



# Securities Trading Policy

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# 1 Purpose

To ensure:

- That APA Group directors, employees and contractors are aware of the legal prohibition against trading in APA securities while they are in possession of unpublished price sensitive information, commonly referred to as insider trading;
- That the reputation of APA Group, its directors, employees and contractors is not adversely affected by the perception of trading in APA securities or certain other shares and securities at inappropriate times; and
- That APA Group meets its obligations under the Australian Securities Exchange (**ASX**) Listing Rules with respect to disclosure of directors' holdings of APA securities and changes in those holdings from time to time.

## 2 Coverage / Scope

APA Group comprises two registered managed investment schemes, Australian Pipeline Trust and APT Investment Trust, the units in which are stapled and listed on the ASX under ticker symbol "APA" (**APA securities**).

This policy applies to dealings with APA securities and certain other shares and securities by directors, employees and contractors of APA Group and its subsidiaries.

## 3 Values & Commitments

APA Group recognises that directors, employees and contractors may wish to own APA securities, and welcomes them doing so in order to align their investment interests with those of securityholders. However, APA Group is committed to ensuring that its directors, employees and contractors are aware of the legal prohibition against insider trading and do not deal in APA securities or certain other shares and securities, or create any perception of them dealing in such shares and securities, when they should not do so.

## 4 Policy

### 4.1 Prohibition against insider trading

#### 4.1.1 Basic principles

Australia's insider trading laws prohibit certain dealings with respect to publicly traded shares or other securities. In that context, the expression **to deal in** means to apply for, acquire or dispose of securities and the expressions **dealing** and **dealings** have corresponding meanings.

Under the insider trading laws, if you **have price-sensitive information** relating to APA Group which is **not generally available**, it is illegal for you to:

- deal in APA securities,
- advise, procure or encourage another person to deal in APA securities, or

- pass on such information to any other person if you know, or ought reasonably to know, that the person is likely to use the information to deal in APA securities or to procure someone else to do so.

You cannot get around the law by arranging for a member of your family or a friend, or your family trust or superannuation fund, to deal in APA securities; nor may you give "tips" concerning APA Group information to others in the circumstances described above.

Those rules apply to dealing in not only APA securities, but also shares or other securities of any other company or entity (e.g. a managed investment scheme) about which you may have price-sensitive information.

***It is your responsibility to ensure that you do not do any of these prohibited things, the potential consequences of which are summarised in section 4.1.4.*** If in doubt, you should seek advice by contacting the Company Secretary or by obtaining your own independent advice.

Additional rules, set out in section 4.2 below, apply to the directors of Australia Pipeline Limited, senior management and others identified in that section.

#### **4.1.2 What is "price-sensitive information"?**

Price-sensitive information, in relation to APA Group, means information that would, if it was publicly known, be likely to:

- have a material effect (either positive or negative) on the price or value of APA securities, or
- influence persons who commonly invest in securities in deciding whether or not to deal in APA securities.

That definition can also be applied to determine what is price sensitive information in relation to companies or entities other than APA Group.

Examples of possible price-sensitive information might include:

- financial performance of against budget
- entry into or termination of a material contract
- a material acquisition or sale of assets
- a proposed distribution or a change in distribution policy, or
- a material claim or other unexpected material liability.

#### **4.1.3 When is the information "generally available"?**

Information is generally available if:

- it consists of a readily observable matter, or
- it has been brought to the attention of investors through an announcement to the ASX, and a reasonable period has elapsed since the announcement.

#### **4.1.4 What are the consequences if I breach the insider trading prohibition?**

Breach of the insider trading laws may subject you to:

- criminal liability - penalties include heavy fines and imprisonment

- civil liability - you can be sued by another party or APA Group (or other applicable company or entity) for any loss suffered as a result of illegal trading activities.

Breach of the law or this policy will also be regarded by APA Group as serious misconduct which may lead to disciplinary action, including your dismissal.

## **4.2 Special rules for Directors, Prescribed Persons and others**

### **4.2.1 To whom this section 4.2 applies**

This section 4.2 applies to:

- the directors of the responsible entity, Australian Pipeline Limited (**Directors**),
- the following personnel (**Prescribed Persons**):
  - the Company Secretary,
  - APA Group's Executive Committee,
  - the Responsible Officers of Australian Pipeline Trust and APT Investment Trust,
  - the directors of subsidiaries in APA Group, and
  - other persons specified from time to time by the Managing Director, and
- Related Parties (as defined in section 4.2.5) of Directors and Prescribed Persons (see section 4.2.5).

The Company Secretary will maintain a register of Prescribed Persons and will notify relevant individuals of their inclusion on or removal from the register.

### **4.2.2 "Window" periods**

Directors and Prescribed Persons may only deal in APA securities during the following "window" periods:

- in the period starting on the second business day after the release of APA Group's half yearly results to the ASX, and ending one calendar month later,
- in the period starting on the second business day after the release of APA Group's annual results to the ASX, and ending one calendar month later,
- in the period starting on the second business day after the annual meetings of Australian Pipeline Trust and APT Investment Trust (which are held concurrently), and ending one calendar month later, or
- at such other times as the board of directors of Australian Pipeline Limited permits.

For example: if APA Group releases its full year results on Monday, 25 August, the "window" period starts upon the opening of the market on Wednesday, 27 August and ends on closure of the market on Friday, 26 September.

Dealing in APA securities by Directors or Prescribed Persons outside those "window" periods is prohibited.

Directors and Prescribed Persons intending to deal in APA securities within a "window" period must ensure their buy or sell orders (including unfilled market and limit orders) are withdrawn before the end of the "window" period, so that trades do not occur outside the period.

***However, even during a "window" period, a Director or Prescribed Person with price-sensitive information relating to APA Group which is not generally***

**available will be precluded from trading in APA securities, as explained in section 4.1.**

On or prior to the commencement of any “window” period, the Disclosure Committee (refer to the Market Disclosure Policy) will consider whether there is then any price sensitive information that is not generally available which would prevent Directors or Prescribed Persons dealing in APA securities notwithstanding the opening of the “window” period. The Company Secretary will notify Prescribed Persons if it is determined by the Disclosure Committee that they may not deal in APA securities in a “window” period.

#### **4.2.3 Speculative trading; buying and selling the same “window” period**

Directors and Prescribed Persons must not engage in short-term or speculative trading of APA securities. While it is impractical to provide a precise definition of short-term or speculative trading in this policy, the guiding principle is that Directors and Prescribed Persons who purchase APA securities should intend, at the time of acquisition, to continue to hold the purchased APA securities for at least the next 12 months.

Directors and Prescribed Persons must not buy and sell APA securities in the same “window” period, provided that this reference to buying APA securities does not include an acquisition of APA securities to which any of the exclusions in section 4.2.7 applies.

#### **4.2.4 Hedges, derivatives and similar arrangements**

Directors and Prescribed Persons are not permitted at any time (including in any “window” period) to enter into hedges, derivatives or other financial products, instruments or arrangements over or in connection with APA securities which:

- amount to “short selling” of APA securities beyond the Director’s or Prescribed Person’s holding of APA securities;
- operate to limit the economic risk of holding APA securities; or
- enable the Director or Prescribed Person to profit from a decrease in the market price of APA securities.

#### **4.2.5 Immediate family members, companies, superannuation funds and trusts**

In this policy, the term **Related Parties** means:

- the spouse (including de facto spouse) or partner of a Director or Prescribed Person, and children of a Director or Prescribed Person who live with them, and
- any company, superannuation fund or trust over which a Director or Prescribed Person has significant influence.

APA Group is concerned to ensure that Related Parties of Directors and Prescribed Persons do not deal in APA securities at inappropriate times. While such dealings by Related Parties might occur independently of the relevant Director or Prescribed Person, and without access to any “inside information” concerning APA Group, there is at least a risk that the dealings will be perceived to be inappropriate and possibly damage the reputation of APA Group and the individuals concerned.

However, APA Group is aware that Directors and Prescribed Persons may not be in a position to exercise control over their Related Parties in respect to dealings with APA securities, in which case APA Group requires that Directors and Prescribed Persons take all reasonable steps to cause their respective Related Parties to comply with this section 4.2 as if they were Directors or Prescribed Persons.

#### **4.2.6 Dealings permitted by exception due to exceptional circumstances**

The Chairman may permit dealings in shares or other securities by Directors, and the Chairman and the Managing Director jointly may permit dealings in shares or other securities by Prescribed Persons, which this policy otherwise prohibits, but only:

- in exceptional circumstances, and
- if the person concerned declares that he or she does not possess any price-sensitive information.

Exceptional circumstances for that purpose include:

- severe financial hardship such as a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities;
- a court order, court enforceable undertaking or other legal or regulatory requirement requiring a sale of the relevant securities; or
- other exceptional circumstance as approved by the Chairman (in the case of a Director's dealing) or the Chairman and the Managing Director (in the case of a Prescribed Person's dealing).

A request for approval to deal in shares or other securities based on exceptional circumstances must be made in writing (or by email) and sent to the Company Secretary, and must include particulars of the exceptional circumstances on which the request is based and a declaration that the applicant does not possess any price sensitive information.

The approval must be obtained in writing (or by email) in advance of the proposed dealing, and will specify the period during which the approval is valid and during which the proposed dealing must take place.

If the Chairman is unavailable to give an approval contemplated by this section 4.2.6, that approval may be given instead by the Chairman of the Audit and Risk Management Committee.

APA Group may be required to notify the ASX whether prior written clearance was obtained.

#### **4.2.7 Exclusions**

The restrictions detailed in section 4.2 do not apply to dealings in shares or other securities by Directors or Prescribed Persons, or their Related Parties, in the following circumstances:

- the acquisition of securities issued or acquired as a result of participation in any distribution or dividend reinvestment plan, security purchase plan or entitlement issue available to securityholders generally, or as a result of participation in an employee equity incentive scheme or security plan (note, however, that any subsequent sale of these securities is subject to the restrictions in this section 4.2);

- undertakings to accept, or the acceptance of, a takeover offer;
  - transfers of securities where the beneficial interest does not change (e.g. transfer from personal ownership into a self-managed superannuation fund) ; or
  - trading via investments in a scheme or other arrangement where the investment decisions are exercised by a third party and the person to whom the restrictions under this section 4.2 apply has no control or influence with respect to trading decisions,
- unless determined otherwise by the board of directors of Australian Pipeline Limited.

### **4.3 Prohibitions or restrictions in respect to dealing in securities of entities other than APA Group**

The Managing Director may from time to time prohibit or otherwise restrict dealing (whether or not by reference to any “window” period) by Prescribed Persons, or particular Prescribed Persons, in shares or other securities issued by an entity other than APA Group (***Restricted Securities***), without the Managing Director’s prior written approval.

The Managing Director might elect to do so, for example, where certain Prescribed Persons, through the performance of their roles with respect to APA Group, may have access to price sensitive information of the other entity. In most such cases, trading would also be prohibited by the insider trading laws explained in this policy.

The Company Secretary will notify each person to whom such a prohibition or other restriction applies, informing them of the name of the relevant entity.

Sections 4.2.5, 4.2.6 and 4.2.7 apply to any prohibition or restriction with respect to dealings in Restricted Securities imposed by the Managing Director under this section (in the case of sections 4.2.5 and 4.2.7, as if the references in those sections to section 4.2 were instead references to this section 4.3).

### **4.4 Notification of trades by Prescribed Persons**

If Prescribed Persons acquire or dispose of APA securities, they must notify the Company Secretary of the details of the trade within five business days from the date the contract for the trade is made, not the day the trade is settled and paid for (which typically occurs three days after the trade).

A notification form is available from the Company Secretary who will maintain a register of those notifications.

### **4.5 Notification of trades by Directors**

Directors are required to notify the Company Secretary of the details of all acquisitions or disposals of APA securities by:

- the Directors themselves, or
- any entity (e.g. a company, trust or superannuation fund) or person (e.g. a child or other family member) where the Director, directly or indirectly, has or will have the power to exercise the right to vote attached to the APA securities or to dispose of the APA securities, or to control the exercise of either of those powers.

Directors must provide those details to the Company Secretary in sufficient time to allow APA Group to notify ASX of the trade within five business days, as required by the ASX Listing Rules. That period of five days starts on the date the contract for the trade is made, not the day the trade is settled and paid for.

In the case of issue of APA securities to Directors through their participation in APA Group's Distribution Reinvestment Plan, the Company Secretary will obtain the relevant details from the securities registry and notify ASX of the details of those issues accordingly.

## **5 Links / interaction with other policies**

Market disclosure policy  
Compliance Plan; Part 6.17 Insider Trading

## **6 Attachments**

Nil

## **7 Procedures**

Nil