



31 August 2020

By Electronic Lodgement

Market Announcements Office  
ASX Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

### Updated Personal Trading Policy

In accordance with ASX Listing Rule 12.10, Pinnacle Investment Management Group Limited (**Company**) advises that its Personal Trading Policy has been updated.

A copy of the updated Personal Trading Policy is attached to this announcement and also available at the Company's website at <https://pinnacleinvestment.com/shareholders-investor-centre/>.

Authorised by:

**Calvin Kwok**

**Company Secretary**



# Pinnacle Investment Management Group Limited

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Personal Trading Policy

## Document Control

<b>Owner</b>	PNI Board
<b>Approval</b>	Audit, Compliance and Risk Management Committee
<b>Relates to</b>	Pinnacle Investment Management Group Limited and wholly owned subsidiaries
<b>Version Number</b>	Version 6
<b>Date last updated</b>	August 2020
<b>Reason for update</b>	Update for ASX Corporate Governance Principles and Recommendations Fourth Edition
<b>Primary Rules/Rationale</b>	Corporations Act 2001, ASX Listing Rules
<b>Date of Signoff</b>	August 2020

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## Definitions

Term	Definition
<b>Affiliate</b>	each affiliated investment management firm in which the Group holds a minority interest.
<b>Associate</b>	in relation to a personnel member, means: <ul style="list-style-type: none"> <li>• close family members over whom the personnel member has influence over, including but not limited to a spouse/partner and minor children;</li> <li>• any company or trust in which the personnel member controls or has an interest; and</li> <li>• any superannuation fund or account in which the personnel member has an interest or has the ability to instruct trading decisions.</li> </ul>
<b>ASX</b>	ASX Limited ABN 98 008 624 691.
<b>Audit Compliance &amp; Risk Management Committee (ACRMC)</b>	the Board Committee responsible for internal controls, oversight of financial management and financial matters and for risk management and compliance across the Group as detailed in its charter.
<b>Board</b>	the PNI Board of Directors.
<b>Chair</b>	the Chair of the Board or of a Board sub-committee as the context requires.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Director</b>	a director of PNI.
<b>Fixed Prohibited Period</b>	the periods specified in this Policy during which personnel are prohibited from trading.
<b>Group</b>	PNI and its wholly owned subsidiaries.
<b>Inside Information</b>	has the meaning given in clause 3.2.
<b>Insider Trading</b>	has the meaning given in clause 3.1.
<b>KMP</b>	Key Management Personnel as that expression is defined in AASB 124.
<b>personnel</b>	has the meaning given in clause 2.
<b>Pinnacle Affiliate Listed Vehicle</b>	entities which have appointed a member of the Group to provide management and administration services, namely: <ul style="list-style-type: none"> <li>• Antipodes Global Investment Company Limited (ASX:APL);</li> <li>• Plato Income Maximiser Limited (ASX:PL8);</li> <li>• Spheria Emerging Companies Limited (ASX:SEC).</li> </ul>
<b>Pinnacle Affiliate Listed Vehicle Securities</b>	Securities issued by Pinnacle Affiliate Listed Vehicles
<b>Pinnacle Fund</b>	a collective investment vehicle operated by a member of the Group.
<b>Pinnacle Fund Interests</b>	interests in a Pinnacle Fund.
<b>PNI</b>	Pinnacle Investment Management Group Limited ABN 22 100 325 184 (ASX:PNI)
<b>PNI Securities</b>	Securities issued by PNI traded on ASX.

<b>Relevant Interest</b>	<p>where:</p> <ul style="list-style-type: none"> <li>• a person holds securities directly; or</li> <li>• has the power to exercise, or control the exercise of, a right to vote attached to the securities; or</li> <li>• has power to dispose of, or control the exercise of a power to dispose of, the securities.</li> </ul>
<b>Security</b>	<p>shares, securities, interests in a managed investment scheme, options, stock specific derivatives, derivatives (both over the counter (OTC) and exchange traded), warrants, contracts for difference (CFDs), bonds, notes, hybrids, debentures, superannuation products, and any other financial product able to be traded on a financial market, both domestically and internationally (for example, exchange traded funds, exchange traded contracts and exchange traded notes).</p> <p>It includes any such products offered, issued or purchased pursuant to initial public offerings (IPOs), placements, rights and bonus issues and buy backs.</p>
<b>Substantial Holding</b>	<p>where the votes attaching to any shareholding held directly by a person or through their Relevant Interests is more than 5% of the total votes attaching to voting shares in the entity.</p>
<b>trading</b>	<p>in relation to a Security, applying for, acquiring or disposing of (or entering into an agreement to do so) the Security.</p>
<b>Third Party Securities</b>	<p>Securities which are issued by issuers who are not members of the Group.</p>

# 1 Objective

This Policy is designed to:

- (a) advise personnel of the restrictions on trading in Securities which apply to them and their Associates;
- (b) establish rules for personnel in relation to trading in Securities to minimise the risk of Insider Trading or when there may be a perception that personnel are in possession of Inside Information;
- (c) assist with maintaining the confidence of the market in Securities and guarding against reputational damage arising from allegations of illegal or improper trading in Securities.

# 2 Scope

This Policy applies to Directors and employees of the Group (**personnel**) and their Associates.

The Board may determine that this Policy is not to apply to a personnel member's Associate. This will be determined following an application from the personnel member with reasons as to why the Policy should not apply to the Associate.

Personnel that are located in jurisdictions other than Australia must consider local rules and regulations that may require practices other than those set out in this Policy. Where local rules are more stringent than those outlined in this Policy, the local regulations will always prevail. If there is a direct conflict between local laws and the requirements under this Policy, Senior Management must notify the Policy Owner prior to implementing any local policies or procedures.

# 3 Insider trading

## 3.1 What is insider trading?

Under Australian law (specifically, the insider trading provisions in Chapter 7.10 of the Corporations Act 2001 which apply to the Group and its personnel located in Australia), if you possess Inside Information in relation to a Security, you must not:

- (a) trade (or enter into an agreement to trade) those Securities; or
- (b) procure, incite, induce or encourage anyone else to trade (or enter into an agreement to trade) those Securities; or
- (c) communicate that information to another person who you know or ought reasonably to know would or would be likely to apply for, trade (or enter into an agreement to trade) those Securities,

Participation in any of these activities constitutes **Insider Trading** and is punishable by fines and/or imprisonment. A company may also be liable if a director or an employee engages in Insider Trading.

All personnel are ultimately responsible for forming a view on whether or not they are in possession of Inside Information when trading in Securities. If there is any doubt, the safest course is not to trade.

It is important to note that:

- the purpose or motive for the trading;
- whether or not a benefit was obtained from the trading; and
- whether or not permission was obtained under this Policy prior to trading,

is irrelevant when considering whether Insider Trading has taken place and personnel should consider their actions from the perspective of a regulator who will have the benefit of hindsight, in taking any action in relation to suspected Insider Trading.

## 3.2 What is inside information?

**Inside Information** is information that is:

- (a) not generally available; and

- (b) if the information was generally available, a reasonable person would expect it to have a material effect on the price or value of those Securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of a Security if the information would or would be likely to influence persons who regularly trade such Securities in deciding whether or not to acquire or dispose of such Securities.

Examples of Inside Information may include the following in respect of a company, scheme or other entity to which a Security relates:

- unpublished financial results;
- proposed action in the form of capital raisings, dividend or distribution payments, buy-backs or new issues;
- proposed mergers and acquisition and major purchases or disposals of assets;
- new contracts beyond the size and nature of contracts normally undertaken;
- proposed changes to the board of directors or key management personnel;
- advance notice of significant trading in the Security;
- changes to director holdings or Substantial Holdings that have not yet been announced;
- material information about the entity's clients, affiliates or possible strategic partners; and
- proposed changes to a Security (for example changes to liquidity or an intention to close or terminate).

## 4 General rules

The rules set out below are in addition to the prohibition on Insider Trading and other constraints applicable at law. Personnel must ensure that their Associates also comply with the below restrictions.

Personnel must not:

- (a) make use of their position or information acquired by virtue of their position to gain, directly or indirectly, an improper advantage (e.g. to influence a broker to grant to them an allocation in an IPO or placement);
- (b) do indirectly what they are prohibited from doing directly;
- (c) base investment decisions on the trading activity of the Group or any Affiliate. In particular, personnel must not trade if they know, or ought reasonably to know, that a Pinnacle Fund has outstanding orders for, or proposes to transact on, the same financial product;
- (d) trade in the same Security again in the opposite direction within a 20 business day period (i.e. it may be traded on T+21);
- (e) engage in any short selling.

There are no restrictions in relation to the appointment of brokers. Personnel are free to establish a personal broking relationship with the broker of their choice.

## 5 Specific rules

### 5.1 PNI Securities

#### Prohibited periods

Personnel may not trade in PNI Securities (including electing to participate or varying participation in a dividend reinvestment plan) during a Fixed Prohibited Period. There are two Fixed Prohibited Periods, being:

- (a) the period beginning at 8am on 1 July and ending at 5pm on the first full trading day following the announcement to the ASX of PNI's annual financial results; and
- (b) the period beginning at 8am on 1 January and ending at 5pm on the first full trading day following the announcement to the ASX of PNI's half-yearly financial results.



### Exceptional circumstances

Personnel who are not in possession of Inside Information may apply in writing to the Chair of the Board (or in the Chair's absence or the Chair's own trading, the Chair of the ACRMC) for prior written approval to sell or otherwise dispose of (but not acquire) PNI Securities during a Fixed Prohibited Period in the following exceptional circumstances<sup>1</sup>:

- (a) severe financial hardship – a person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling Securities and this is the only reasonable course of action available;
- (b) as required by law, an order of a court or court enforceable undertakings; or
- (c) in any other circumstances that are determined by the Chair of the Board or the Chair of the ACRMC to be exceptional circumstances,

and only where the approver is satisfied that the transaction:

- (a) would not be contrary to law;
- (b) is not being undertaken for short-term or speculative gain;
- (c) does not take advantage of Inside Information; and
- (d) will not likely be seen by the public, press, other shareholders or ASX as unfair.

In making the determination, the Chair of the Board or the Chair of the ACRMC will give consideration to the policy objectives of the ASX Listing Rules 12.9 to 12.12 and use their own discretion.

### Margin lending and other financial arrangements

PNI discourages the use of leveraged margin lending arrangements and other secured financing arrangements by personnel in relation to PNI Securities but has not prohibited their use. Personnel are required to:

- (a) disclose details of any proposed margin lending arrangement or proposed secured financing arrangement in respect of PNI Securities, and when PNI Securities are to be sold to make repayments under such arrangements, to the PNI Company Secretary who will inform the Board before being the personnel member enters into it;
- (b) seek prior written approval in accordance with clause 6.1 to transferring PNI Securities into a margin loan account or granting a security over PNI Securities as part of a secured financing arrangement.

PNI may, at its discretion, make any approval granted to a personnel member conditional upon such terms and conditions as PNI sees fit (for example, in regards to the circumstances in which the PNI Securities may be sold to satisfy a margin call).

Disclosure of a Director's margin lending or secured financing arrangement will be required to be made to the ASX if there is a change in the Director's interest in Securities or if the Board determines that the existence of such arrangement would have a material effect on the price or value of Securities.

### "At risk" remuneration

Personnel must not trade in PNI Securities as part of a hedging arrangement aimed at limiting exposure in relation to part of their "at risk" remuneration.

## 5.2 Pinnacle Affiliate Listed Vehicles

Personnel may access (or may be perceived to possess) Inside Information relating to Pinnacle Affiliate Listed Vehicles in the course of their employment in providing services to those vehicles. Accordingly, personnel must comply with the rules set out below in addition to the general rules outlined above.

Personnel must:

- (a) refer to the share trading policy within the Corporate Governance Charter applicable to the relevant Pinnacle Affiliate Listed Vehicle to confirm whether any fixed prohibited periods (generally each period of

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<sup>1</sup> ASX Guidance Note 27 details the meaning of "exceptional circumstances".

5 business days before the announcement of a dividend or any other capital management initiative that might have a material impact on the share price) or other trading restrictions apply;

- (b) receive approval from the Company Secretary of the relevant Pinnacle Affiliate Listed Vehicle in order to trade that entity's Securities.

### 5.3 Pinnacle Fund Interests

Personnel may not trade in Pinnacle Fund Interests following a resolution by the Board of the relevant Group member to commence winding up the fund.

## 6 Trade approval

### 6.1 Approval process

All personnel must seek prior approval from their authorising officer(s) (as specified in the Appendix) in relation to trading (either personally or through an Associate) in:

- (a) PNI Securities;
- (b) Pinnacle Affiliate Listed Vehicle Securities; and
- (c) Third Party Securities.

Personnel must seek approval to trade by submitting a personal trading request via Pinpoint (the Group's governance, risk and compliance system) where personnel will be required to:

- provide information regarding the trade they wish to make (including trading direction, Security name/code, quantity / value of trade, account that the transaction will occur and proposed trading price;
- confirm that they have read and understood this Policy and the rules applicable to their trade; and
- confirm that they are not in possession of any Inside Information.

### 6.2 Approval

Any approval to trade:

- (a) is valid for a **period of 7 days only** provided that there is no material change to the volume or likely consideration during that period, after which the person seeking approval must seek re-authorisation;
- (b) can be given or refused at the authorising officer's discretion and without providing reasons. If approval is refused, the person seeking approval should keep that response confidential;
- (c) may be withdrawn if there is a change in circumstances;
- (d) is final and binding on the person seeking approval.

**Any approval to trade received under this Policy (whether in exceptional circumstances or otherwise) will not prevent a breach of the law on Insider Trading, nor should be seen as any endorsement of that transaction or investment.**

**If you obtain Inside Information following the submission of a trade approval request (whether before or after approval is granted), you must: (i) not trade (or advise anyone else to trade) the relevant Securities; (ii) indicate that the trade will not proceed in Pinpoint; and (iii) advise the authorising officer that the trade will not proceed as soon as practicable.**

## 7 Exceptions

This Policy does not apply to:

- (a) trading in funds or managed investment schemes where the assets are invested at the discretion of a third party or Affiliates (e.g. index-tracking ETFs or funds managed by Third Parties / Affiliates);

- (b) corporate actions applicable to all or most holders of the relevant Securities, such as dividend reinvestment plans, pro-rata entitlements (e.g. securities purchase plans, rights issues and bonus issues) and compulsory acquisitions;
- (c) trading wholly initiated by a party independent to the personnel member (e.g. a margin call related sale of stock initiated by the margin lender);
- (d) the exercise (but not the sale of PNI Securities following exercise) of a PNI-issued option or a 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 Fixed Prohibited Period and the personnel member could not reasonably have been expected to exercise it at a time when free to do so;
- (e) transfers of PNI Securities already held by a personnel member into a superannuation fund or other saving scheme in which the personnel member is a beneficiary;
- (f) undertakings to accept, or the acceptance of, a takeover offer;
- (g) trading under a predetermined investment or divestment trading plan for which prior written clearance from the authorising officer has been obtained and where the personnel member did not enter into the plan or amend the plan during a Fixed Prohibited Period and the trading plan does not permit the director, executive or employee to exercise any influence or discretion over how, when, or whether to trade.

## 8 Reporting requirements

Personnel are required to:

- (a) upload copies of all trade confirmations for approved trade requests (or otherwise indicate that the trade did not proceed) via Pinpoint (the Group's governance, risk and compliance system);
- (b) maintain up to date records of their holdings in Securities and provide such records to Risk & Compliance upon request;
- (c) attest that they have read, understood and complied with this Policy prior to each trade and annually.

It is important for regulatory probity reasons to be able to produce records of all trades if required as ASIC has the power to demand a register of interests from any personnel member.

Personnel must report to Risk & Compliance any breaches of this Policy by themselves or an Associate.

## 9 Consequences of non-compliance

A breach of this policy will be regarded as serious misconduct which may lead to disciplinary action up to and including summary dismissal.

## 10 Amendments to this Policy

Any amendments to this Policy must be approved by the ACRMC and, if material, submitted to ASX for release to the market within 5 business days of the amendments taking effect<sup>2</sup>. Changes that are likely to be considered material include, but are not limited to:

- (a) changes to the Fixed Prohibited Periods;
- (b) changes with respect to the exceptional circumstances; and
- (c) changes with respect to the trading that is excluded from the operation of this Policy.

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<sup>2</sup> ASX Listing Rule 12.10 requires a further copy of the trading policy to be provided to the ASX in the event that there is a material change in the policy.

## Appendix

### PNI Securities

Personnel member	Authorising officer	In his/her absence
Chair of the Board	Chair of the ACRMC	Managing Director
PNI Directors, KMP and Company Secretary	Chair of the Board	Chair of the ACRMC
All other personnel	PNI Company Secretary	Chief Operating Officer

### Pinnacle Affiliate Listed Vehicle Securities

Personnel member	Authorising officer(s)	In his/her absence
Chair of the Board	Chair of the ACRMC	Managing Director
PNI Directors, KMP and Company Secretary	Chair of the Board	Chair of the ACRMC
All other personnel	Chief Operating Officer <b>and</b> Company Secretary of relevant vehicle	

### Third Party Securities

Personnel member	Authorising officer	In his/her absence
PNI Non-Executive Directors	N/A	N/A
All other personnel	Chief Operating Officer	PNI Company Secretary