

## Security Trading Policy

ImpediMed Limited (ACN 089 705 144) (**ImpediMed** or **Company**)

Adopted by the Board on 16 July 2019

### 1. Introduction

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#### 1.1 Purpose

This policy summarises the law relating to insider trading, considers the perception of insider trading and sets out ImpediMed's policy on the buying and selling of ImpediMed Securities.

The aim of the policy is to preserve the reputation and integrity of ImpediMed via a framework through which those associated with ImpediMed can deal in the Company's securities, without any actual or perceived wrong doing.

#### 1.2 Application of Policy

This policy applies to all employees, directors, alternate directors, officers and contractors of ImpediMed (**Applicable Persons**) and their associates.

**Associates** as defined in the *Corporations Act 2001* (Cth) (**Corporations Act**) and includes trusts, companies, nominees and other persons over whom the Applicable Person has control or joint control in making investment decisions.

#### 1.3 Further advice

If you do not understand any aspect of this trading policy, or are uncertain whether it applies to you or your family or associates, please contact the Company Secretary. You may wish to obtain your own legal or financial advice before dealing in ImpediMed Securities.

### 2. General Inside Information Prohibition

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#### 2.1 Application

If you have Inside Information relating to ImpediMed, the Corporations Act and the ASX Listing Rules prohibit you from trading in ImpediMed Securities.



**IMPEDIMED LIMITED  
SECURITY TRADING POLICY**

If you have Inside Information, there is a **General Prohibition** that you cannot:

- (a) Deal in (that is, apply for, acquire or dispose of) ImpediMed Securities or enter into an agreement to do so; or
- (b) Procure another person to deal in ImpediMed Securities or enter into an agreement to do so; or
- (c) Directly or indirectly communicate, or cause to be communicated, that Inside Information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to deal in (or procure another person to deal in) ImpediMed Securities.

These prohibitions also apply to the application for, grant, exercise or transfer of an option over ImpediMed Securities, and to the Securities of other entities if you possess Inside Information about those entities.

It does not matter **how** or in what capacity you become aware of the Inside Information. It does not have to be obtained from ImpediMed to be Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in ImpediMed Securities nor may you give “tips” concerning Inside Information relating to ImpediMed to others.

**These prohibitions apply to everyone at all times.**

## 2.2 What is Inside Information?

**Inside Information** is information about ImpediMed:

- (a) which is not generally available; and
- (b) if it was generally available, would be likely to have a material effect on the price or value of ImpediMed Securities. It can include matters of speculation or supposition and matters relating to intentions or likely intentions, of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in ImpediMed Securities.

Examples of Inside Information could be (this list is not exhaustive):

- (a) The financial performance of ImpediMed against its budget or against forecasts;
- (b) Changes in the actual or anticipated financial condition or business performance of ImpediMed;
- (c) Changes in the capital structure of ImpediMed, including proposals to raise additional equity or borrowings;
- (d) Proposed changes in the nature of the business of ImpediMed;
- (e) Changes to the Board or significant changes in key management personnel;
- (f) An undisclosed significant change in ImpediMed's market share;
- (g) Likely or actual entry into, or loss of, a material contract;
- (h) Material acquisitions or sales of assets by ImpediMed;
- (i) A proposed dividend or other distribution or a change in dividend policy; or
- (j) A material claim against ImpediMed or other unexpected liability.

## 2.3 When is information generally available?

Information is generally available if:

- (a) It consists of readily observable matter or deductions;
- (b) It has been brought to the attention of investors through an announcement to ASX Limited (**ASX**) or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or

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- (c) It consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) A change in legislation which will affect ImpediMed's ability to make certain types of investments; or
- (b) A severe downturn in global securities markets.

### 2.4 Penalties

Breaching the insider trading laws may subject you to:

- (a) Criminal liability - penalties include heavy fines and imprisonment;
- (b) Civil liability - you can be sued by another party or ImpediMed for any loss suffered as a result of illegal trading activities;
- (c) Civil penalty provisions - the Australian Securities and Investments Commission may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation.

Breaching the law, this policy, or both, will also be regarded by ImpediMed as serious conduct which may lead to disciplinary action or dismissal.

### 3. No Dealing in Prohibited Periods by Applicable Persons

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Applicable Persons must not deal in ImpediMed Securities during the following prohibited periods (except in accordance with this policy).

The **Prohibited Periods** are:

- (a) Two weeks prior to the half year end, to the close of trading on the business day after ImpediMed's half yearly results are announced to the ASX;
- (b) Two weeks prior to the financial year end, to the close of trading on the business day after ImpediMed's annual results are announced to the ASX (for clarity, the release of the preliminary financial report will trigger this clause, noting that ImpediMed usually releases final results concurrently with preliminary results);
- (c) Four weeks prior to the Annual General Meeting (**AGM**) and ending on the close of trading on the business day after the AGM is held; and
- (d) During any extension to the above closed periods, and during any additional Prohibited Periods, as declared by the Board. The Board has complete discretion on the opening of Prohibited Period at any time, irrespective of the periods outlined in clause 3(a) – (c).

**Applicable Persons** may deal in ImpediMed Securities at other times subject to complying

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with insider trading prohibitions (see part 2 above) and the authorisation requirements of this policy.

Further, the Board has absolute discretion to place restrictions on some or all Applicable Persons and/or their Associates trading in ImpediMed Securities at any time.

### 4. Dealing by Applicable Persons Outside Prohibited Periods

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#### 4.1 Prior notification and clearance required for Applicable Persons outside of Prohibited Periods

If an Applicable Person proposes to deal in ImpediMed Securities (including entering into an agreement to deal) at any time they must **first**:

- (a) complete an **ImpediMed Personal Trading Approval Form** (Schedule A) of their intention to the **Notification Officer** who is:
  - (i) Chairman of the Board for all directors and alternate directors of ImpediMed (other than the chairman of the Board) and the Company Secretary (or another non-executive director for the Company Secretary);
  - (ii) For the Chairman of the Board, another non-executive director and the Company Secretary; and
  - (iii) Company Secretary for all other Applicable Persons,unless otherwise notified to the relevant Applicable Person; and
- (b) receive written clearance from the Notification Officer.

The relevant Notification Officer may appoint a delegate to act on his or her behalf in the case of temporary absence.

A clearance by the relevant Notification Officer to a notification from an Applicable Person should be issued within one business day and expires five business days from the date of clearance, unless it specifies a different expiry date.

This clearance is to also be provided to the Company Secretary at the same time to enable monitoring of the trading activity.

A clearance to trade confirms that the proposed dealing by the Applicable Person is within the terms of the trading policy but does not otherwise constitute approval or endorsement by ImpediMed or the Notification Officer for the proposed dealing. Even if a clearance is granted, an Applicable Person remains personally responsible for assessing whether the General Prohibition applies to them.

A register of notifications and clearances is kept by the Company Secretary.

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### 4.2 Notification of dealing

In addition to providing prior notification and seeking clearance, Applicable Persons must confirm in writing to the Company Secretary, as soon as reasonably possible and in any event within three business days from when the dealing in ImpediMed Securities has occurred, the number of ImpediMed Securities affected and the relevant parties to the dealing.

A register of directors interests in ImpediMed Securities is kept by the Company Secretary.

### 4.3 Securities of other entities

The Chairman may extend this policy by specifying that Applicable Persons are also restricted from dealing in the securities of other specified entities with which ImpediMed may have a close relationship.

### 4.4 Associates

This policy also applies to Associates of Applicable Persons, except with respect to prior notification, clearance and notification of dealing. An Applicable Person must communicate on behalf of their associate with the Notification Officer for the purposes of this policy.

## 5. Exceptional Circumstances

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An Applicable Person may request, and the Notification Officer may give, prior confirmation clearance for the Applicable Person to:

- (a) deal in ImpediMed Securities during a Prohibited Period; or
- (b) dispose of ImpediMed Securities even if otherwise prohibited,

if there are exceptional circumstances (except if this would breach the General Prohibition).

Exceptional circumstances may include:

- (a) Severe financial hardship, for example, a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant ImpediMed Securities;
- (b) Requirements under a court order or court enforceable undertakings or other legal or regulatory requirements; or
- (c) Other exceptional circumstances as determined by the Chairman of the Board (or the Chairman of the Audit and Risk Management Committee where the Chairman is involved).

If the Notification Officer has any doubt in making a determination of exceptional

circumstances, they should exercise the discretion with caution.

The requirements with respect to prior notification, clearance and notification of dealing under part 4 all continue to apply to an Applicable Person where exceptional circumstances apply.

## 6. Permitted Dealings

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The following types of dealing may be undertaken at any time without requiring prior notification, approval or confirmation of dealing, subject to the General Prohibition:

- (a) **(superannuation)** transfers of Securities which are already held in a superannuation fund or other saving scheme in which the Applicable Person is a beneficiary (excluding self-managed superannuation funds (**SMSF**) where the Applicable Person is a Trustee of the SMSF or a director of the trustee of the SMSF);
- (b) **(third parties)** an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in ImpediMed Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) **(other trustees)** where an Applicable Person is a trustee, trading in ImpediMed Securities by the respective trust provided the Applicable Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Person;
- (d) **(takeover)** a disposal of ImpediMed Securities arising from the acceptance of, a takeover offer scheme of arrangement or equal access buy-back;
- (e) **(pro rata issue)** a disposal of rights acquired, or an acquisition of ImpediMed Securities, under a pro rata issue;
- (f) **(SPPs and DRPs)** trading under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by ImpediMed Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (g) **(lender disposal)** a disposal of ImpediMed Securities that is the result of a secured lender exercising their rights, however, this does not extend to disposal under any margin lending agreements, where such agreements are prohibited by this policy;

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- (h) (**incentive scheme**) the exercise (but not the sale of Securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and ImpediMed has been in an exceptionally long Prohibited Period or ImpediMed has had a number of consecutive Prohibited Periods and the Applicable Person could not reasonably have been expected to exercise it at a time when free to do so;
- (i) (**bonus issues**) acquiring ImpediMed Securities under a bonus issue made to all holders of ImpediMed Securities of the same class;
- (j) (**no change in beneficial interest**) trading ImpediMed Securities where the trading results in no change in beneficial interest in ImpediMed Securities. However, the requirements of clauses 4.1 and 4.2 must be complied with; and
- (k) (**subscription under disclosure document**) subscribing for ImpediMed Securities under a disclosure document.

Under the insider trading laws, a person who possesses Inside Information may be prohibited from trading even where the trading falls within an exception specified above.

## 7. Further restrictions

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### 7.1 No margin lending

Applicable Persons are not permitted to enter into margin lending arrangements in relation to ImpediMed Securities. This is on the grounds that the terms may require ImpediMed Securities to be sold during a Prohibited Period or when the Applicable Person possesses Inside Information.

This restriction does not extend to other funding arrangements where ImpediMed Securities may be included as security. Applicable Persons should consult the Company Secretary if they are uncertain as to whether an arrangement should be classified as a margin lending arrangement.

### 7.2 No short term or speculative trading

ImpediMed encourages Applicable Persons to be long term investors in the Company.

Persons must not engage in short term or speculative trading in ImpediMed Securities or in financial products associated with ImpediMed Securities. Short term is considered to be a 120 day period, meaning that any purchase of securities triggers this minimum holding period and those interests may not be sold. Applicable Persons holding shares as a result of the exercise of any equity instrument issued

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under the Employee Incentive Plan are excluded from this 120 day holding period and are entitled to sell those shares (for clarity, the holding period still applies to shares held by Applicable Persons that have been acquired by other means).

Applicable Persons are not permitted to engage in short selling of ImpediMed Securities.

### 7.3 No Hedging

Applicable Persons must not:

- (a) Enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:
  - Has not vested; or
  - Has vested but remains subject to a holding lock; or
- (b) Deal *at any time* in financial products associated with ImpediMed Securities, except for a type of dealing permitted by law or a permitted dealing under this policy.

### 7.4 Meaning of Financial Products

Financial products includes derivatives, options, warrants, futures, forward contracts, swaps and contracts for difference issued or created over or associated with ImpediMed Securities by third parties.

## 8. Confidential Information

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You must treat all sensitive, non-public information (**Confidential Information**) about ImpediMed as confidential and belonging to ImpediMed.

You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required.

You must avoid inadvertent or indirect disclosure of Confidential Information. Even within ImpediMed, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential.

Be careful that your conversations are not overheard in elevators, airplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded.

Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

## 9. Policy Awareness

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To ensure all Applicable Persons are aware of the Company's Security Trading Policy and its contents the Policy will be:

- Be part of the Company's Induction Pack for new employees and Contractors;
- Be available on the Company's website and intranet (if applicable); and
- Emails will be sent to Applicable Persons notifying them when trading windows are open and closed.

### 10. Compliance

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The responsibility of monitoring compliance with this policy will reside with the board. The Company Secretary will bring any abnormalities identified, to the attention of the Board.

### 11. Administration

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#### 11.1. Where can I obtain further information?

If you require further information or assistance, or are uncertain about the application of this policy or the law, please contact the Company Secretary.

#### 11.2. Review and publication of this policy

The Board will review this policy from time to time. This policy may be amended by resolution of the Board.

A copy of this policy will be available on ImpediMed's website. It will be distributed to all directors, employees and other persons as relevant. Key features will be published in the Corporate Governance Statement.

### 12. Definitions

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**Associates of Applicable Persons** is defined clause 1.2.

**ASX** is defined in clause 2.3.

**Board** means the board of directors of ImpediMed Limited.

**Business day** means a day other than a Saturday, Sunday or public holiday in Australia. **Confidential Information** is defined in clause 8.

**Corporations Act** is defined in clause 2.1.

**Derivative** has the meaning in section 761D of the Corporations Act and includes options, forward contracts, futures, warrants, swaps, caps and collars.

**Applicable Persons** is defined in clause 1.2.

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**General Prohibition** is defined in clause 2.1.

**Inside Information** is defined in clause 2.2.

**Notification Officer** is defined in clause 4.1.

**Trading Windows** is defined in clause 3.

**Securities** includes shares, options, rights, debentures (including convertible notes), interests in a managed investment scheme, derivatives and other financial products covered by section 1042A of this Corporations Act.

**ImpediMed** means ImpediMed Limited and its controlled entities.

**ImpediMed Securities** means the shares in ImpediMed Limited quoted on the Australian Securities Exchange (**ASX**) and any other Securities issued by ImpediMed.

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## SCHEDULE A

### PERSONAL TRADING APPROVAL FORM

<b>Name of Applicable Person</b>	
<b>Name of holder of securities</b>	
<b>Approval to buy or sell</b>	
<b>Number of securities</b>	
<b>Dollar value</b>	\$
<b>Security</b> <b>ImpediMed Limited; or</b> <b>Other (stock name).</b>	
<b>Will the trade lead to a conflict or potential conflict?</b>	
<b>Is the trade for a SMSF or Investment Company?</b>	
<b>Are you entering into a margin loan / similar funding arrangement?</b>	

I am not in possession of any price sensitive information which could reasonably be expected to have a material effect on the price or value of the security if it was available.

<b>Signature</b>	
<b>Date and Time</b>	
<b>Permission</b> <b>GRANTED / NOT GRANTED by</b>	
<b>Signature</b>	
<b>Date and Time</b>	

\*Once approved, you have five (5) business days to complete the transaction. If not completed within this timeframe, you will need to seek further approval. Please confirm to the Company Secretary when the transaction is completed, and return completed form to the Company Secretary who will liaise with the Nomination Officer.