time; however the resulting shares are subject to the insider trading provisions. This means you can't exercise your options and sell your shares immediately if you are in possession of inside information.

### ***Responsibility and Liability for trading decisions***

Every Director and employee of the company is solely responsible and liable for any trading decisions they enter into. The company expects its employees to adhere to the law at all times and nothing stated in this policy overrides this obligation. If an employee has any concerns about commencing a trade they should seek independent legal advice.

## Appendix A - CORPORATIONS ACT 2001

### **s1042A DEFINITION OF 'INSIDER TRADING'**

- a) If a person (in this section called the "insider") possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities of a body corporate; and
- b) the person knows, or ought reasonably to know, that:
- i) the information is not generally available; and
  - ii) if it were generally available, it might have a material effect on the price or value of those securities; then the following subsections apply.

### **s1043A PROHIBITED CONDUCT BY PERSON IN POSSESSION OF INSIDE INFORMATION**

#### **1043A(1) [Insider trading prohibited]**

Subject to this Subdivision, if:

- (a) a person (the insider) possesses inside information; and
- (b) the insider knows, or ought reasonably to know, that the matters specified in (a) and (b) of the definition of inside information in s1042A are satisfied in relation to the information;
- the insider must not (whether as principal or agent):
- (c) apply for, acquire, or dispose of, relevant securities, or enter into an agreement to apply for, acquire, or dispose of, relevant securities; or
- (d) procure another person to apply for, acquire, or dispose of, relevant securities, or enter into an agreement to apply for, acquire, or dispose of, relevant securities.

#### **1043A(2) [Communicating information to another prohibited]**

Subject to this Subdivision, if:

- (a) a person (the insider) possesses inside information; and
- (b) the insider knows, or ought reasonably to know, that the matters specified in (a) and (b) of the definition of inside information in s1042A are satisfied in relation to the information; and
- (c) relevant securities are able to be traded on a financial market operated in this jurisdiction;
- the insider must not, directly or indirectly, communicate the information, or cause the information to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to:
- (d) apply for, acquire, or dispose of, relevant securities, or enter into an agreement to apply for, acquire, or dispose of, relevant securities; or
- (e) procure another person to apply for, acquire, or dispose of, relevant securities, or enter into an agreement to apply for, acquire, or dispose of, relevant securities.

## Consequences of Breach

### Criminal offence

- 2,000 penalty units and/or 5 years' jail for individuals (s1311) and 10,000 penalty units for bodies corporate (s1312). Penalty Unit currently \$110

### Financial services civil penalty provision (s1317E)

- civil penalty of \$200,000 for individuals and \$1,000,000 for corporations (s1317G(1A)) and compensation orders in favour of anyone suffering loss or damage (s1317HA).

### Civil liability

- Injunctions (s1324).
- Order to disclose information (s1324B).
- Compensation orders (s1325).
- Other remedial orders eg orders freezing voting rights and dividends or vesting

### Corporations Act Insider Trading Definitions s1042A(1)

Information includes:

- (a) matters of supposition and other matters that are insufficiently definite to warrant being made known to the public; and
- (b) matters relating to the intentions, or the likely intentions, of a person.

Inside information means information:

- (a) which is not generally available;
- (b) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of particular financial products.

### s1042C - Information Generally Available

Information is generally available if:

- (a) it consists of readily observable matter;
- (b) both the following apply:
  - (i) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Div 3 financial products of a kind whose price or value might be affected by the information; and
  - (ii) since it was so made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- (c) it consists of deductions, conclusions or inferences made or drawn from (a) and/or (b)(i).

### s1042D - Material Effect on Price or Value

For the purposes of this Division, a reasonable person would be taken to expect information to have a material effect on the price or value of the financial products if (and only if) the information would, or would be likely to, influence persons who commonly acquire those financial products in deciding whether or not to acquire or dispose of the financial products.