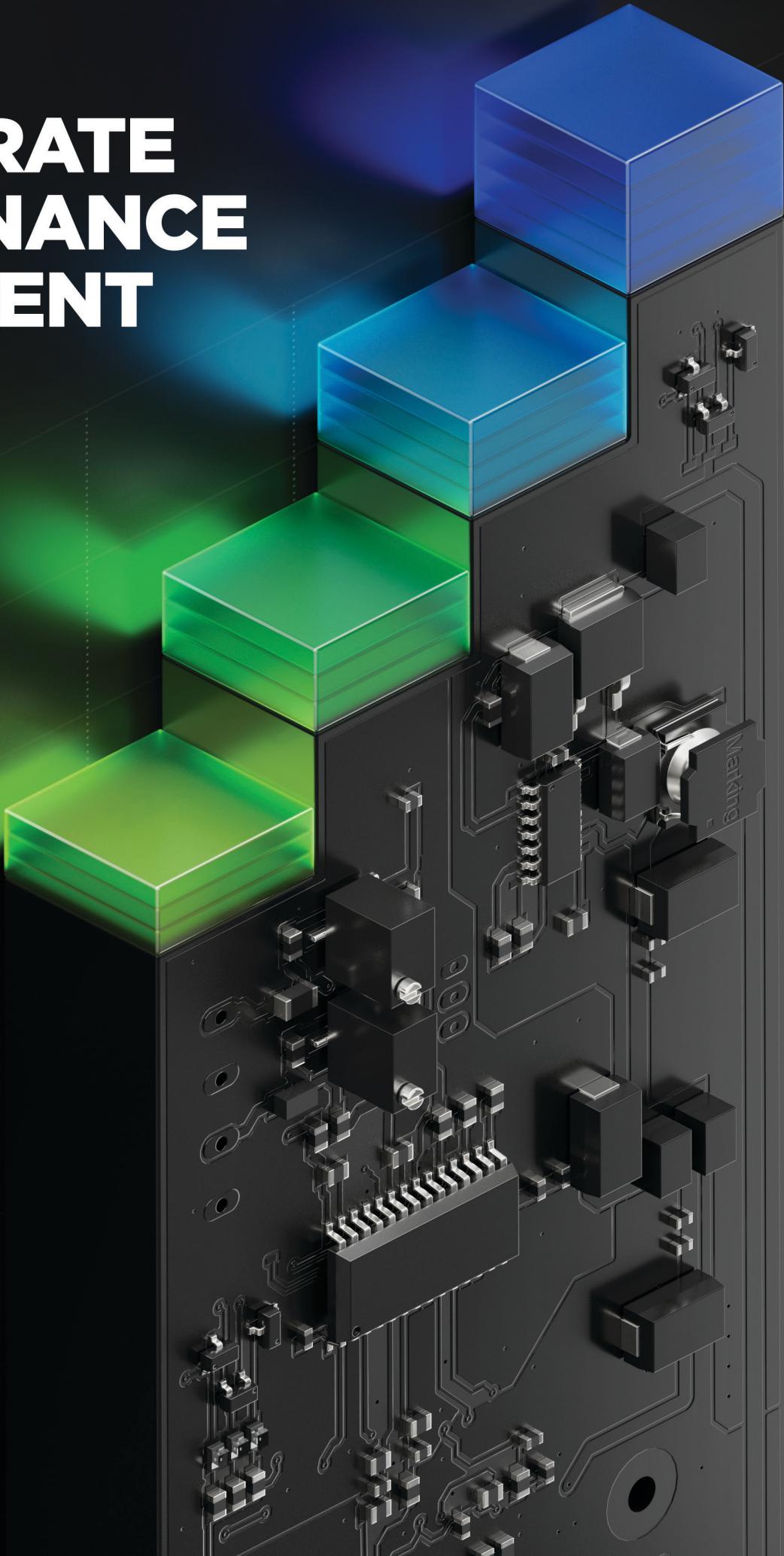


**Altium**®

# CORPORATE GOVERNANCE STATEMENT 2023

Altium Limited  
ACN 009 568 772



This Corporate Governance Statement describes the corporate governance framework, policies and practices of Altium Limited for the reporting period ended 30 June 2023. The information provided in this statement is current as at 15 September 2023 and has been approved by Altium's Board of Directors (Board) and specifies the Company's compliance with the recommendations of the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (ASX Principles).

## Corporate Governance at Altium

The Board periodically reviews Altium's governance policies and practices with the objective that they remain appropriate in light of changes in corporate governance expectations and developments.

Further information about Altium's approach to corporate governance can be accessed on the Company's website at: <https://www.altium.com/corporate-governance> which includes links to each of the publicly available documents referenced in this Corporate Governance Statement.

The following table indicates where each of the ASX Principles are addressed in this Corporate Governance Statement.

| ASX PRINCIPLES AND RECOMMENDATIONS  | SECTION REFERENCE |
|---|-------------------|
| Principle 1 Lay solid foundations for management and oversight              | 1,2,3,4           |
| Principle 2 Structure the Board to be effective and add value               | 2,3               |
| Principle 3 Instill a culture of acting lawfully, ethically and responsibly | 4                 |
| Principle 4 Safeguard the integrity of corporate reports                    | 3,5               |
| Principle 5 Make timely and balanced disclosures                            | 6                 |
| Principle 6 Recognise the rights of security holders                        | 7                 |
| Principle 7 Recognise and manage risk                                       | 3,8               |
| Principle 8 Remunerate fairly and responsibly                               | 3                 |

# 1. Role of the Board

## Relevant governance documents:

- *Board Charter*

The role of the Board is to demonstrate leadership and provide overall strategic guidance and to enhance the interests of Altium's shareholders, employees, and customers and to ensure Altium and its controlled entities, together referred to as the 'Group', are properly managed.

The roles and responsibilities of the Board and management are set out in a Board Charter. The Board Charter sets out those functions that are delegated to management and those that are reserved for the Board. The Board is responsible for promoting the success of the Group as a leading global developer and supplier of electronic design software and as an ASX-listed entity in a way which ensures that the interests of shareholders and stakeholders are promoted and protected.

The Board has delegated authority for the operations and administration of the Altium Group to the Chief Executive Officer (CEO), including day-to-day management, implementation of corporate strategy, and providing the Board with accurate, timely and clear information on Altium's operations to enable the Board to perform its functions. The CEO is accountable to the Board for the exercise of this delegated authority and that of the management group of Altium.

The Board Charter also sets out the role and responsibilities of the Chair of the Board and draws a distinction between those responsibilities and those of the CEO.

To assist it in discharging its responsibilities, the Board has established Committees to consider key issues. Two standing Committees have been established, the Audit and Risk Management Committee and the Human Resources Committee. The Committees make recommendations to the Board which may or may not be adopted by the Board.

During the FY23 reporting period, the Board reviewed the roles and responsibilities of the Board and its Committees, in particular, the Board's oversight of risk-related matters. Following this review, it was determined that in FY24, a standalone Risk Management and Governance Committee would be established. The proposed structure is consistent with market-leading approaches, and the standalone Risk Management and Governance Committee will have oversight and responsibility for risk management and governance, including Altium's risk management framework, material and emerging risks and the Company's governance and compliance framework. The Audit and Risk Management Committee will be renamed the Audit Committee, with the oversight and responsibility for risk and risk management being primarily undertaken by the new Risk Management and Governance Committee.

# 2. Board structure and composition

## Relevant governance documents:

- *Board Charter*
- *Diversity and Inclusion Policy*

### 2.1. Board structure

The Board's size and composition is determined by the Directors, within the limits prescribed by Altium's Constitution, which requires a Board of between three and nine Directors.

The Company's Board currently comprises five Directors, including three Non-executive Directors and two Executive Directors (CEO) Mr Aram Mirkazemi and President Mr Sergiy Kostynsky).

Directors' names, tenure, profiles and details of their skills, experience and special expertise are set out in the Directors' Report on pages 20 to 22 of the FY23 Annual Report.

### BOARD OF DIRECTORS AND TENURE

|                   |   |
|-------------------|---|
| Sam Weiss, Chair* | Chair and Non-executive Director since October 2007 and January 2007 (respectively)               |
| Aram Mirkazemi    | Chief Executive Officer and Executive Director since January 2014 and October 2012 (respectively) |
| Sergiy Kostynsky  | President and Executive Director since October 2020 and January 2018 (respectively)               |
| Lynn Mickleburgh  | Independent Non-executive Director since March 2017   |
| Simon Kelly       | Independent Non-executive Director since March 2022   |

\* During the FY23 reporting period, Altium Limited announced to the market on 8 June 2023 that Mr Weiss had communicated his intention to step down as Chair at or prior to the Company's Annual General Meeting, scheduled for 16 November 2023, subject to a suitable replacement being found prior to that time. Mr Weiss will remain a member of the Company's Board of Directors. The Company has engaged global search firm, Russell Reynolds Associates, to conduct a Chair candidate search. The Company is also continuing its search for additional Non-executive Directors to expand the governance capability and capacity of the Board and to oversee and to support Altium's strategic direction.

## 2.2. Board skills, experience and diversity

The Board recognises the importance of ensuring that its members possess a broad range of skills, knowledge, experience and diversity. The Board, with the assistance of the Human Resources Committee, has developed a Board skills matrix setting out the mix of skills, expertise, experience and diversity that the Board currently has or seeks to introduce to its membership.

The Board and Human Resources Committee periodically evaluate the Board skills matrix to determine whether it continues to align with and uphold Altium's transformative strategic agenda, the appropriate discharge of responsibilities and duties by the Board together with an appropriate level of competence to confront current and emerging issues relevant to Altium. During the FY23 reporting period, the Human Resources Committee conducted an evaluation of the Board skills matrix. The Human Resources Committee recommended certain changes to the Board skills matrix, including the separation of 'Risk Management' and 'Governance' into two separate capabilities reflecting a deeper level of focus on each, and nominated cyber risk as a new Risk Management capability.

The Board adopted these changes and Altium's refreshed Board skills matrix is set out below titled 'Board skills and experience' and shows the level of skill each Director has against each capability.

In FY22, the Diversity Policy was amended and re-titled the Diversity and Inclusion Policy. The Policy applies to all Directors, employees, contractors and consultants of the Altium Group. The Board considers diversity in a comprehensive manner, taking into account various aspects such as diverse perspectives, gender, independence, relationships and backgrounds. Altium recruits, develops, promotes and pays its people in a way that supports a commitment to being more diverse and inclusive, with final decisions being based on merit, and this principle extends to the Board's planning for succession. See Section 4.5 on diversity generally.

## 2.3. Director retirement and election / re-election

Each Executive and Non-executive Director's term of appointment is subject to the provisions of the Corporations Act, the ASX Listing Rules, and Altium's Constitution (as applicable to the relevant Director).

New Non-executive Directors (appointed by the Board as casual vacancies) are required to seek election as a Director at the Annual General Meeting (AGM) following their appointment. They will then stand for re-election on a rotational basis with other Directors. No Director (other than the CEO) may hold office without re-election following the third AGM following their appointment or three years, whichever is longer.

The Board does not automatically support Directors who are retiring and seeking re-election. Prior to each AGM, the Board will evaluate the performance and contribution of each retiring Director and whether it will recommend to shareholders to vote in favor of re-election.

Altium discloses all material information in its possession to shareholders to enable them to cast their vote on the election or re-election of Directors in an informed manner. Altium's Notice of Meeting will include a statement from the Board as to whether it recommends an election or re-election together with reasons.

## Board skills and experience

As noted in Section 2.2 above, during the FY23 reporting period, the Human Resources Committee conducted a review of the Board skills matrix and further to its recommendations, the Board resolved to adopt a refreshed Board skills matrix as described below:

| CAPABILITY                         | SKILL LEVEL   |
|------------------------------------|---|
| <b>Financial Expertise</b>         | Experience in Finance, Accounting, Planning & Analysis, M&A, Internal Controls and Capital Management   |
| <b>Global Leadership</b>           | Strategic and operational experience in a global organisation including the Asia Pacific, European and North American regions   |
| <b>B2B SaaS and Marketplace</b>    | Executive Experience in B2B SaaS, Digital Marketing and Marketplaces, Customer Experience and Customer Success  |
| <b>Industry Knowledge</b>          | Industry experience in Engineering Software including Electronic Design, Supply Chain and Manufacturing   |
| <b>Cloud, IT &amp; Technology</b>  | Expertise in Digital Technology, Agile Software Development and Delivery of Cloud and Platform Solutions at Scale   |
| <b>Strategy</b>                    | Experience Leading & Executing Corporate Strategy and Industry Transformation for a High Growth Company   |
| <b>Cyber &amp; Risk Management</b> | Ability to identify key risks such as cyber security, data security and privacy. Ability to monitor effectiveness of risk and compliance frameworks, controls and oversee mitigation strategies |
| <b>Governance</b>                  | Board Level Experience in Governance and Compliance. Knowledge and experience in Corporate Governance structures, policies and processes  |
| <b>People &amp; Culture</b>        | Corporate Experience with Remuneration, Organisation Design, Diversity & Inclusion, Talent Development, and Scaling HR Operations   |

- Limited/basic experience (limited breadth/depth and/or only up to 2 years)
- Good familiarity (reasonable breadth/depth and 3-7 years)
- Significant experience (strong breadth/depth and >7 years)

## 2.4. Nomination and appointment of new Directors

The Human Resources Committee is responsible under its Charter for assisting and advising the Board on Board succession planning, with the intention of maintaining a Board that is of a size and composition conducive to making appropriate business decisions, with the benefit of a variety of perspectives and skills and in the best interests of Altium.

The Committee also assists and advises on the process for recruiting new Directors by developing procedures for the selection and appointment of new Directors and making recommendations to the Board on proposed appointments of qualified individuals as Directors. Appropriate background checks of a potential candidate are performed prior to the candidate's appointment or resolution to shareholders for election. Where appropriate, Altium engages recruitment specialists to assist in searching for candidates and performing relevant background checks.

## 2.5. Director independence

During the FY23 reporting period, the Altium Board had two Executive Directors and three Non-executive Directors. The two Executive Directors were not considered to be independent because of their executive office. Two Non-executive Directors, Lynn Mickleburgh and Simon Kelly, were considered independent for the FY23 reporting period.

Non-executive Director and Chair Mr Weiss, was considered a non-independent Director for the whole of the FY23 reporting year because of a 50/50 vote on his independence by the other Directors (with Mr Weiss abstaining).

## 2.6. Induction of new Directors

All Directors are appointed pursuant to formal letters of appointment or service. These letters of appointment set out the key terms and conditions of the appointment of that Director (including individual duties and responsibilities and the terms of office and entitlements on termination). Pursuant to these letters, Directors are requested to consult with the Chair before accepting any additional commitments which might conflict with, or impact on, the time they are able to devote to fulfilling their responsibilities as Directors.

The Human Resources Committee is responsible for overseeing the development and implementation of Director induction and development programs on an ongoing basis. New Directors undertake a comprehensive induction program which is now accessible to new Directors digitally. Altium's induction for new Directors is designed to lead with the Company's corporate values, transformative agenda, and ambitions as well as its operational and governance framework. New Directors have scheduled one-on-one meetings with all members of the senior leadership team as well as Altium's professional advisers.

<sup>1</sup>See the commentary after the table in section 2.1 which references the announcement of 8 June 2023 regarding proposed changes to the Board composition.

### **2.7. Directors' skills, knowledge and experience**

Each Director is responsible for keeping their skills up-to-date in order to fulfill their role effectively. The Board receives documentation, presentations, and briefings on subjects that impact or could impact Altium's business or operations. Additionally, the Board is briefed on emerging business and governance matters that are relevant to the Group, as well as significant updates in applicable laws, regulations, and accounting standards. The Board assesses whether professional development is necessary for Directors to address new and emerging business and governance issues, and it is expected that Directors will pursue any required continuing education and training.

During the FY23 reporting period, the Human Resources Committee and Company Secretariat evaluated the effectiveness of board education and launched a dedicated digital education resource hub through its Board portal to enable Directors to access governance updates (legislative and regulatory), seminars and education events and webinars. This is supplemented by a calendar of in person or virtual education sessions delivered by internal or external subject matter experts which has included a seminar on climate-related financial disclosures (TCFD).

### **2.8. Board access to information and independent professional advice**

Altium's Board Charter states that Directors may with the consent of the Board or Chair (or in the case of a request by the Chair, the consent of the Chair or the Audit and Risk Management Committee) obtain independent professional advice at the Company's expense as considered necessary to the fulfillment of duties and responsibilities as a Board member. Pursuant to their letters of appointment, each Director also has access to Company employees and records.

At Board meetings, Directors receive reports from members of Altium's senior management team on matters pertaining to financial and operational performance.

### **2.9. Conflicts of interest**

Directors are required to take all reasonable steps to avoid actual, potential, or perceived conflicts of interests. Under the Corporations Act, Altium's Constitution and the Board Charter, Directors are required to disclose any conflicts and abstain from participating in any discussion or voting on matters in which they have a material personal interest. A Director who discloses that they may have a conflict must follow the procedures developed by the Board to deal with such circumstances.

### **2.10. Company Secretary**

The Company Secretary is appointed by the Board and is accountable directly to the Board through the Chair on all Board matters to do with the proper functioning of the Board and its Committees. All Directors have access to the services and advice of the Company Secretary. Further details on the Company Secretary are provided in the FY23 Directors' Report within the FY23 Annual Report.

## 3. Operation of the Board

### Relevant governance documents:

- *Board Charter*
- *Audit and Risk Management Committee Charter*
- *Human Resources Committee Charter*

#### 3.1. Board Committees

The Board has established two standing Committees: the Audit and Risk Management Committee and the Human Resources Committee and has delegated to each Committee duties to assist the Board in exercising its responsibilities and discharging its duties.

Each Committee has a separate Charter that specifies the roles and responsibilities of that Committee as well as the membership and other requirements relevant to its operations. The Charter of each Committee is available on the Corporate Governance page of Altium's website. Each Committee reports to the Board and minutes of the Committee meetings are tabled.

The Audit and Risk Management Committee meets at least four times per year and more often as required and the Human Resources Committee meets at least two times per year and more often as required.

Under their respective Charters, each Committee is required to evaluate its own performance on an annual basis. This includes an assessment of the extent to which the Committee has discharged its responsibilities as set out in its Charter. The results of this evaluation are reported to the Board.

The current composition of each Committee is set out in Table 1 below. The number of meetings held by the Board and each Committee during the FY23 reporting period and each member's qualifications and experience and their attendance at those meetings are set out in Altium's FY23 Directors' Report within the FY23 Annual Report.



## Table 1: Altium's Board Committee membership

| AUDIT AND RISK MANAGEMENT <sup>1</sup>  | HUMAN RESOURCES   |
|---|---|
| KEY RESPONSIBILITIES  |   |
| The Audit and Risk Management Committee supports the Board with oversight on financial reporting, external audit, risk management, internal controls, compliance and tax.<br><br>Its key responsibilities include: <ul style="list-style-type: none"><li>• financial reporting;</li><li>• risk management system (including the annual review of Altium's risk management framework and its effectiveness);</li><li>• internal control systems;</li><li>• internal and external audit functions;</li><li>• compliance with laws and regulations; and</li><li>• tax.</li></ul> | The Human Resources Committee supports the Board with oversight of remuneration and performance of the Board, Senior Executives and across the entire Altium Group.<br><br>The Human Resources Committee Charter gives the Committee responsibility for the functions described for a nominations committee in the ASX Principles or the Charter (as applicable).<br><br>Its key responsibilities include: <ul style="list-style-type: none"><li>• assisting and advising the Board on:<ul style="list-style-type: none"><li>• Director selection and appointment practices;</li><li>• Board, Committee and Director evaluation processes and criteria;</li><li>• Director induction and development programs;</li><li>• Board and Committee composition;</li><li>• succession planning for the Board, CEO and Senior Executives;</li><li>• remuneration strategy, policies and practices for the Board, CEO and executive team members;</li><li>• overseeing the human resources strategy, policies and key processes;</li><li>• ensuring that appropriate policies and practices are in place to enable Altium to meet its statutory obligations and the Board's commitment to health and safety;</li><li>• reviewing Altium's compliance with applicable laws and regulations pertaining to remuneration and human resources issues; and</li><li>• to liaise with the Audit and Risk Management Committee in relation to any risks associated with setting executive rewards and Altium's remuneration related to financial reporting obligations.</li></ul></li></ul> |
| COMPOSITION   |   |
| Three Non-executive Directors, including the Committee Chair, who have significant financial experience. The Committee Chair is not the Chair of the Board. All members of the Committee are financially literate, and the Committee possesses sufficient accounting and financial expertise and knowledge of the industry in which Altium operates. The independence of the Directors is described in section 2.5.   | Three Non-executive Directors, including the Committee Chair. The independence of the Directors is described in section 2.5.  |
| MEMBERS   |   |
| S Kelly (Chair)<br>L Mickleburgh<br>S Weiss   | L Mickleburgh (Chair)<br>S Kelly<br>S Weiss   |

<sup>1</sup> During the FY23 reporting period, the Board reviewed the roles and responsibilities of the Board and its Committees, in particular the Board's oversight of risk-related matters. Following this review, it was determined that in FY24, a standalone Risk Management and Governance Committee would be established. The proposed structure is consistent with market-leading approaches, and the standalone Risk Management and Governance Committee will have oversight and responsibility for risk management and governance, including Altium's risk management framework, material and emerging risks and the Company's governance and compliance framework. The Audit and Risk Management Committee will be renamed the Audit Committee, with the oversight and responsibility for risk and risk management being primarily undertaken by the new Risk Management and Governance Committee.

## 3.2. Special purpose Sub-Committees

As and when required, the Board establishes Sub-Committees to consider specific matters, and where required, approve certain matters within Board-approved parameters. During the FY23 reporting period, Sub-Committees were established to provide final authorisation to release Altium's half yearly and yearly financial statements. Altium has also established a Disclosure Committee which meets on an as needed basis to assess any matters relevant to the Company's continuous disclosure obligations.

## 3.3. Performance of the Board, Committees and Individual Directors

The Human Resources Committee is responsible under its Charter for overseeing the development and implementation of a process for evaluating the performance of the Board, Board Committees and individual Directors. At the recommendation of the Human Resources Committee, the Board engaged an external consultant to undertake an evaluation in respect of FY23 to determine the effectiveness of Board meetings, discussion and information sharing. Evaluations and interviews were conducted with each member of the Board and the Company Secretary. A report was delivered to the Committee with the intention of recommendations being implemented during FY24.

## 3.4. Appointment and performance of Senior Executives

The members of Altium's senior leadership team have a written service agreement setting out the terms of their appointment, including specifying their roles and responsibilities, and Altium's expectations in respect of their conduct and performance. Prior to their appointment, relevant background checks are performed by the Human Resources team and external consultants.

The Chair, with the assistance of the Human Resources Committee, annually reviews the CEO's performance and the CEO annually reviews the performance of the members of Altium's senior leadership team. This process includes a review of performance hurdles as part of the executive remuneration framework following the end of the financial year and has been conducted for the FY23 reporting period. Further details are disclosed in the FY23 Remuneration Report within the FY23 Annual Report.

## 3.5. Remuneration of Directors and Senior Executives

The Human Resources Committee assists and advises the Board on remuneration principles, objectives and policies for the Board, the CEO and Senior Executives. This is informed by market practices and legislative and regulatory requirements.

Remuneration for Non-executive Directors consists entirely of Directors' fees and Committee fees (other than the Chair who does not receive Committee fees). Non-executive Directors do not receive any variable remuneration or other performance-related incentives. Altium does not operate any retirement benefit schemes for Non-executive Directors.

Further details of the remuneration paid to each Non-executive Director and Altium's remuneration framework, relevant policies, and practices during the FY23 reporting period are disclosed in the FY23 Remuneration Report within the FY23 Annual Report.

For the reporting period, the remuneration of the CEO and members of Altium's senior leadership team comprised fixed remuneration and short-term and/or long-term equity based incentives. Altium's remuneration strategy and framework, and the remuneration packages and outcomes for Key Management Personnel during the FY23 reporting period, are disclosed in the FY23 Remuneration Report within the FY23 Annual Report.

As detailed in Altium's Share Trading Policy, employees who receive Performance Rights under an Altium incentive plan are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the incentive plan.

## 4. Ethical Conduct and Responsible Decision Making

Altium recognises the need to establish and maintain corporate governance policies and practices which address legislative and regulatory requirements as well as market and stakeholder expectations.

### Relevant governance documents:

- *Anti-Bribery and Corruption Policy*
- *Continuous Disclosure Policy*
- *Code of Conduct*
- *Diversity and Inclusion Policy*
- *Share Trading Policy*
- *Supplier Code of Conduct*
- *Whistleblower Policy*



## 4.1. Code of Conduct

Altium has eight core values designed to create an optimum environment for success and endeavor.

### ► **Big Thinking (in pursuit of purpose)**

We set ambitious long-term goals that stakeholders at all levels can appreciate and get behind.

### ► **Ingenuity (of AND)**

We welcome complexity and polarities, utilizing resourcefulness and creative thinking to generate options or solutions, while balancing risks, rewards, and conflicting priorities in solving problems.

### ► **Diversity (of thought)**

We think outside of the box and listen to new ideas.

### ► **Adaptability (of approach)**

We thrive on change and flexibility, utilizing a global view and understanding not just how, but why.

### ► **Courage (of conviction)**

We fearlessly express our convictions, born out of a relentless desire to succeed.

### ► **Agility (of action)**

We shift rapidly to be more effective based on the situation. We fail fast or win quickly.

### ► **Grit (in pursuit of mission)**

Load bearing and demonstrating resolve to move through adversity or obstacles. Remains objective and positive through periods of change.

### ► **Transparency (of intent)**

We facilitate open and honest two-way communication in relation to the why, the what, and the how.



Altium's Code of Conduct applies to all Directors, employees, and representatives who act on behalf of the Altium Group. The Code of Conduct provides a guideline for appropriate behaviour and applies to all work-related activities globally.

The Code of Conduct specifies that Altium's people are expected to perform in line with high ethical standards and applicable legal and regulatory requirements as well as demonstrating Altium's core values. If an employee becomes aware of a breach of the Code of Conduct, the employee should report the breach in accordance with the procedure outlined in the Code of Conduct.

Any material breaches of the Code of Conduct are expected to be reported to the Human Resources Committee who will oversee any remedial actions required.

### 4.2. Whistleblower protection

Altium's values and Code of Conduct are designed to promote and support a culture of honest and ethical behaviour, including encouraging a "Speak Up" culture.

Altium's Whistleblower Policy is designed to encourage employees to report any actual or suspected conduct within the Altium Group which may be unethical, illegal, fraudulent, or undesirable. This includes conduct by an Altium Director, officer, employee, contractor, supplier, or other person who has business dealings with Altium.

The Whistleblower Policy provides protections and measures to ensure any person making a report may do so confidentially (or anonymously) without fear of intimidation, disadvantage or reprisal. Appropriate internal and external channels have been put in place with the objective that any reports of wrongdoing are handled fairly, sensitively, and confidentially. This includes the provision of the Altium Whistleblower Service, an independent whistleblowing service managed by Deloitte.

The Audit and Risk Management Committee is informed of any material incidents raised under the Whistleblower Policy and oversees the actions taken by management in response. The reports are provided on a 'no name' basis, maintaining the confidentiality of matters raised under the Whistleblower Policy.



### 4.3. Anti-Bribery and Corruption

Altium strives to maintain a high standard of integrity, investor confidence and good corporate governance to realise its core values including transparency and ingenuity. Altium's Anti-Bribery and Corruption Policy provides guidance on what constitutes bribery or corruption, and what steps employees should take if they believe or suspect that a conflict, or breach of the Policy has occurred, or may occur in the future.

Altium employees are not permitted to give, offer, promise, accept, request or authorise a bribe, whether directly or indirectly. In the event that an employee is offered a bribe, the employee must refuse the offer and immediately report the incident.

Altium also has implemented controls with respect to the provision of gifts and hospitality, including maintaining a Gift and Hospitality Register. The giving or receiving of gifts and hospitality being considered unacceptable if they may be, or may be perceived to be, given or received with the intention of improperly gaining a business advantage. The Gift and Hospitality Register is accessible by employees via the Company intranet and is completed by employees when they need to report the giving or receiving of gifts or hospitality.

All Altium employees are required to understand and comply with, and to follow the reporting requirements disclosed in this Policy. Training on this Policy, and how to complete the Gift and Hospitality Register, is provided to employees throughout the reporting period.

The Audit and Risk Management Committee is informed of any material breaches of the Anti-Bribery and Corruption Policy.

### 4.4. Dealing in securities

Altium's Share Trading Policy specifies restrictions that apply to Altium's designated officers (including Directors), employees and their associates when dealing in Altium securities. The Policy explains insider trading laws as they relate to trading in Altium securities, and the prohibitions that apply to insider trading under the Corporations Act. The Policy is intended to supplement, but not replace, the Corporations Act.

Designated officers are prohibited from entering into transactions or arrangements with anyone which could have the effect of limiting the exposure of the designated officer to risk relating to an element of their remuneration that has not vested or has vested but which remains subject to holding locks.

The Share Trading Policy also outlines trading procedures, including clearance procedures, that must be adhered to by designated officers and employees.

### 4.5. Diversity and inclusion

The Board and the Human Resources Committee oversee Altium's strategies and performance on diversity, including monitoring the performance and effectiveness of initiatives to improve diversity.

As provided for in the Diversity and Inclusion Policy, at Altium, diversity means a collection of individual attributes that includes, but is not limited to, demographic diversity, cognitive diversity, background and lived experience. Demographic diversity may be visible or invisible and may include, but is not limited to, gender, marital or family status, sexual orientation, gender identity, age, disability, ethnicity, caring or family responsibilities, religious beliefs, cast, cultural background, socioeconomic background, perspective and experience.

Altium's Diversity and Inclusion Policy includes the following principles:

- the strategies employed to support diversity and enable inclusion are in service of Altium's business strategy.
- a diverse workforce is a competitive advantage in retaining and attracting the best people to improve Altium's business performance.
- the diversity of Altium's people should reflect its diverse, global customers and the countries where it operates.
- the experience of work for employees is to be inclusive and respectful of individual differences, including but not limited to, family responsibilities.
- awareness of the rights and responsibilities of individuals with regard to equity and respect for others is important for all employees.
- Altium recruits, develops, promotes and pays its people in a way that supports its commitment to being more diverse and inclusive, with final decisions based on merit.
- Altium is open to considering flexible ways of working, including flexible working hours, job sharing and working remotely.
- Altium strives for pay equity and is continuously monitoring to identify, eliminate, and rectify gaps.
- Altium will not tolerate any form of unlawful discrimination, harassment, vilification and victimisation of persons in the workplace.

The Human Resources Committee is responsible for reviewing, overseeing implementation of and making recommendations in relation to the Diversity and Inclusion Policy. This includes establishing, monitoring, and ensuring the progress of measurable objectives towards achieving gender diversity in the composition of the Board, Senior Executives and Altium's broader workforce.

The Board assesses and reports annually on the diversity and inclusion objectives and the progress towards achieving them.

On at least an annual basis, the Human Resources Committee is required to review the effectiveness of the Diversity and Inclusion Policy, its objectives and the strategies to achieve the objectives, review the division of responsibilities and accountability for development and implementing diversity and inclusion initiatives across the Altium Group, and report to the Board on the outcomes of its review, including any recommendations for change to those strategies or the way in which they are implemented.

## FY23 Diversity Measurable Objectives

| INITIATIVES  | OBJECTIVE STATUS |
|--|------------------|
| Progress toward a gender diversity target for C-Suite Executives* of 30% by 2024                                 | C-Suite 20%      |
| Achieve gender diversity target for the Board of at least 30%  | Board 20%        |
| Conduct annual company-wide employee engagement surveys to understand lived experiences in relation to diversity | Completed        |
| Conduct Workplace Diversity, Equity, and Inclusion in Action training for all managers                           | Completed        |
| Establish a global employee resource group focused on empowering our women and their leadership potential.       | Completed        |

\* A C-Suite Executive is defined as a Senior Vice President or higher who reports directly to the CEO or President noting that in FY22 this figure also included Vice Presidents.

|   | FY22           |     | FY23           |     |
|---|----------------|-----|----------------|-----|
|   | NUMBER OF FTES | %   | NUMBER OF FTES | %   |
| <b>C-Suite and SVP Roles</b>            |                |     |                |     |
| Total C-Suite Executives and SVP Roles  | 11             |     | 15             |     |
| Female C-Suite Executives and SVP Roles | 2              | 18% | 3              | 20% |
| <b>C-Suite and VP Roles</b>             |                |     |                |     |
| Total C-Suite Executives and VP** Roles | 20             |     | 25             |     |
| Female C-Suite Executives and VP Roles  | 5              | 25% | 6              | 24% |

\*\* C-Suite Executives and VPs cohort defined as a Vice President or higher where VPs are not required to report directly to the CEO or President.

The following table illustrates the respective proportions of male and female employees within the Altium global workforce as well as the Board and members of the Senior Executive team.

|                           | FY22           |     | FY23           |     |
|---------------------------|----------------|-----|----------------|-----|
|                           | NUMBER OF FTES | %   | NUMBER OF FTES | %   |
| <b>Australia</b>          |                |     |                |     |
| Total Employees           | 20             |     | 27             |     |
| Female Employees          | 13             | 65% | 16             | 59% |
| Male Employees            | 7              | 35% | 11             | 41% |
| <b>Globally</b>           |                |     |                |     |
| Total Employees           | 784            |     | 836            |     |
| Female Employees          | 271            | 35% | 303            | 36% |
| Male Employees            | 509            | 65% | 529            | 63% |
| Other Employees           | 4              | <1% | 4              | <1% |
| <b>C-Suite Roles*</b>     |                |     |                |     |
| Total C-Suite Roles       | 11             |     | 15             |     |
| Female C-Suite Executives | 2              | 18% | 3              | 20% |
| Male C-Suite Executives   | 9              | 82% | 12             | 80% |
| <b>Board</b>              |                |     |                |     |
| Total Board Members       |                |     | 5              |     |
| Female Board Members      | 2              | 33% | 1              | 20% |
| Male Board Members        | 4              | 67% | 4              | 80% |

Altium does not qualify as a 'relevant employer' for the purposes of the Workplace Gender Equality Act.

### 4.6. Supplier Code of Conduct

Altium's Supplier Code of Conduct sets out the behaviours and business practices expected of any entities or individuals supplying goods or services to Altium. Where suppliers operate in countries that have requirements and standards less stringent than Altium's Supplier Code of Conduct, suppliers are expected to adhere to Altium's Supplier Code of Conduct.

Altium expects its suppliers to comply with local, national, and international applicable laws, including but not limited to all anti-corruption, competition, business licensing, data protection and privacy, environmental, export control, health and safety and labour laws.

During the FY23 reporting period, Altium further formalised its vendor management processes with a dedicated focus on material suppliers who are required to either sign an acknowledgement of Altium's Supplier Code of Conduct or otherwise submit their code of conduct for an adequacy assessment to be made by Altium as part of their procurement process.

## 5. Integrity in corporate reporting

### Relevant governance documents:

- *Audit and Risk Management Committee Charter*

#### 5.1. Role of the Audit and Risk Management Committee

Altium's Audit and Risk Management Committee Charter describes the role of the Audit and Risk Management Committee as assisting and advising the Board to fulfill its corporate governance duties and overseeing responsibilities in relation to Altium's financial reporting, internal control system, risk management system and the internal and external audit functions.

The Committee has the authority to require the attendance of Company officers at meetings as appropriate, have unrestricted access to members of management, employees and information it considers relevant, and oversee the work and assess the performance of internal and external auditors. The CEO, the Interim Chief Financial Officer (CFO) and the external auditor may be invited by the Committee to attend Committee meetings, as necessary. Other members of management and advisers may also be invited to attend meetings.

In carrying out their duties and responsibilities, Committee members have access to advice and counsel from the Chair and the Company Secretary and may obtain independent professional advice at the Company's expense, after consultation with the Chair. The Committee meets with the external auditor, without management present.

#### 5.2. Independence of the external auditor

Altium's current external auditor is KPMG, who was appointed in 2022. The external auditors have direct access to the Chair of the Audit and Risk Management Committee and separately meet with the Audit and Risk Management Committee without management present.

The Committee reviews the independence of the external auditor, including the nature and level of non-audit services provided, and reports its findings to the Board every six months.

The Corporations Act requires the external auditor to make an annual independence declaration, addressed to the Board, declaring that the auditor has maintained its independence in accordance with the Corporations Act and the rules of professional accounting bodies. KPMG has provided an independence declaration to the Board for the FY23 reporting period. This declaration forms part of the FY23 Directors' Report within the FY23 Annual Report.

## 5.3. Provision of non-audit services by the external auditor

Details of the fees paid to KPMG during the FY23 reporting period, including a breakdown of fees paid for non-audit services, are disclosed in Note 24 of the Group's FY23 financial statements (see the FY23 Annual Report). The Audit and Risk Management Committee reviews the independence of the external auditor, including the nature and level of non-audit services provided, and reports its recommendations and findings to the Board. In addition, the Audit and Risk Management Committee has a Non-Audit Services Policy in place which regulates the provision of non-audit services by the external auditor.

## 5.4. Attendance of the external auditor at the AGM

The external auditor attends the Company's AGM and is also available to answer relevant questions from shareholders.

## 5.5. Financial and corporate reporting

Prior to Board approval of Altium's financial statements, the Company's CEO and Interim CFO provide the Board with a declaration required under Section 295A of the Corporations Act, that, in their opinion, the financial records of Altium have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Altium Group, and that their opinion had been formed on the basis of a sound system of risk management and internal compliance and control, which is operating effectively.

In circumstances where KPMG has not been required to review a periodic corporate report, Altium's processes for verifying the veracity of any unaudited periodic corporate reports is as follows: reports are prepared by or under the supervision of subject matter experts (and with assistance from third party professional services firms where appropriate), material statements are reviewed for accuracy, material requirements are appropriately interrogated, and otherwise must be approved by the Board.

In addition the Audit and Risk Management Committee have engaged KPMG to undertake additional assurance services in relation to the integrity of certain key non-IRFS measures included in its periodic reporting.

# 6. Timely and balanced disclosures

## Relevant governance documents:

- *Continuous Disclosure Policy*

Altium has established written policies and procedures on information disclosure to support the objective of complying with its continuous disclosure obligations and promoting investor confidence through the provision of timely, direct, and equal access to Company information.

Altium's Continuous Disclosure Policy sets out the processes in place to support Altium's compliance with the ASX Listing Rules and Corporations Act disclosure obligations, including in relation to responding to rumors and market speculation.

The Board approves all material announcements before they are released to the market. In addition, each Director promptly receives a notification of any material announcement made by Altium to the ASX. Any new or substantive presentation prepared for the purposes of briefing investors or analysts are disclosed to the ASX in advance.

At Board meetings, the Board will consider whether there are any matters requiring disclosure in respect of each and every item that it considers and will also note all matters which were disclosed since the last Board meeting. The Board has established a Disclosure Committee which meets on an as needed basis to ensure that the Company complies with its disclosure obligations and to make recommendations on information to be disclosed to the market.

## 7. Communications with security holders

### Relevant governance documents:

- *Continuous Disclosure Policy*
- *Share Trading Policy*

Information and announcements released to the ASX are available to all shareholders on Altium's website <https://www.altium.com/>.

This includes:

- Annual and Half Yearly Reports;
- Dividend Announcements;
- Key Reporting Dates;
- Notices of Meeting for the Annual General Meeting; and
- Media Releases.

### 7.1. Website and electronic communications

Shareholders may elect to receive information electronically from, and send communication to, Altium and its Share Registry (Computershare).

Announcements released to the ASX are electronically available through the ASX Announcements platform and Altium's website. Altium's website includes key information for all shareholders and stakeholders including Director and leadership team member profiles, copies of all key governance documentation and important shareholder information.

Recordings of investor conference calls are available on Altium's website. Shareholders may email Altium via [investor.relations@altium.com](mailto:investor.relations@altium.com) to obtain a copy of these recordings.

### 7.2. Investor Engagement

Altium has a multifaceted stakeholder engagement program and a dedicated investor relations function to foster two-way communications with analysts, investors and proxy advisors. The investor relations team regularly facilitates communications with existing and prospective stakeholders with activities that include:

- providing relevant Company information online via our Investor Centre on our website;
- responding to shareholder queries directly via phone, email and mail and meetings with analysts and small investor groups (using both video communications and face-to-face meetings);
- one-on-one meetings with key investors and group sessions following half year and full year earnings releases to discuss current results, strategic initiatives, and future operating commitments; and
- detailed presentations and engagements with stakeholders at the AGM.

As stated in Section 6, any new or substantive presentation prepared for the purposes of briefing investors or analysts is disclosed to the ASX in advance. Presentations and speeches made by the Chair and CEO at the AGM are released to the ASX announcements platform.

## 7.3. Annual General Meeting

Altium's shareholders are encouraged to attend and participate in general meetings.

Shareholder meetings are ordinarily held in the Sydney CBD in a central location with access to numerous forms of public transport. Shareholders who are unable to attend the meeting are encouraged to vote on proposed resolutions by appointing a proxy prior to the meeting. In addition, Shareholders have the opportunity to submit written questions to Altium and its independent external auditor KPMG prior to the meeting, as well as make comments and access presentations and speeches prior to the commencement of the meeting.

All resolutions voted on at Altium's AGM (and any other general meeting of Altium) are decided by a poll. Altium also publishes the outcome of voting on resolutions to the ASX and on its website following the conclusion of the AGM.

# 8. Recognising and managing risk

## Relevant governance documents:

- *Audit and Risk Management Committee Charter*

### 8.1. Risk Management

The Board is ultimately responsible for ensuring that material risks facing the Altium Group have been identified and that adequate controls, monitoring and reporting mechanisms are in place and operating effectively. The Board's oversight of risk management is supported by the Audit and Risk Management Committee.

The Audit and Risk Management Committee operates in accordance with its Charter, which specifies that its key role is to assist the Board to fulfill its corporate governance function and oversee responsibilities in relation to Altium's financial reporting, internal control system, risk management system and the internal and external audit functions.

The Audit and Risk Management Committee reviews Altium's risk management framework and its effectiveness on an annual basis.

During the FY23 Reporting Period, Altium engaged EY to review the Altium risk management framework. Following the review, EY made recommendations to enhance the risk management framework to the Audit and Risk Management Committee and the Board. Under the oversight of the Audit and Risk Management Committee a program has commenced to address these recommendations to establish a stronger risk capability and framework to anticipate, prepare for and respond to material risks and opportunities.

Further information on specific environmental or social risks that could materially impact the Altium Group, and the measures taken or intended to be taken to mitigate against them, are set out in the FY23 Environmental, Social and Governance (ESG) Report.

### 8.2. Material risk disclosure

The Altium Operating and Financial Review (OFR), contained within the FY23 Annual Report, outlines the risks the Group considers to be the most material to impact the results of the Group. These risks include new product adoption, cyber risk, economic and geopolitical instability risk, the ability to attract and retain key personnel, innovation risk, monetisation model risk, compliance and regulatory risk and sustainability risk (including climate). The OFR also includes a description of the Group's policies, procedures and/or activities to mitigate each risk. More information on Altium's approach to its environmental, social and governance reporting topics are in the FY23 ESG report.

Altium's strategic risks will be re-evaluated following completion of the implementation of the recommendations as a result of the EY risk review (refer to section 8.1).

## **8.3. Internal Audit function**

Altium does not have an internal audit function. Altium senior management has executive responsibility of the Altium governance, risk management and internal control processes with dedicated reporting on material risks to the Audit and Risk Management Committee by members of senior management and its professional advisors. The Audit and Risk Management Committee receives reports and recommendations from external advisors on key risk areas such as the Company's cyber environment and sanctions compliance, and from the Company's external auditors.

## Appendix 4G

### Key to Disclosures

#### Corporate Governance Council Principles and Recommendations

Name of entity

ALTIUM LIMITED

ABN/ARBN

93 009 568 772

Financial year ended:

30 June 2023

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://www.altium.com/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 15 September 2023 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 15 September 2023

|   |                                       |
|---|---------------------------------------|
| Name of authorised officer authorising lodgement: | Natasha Davidson<br>Company Secretary |
|---|---------------------------------------|

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation                             |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are: <sup>5</sup>                         |
|---|--|---|--|
| <b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b> |  |   |  |
| 1.1   | A listed entity should have and disclose a board charter setting out: <ul style="list-style-type: none"> <li>(a) the respective roles and responsibilities of its board and management; and</li> <li>(b) those matters expressly reserved to the board and those delegated to management.</li> </ul>   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Role of the Board") and we have disclosed a copy of our board charter at: <a href="https://www.altium.com/governance/board_charter">https://www.altium.com/governance/board_charter</a> | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.2   | A listed entity should: <ul style="list-style-type: none"> <li>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</li> <li>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</li> </ul> | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Director retirement and election / re-election", "Nomination and appointment of new Directors" and "Appointment and performance of Senior Executives").                                 | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3   | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Induction of new Directors" and "Appointment and performance of Senior Executives").  | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.4   | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Company Secretary").  | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with "*insert location*" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate governance/charters").

<sup>5</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| <b>Corporate Governance Council recommendation</b> |   | <b>Where a box below is ticked,<sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:</b>  | <b>Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:<sup>5</sup></b>                                 |
|--|---|---|--|
| 1.5  | <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>(c) disclose in relation to each reporting period:           <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either:               <ul style="list-style-type: none"> <li>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</li> <li>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Diversity and inclusion") and we have disclosed a copy of our diversity policy at: <a href="https://www.altium.com/sites/default/files/2023-07/diversity_policy.pdf">https://www.altium.com/sites/default/files/2023-07/diversity_policy.pdf</a></p> <p>and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement (under "Diversity and inclusion")</p> <p>and, as we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period, we have disclosed our measurable objective for achieving gender diversity in the composition of our board of not less than 30% of its directors of each gender within a specified period in our Corporate Governance Statement (under "Diversity and inclusion").</p> | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.6  | <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</li> </ul>   | <p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement (under "Performance of the Board, Committees and Individual Directors") and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement (under "Performance of the Board, Committees and Individual Directors").</p>  | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| <b>Corporate Governance Council recommendation</b> |  | <b>Where a box below is ticked,<sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:</b>  | <b>Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are:<sup>5</sup></b>                   |
|--|--|---|--|
| 1.7  | <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</li> <li>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</li> </ul> | <input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement (under "Appointment and performance of Senior Executives") and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement (under "Appointment and performance of Senior Executives"). | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| Corporate Governance Council recommendation                            |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are: <sup>5</sup>                         |
|--|---|--|--|
| <b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b> |   |  |  |
| 2.1  | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Board Committees") and we have disclosed a copy of the charter of the committee at:<br><a href="http://www.altium.com/sites/default/files/2022-08/altium_human_resources_committee_charter.pdf">www.altium.com/sites/default/files/2022-08/altium_human_resources_committee_charter.pdf</a><br>and the information referred to in paragraph (4) in our Corporate Governance Statement (under "Board Committees")<br>and the information referred to in paragraph (5) in our FY2023 Annual Report (under "Meetings of Directors" in the Directors' Report). | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.2  | A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.   | <input checked="" type="checkbox"/> and we have disclosed our board skills matrix in our Corporate Governance Statement (under "Board skills and experience").   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.3  | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>   | <input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement (under "Board Structure" and "Director independence")and the length of service of each director in our Corporate Governance Statement (under "Board Structure").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| <b>Corporate Governance Council recommendation</b>                                  |   | <b>Where a box below is ticked,<sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:</b>   | <b>Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are:<sup>5</sup></b>  |
|---|---|--|---|
| 2.4   | A majority of the board of a listed entity should be independent directors.   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement (under "Director Independence") <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.5   | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement (under "Director Independence") <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.6   | A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Induction of new Directors" and "Directors' skills knowledge and experience").   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| <b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b> |   |  |   |
| 3.1   | A listed entity should articulate and disclose its values.  | <input checked="" type="checkbox"/> and we have disclosed our values in our Corporate Governance Statement (under "Code of Conduct").  | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.2   | A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Code of Conduct") and we have disclosed our code of conduct at:<br><a href="http://www.altium.com/sites/default/files/2023-08/code_of_conduct.pdf">www.altium.com/sites/default/files/2023-08/code_of_conduct.pdf</a>  | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.3   | A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Whistleblower protection") and we have disclosed our whistleblower policy at:<br><a href="http://www.altium.com/sites/default/files/2023-07/whistleblower_policy.pdf">www.altium.com/sites/default/files/2023-07/whistleblower_policy.pdf</a>  | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.4   | A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Anti-Bribery and Corruption") and we have disclosed our anti-bribery and corruption policy at:<br><a href="http://www.altium.com/sites/default/files/2023-07/antibriberyandcorruption_policy.pdf">www.altium.com/sites/default/files/2023-07/antibriberyandcorruption_policy.pdf</a> | <input type="checkbox"/> set out in our Corporate Governance Statement  |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| Corporate Governance Council recommendation                       |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| <b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b> |  |   |  |
| 4.1   | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, who is not the chair of the board,</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the relevant qualifications and experience of the members of the committee; and</li> <li>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Board Committees") and we have disclosed a copy of the charter of the committee at:<br><a href="http://www.altium.com/sites/default/files/2022-08/audit_charter.pdf">www.altium.com/sites/default/files/2022-08/audit_charter.pdf</a><br>and the information referred to in paragraphs (4) and (5) in our FY2023 Annual Report (under "Board of Directors" and "Meetings of Directors" in the Directors' Report). | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 4.2   | The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Financial and corporate reporting").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 4.3   | A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Financial and corporate reporting").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| Corporate Governance Council recommendation                 |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| <b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>    |   |  |  |
| 5.1   | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Timely and balanced disclosures") and we have disclosed our continuous disclosure compliance policy at:<br><a href="https://www.altium.com/sites/default/files/2023-07/continuous_disclosure_policy.pdf">https://www.altium.com/sites/default/files/2023-07/continuous_disclosure_policy.pdf</a> | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 5.2   | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Timely and balanced disclosures").   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 5.3   | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Timely and balanced disclosures").   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| <b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b> |   |  |  |
| 6.1   | A listed entity should provide information about itself and its governance to investors via its website.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Website and electronic communications") and we have disclosed information about us and our governance on our website at:<br><a href="https://www.altium.com/corporate-governance">https://www.altium.com/corporate-governance</a>  | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.2   | A listed entity should have an investor relations program that facilitates effective two-way communication with investors.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Investor Engagement").   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.3   | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.  | <input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement (under "Annual General Meetings").   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.4   | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Annual General Meeting").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.5   | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.                                  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Website and electronic communications").   | <input type="checkbox"/> set out in our Corporate Governance Statement   |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| <b>Corporate Governance Council recommendation</b> |   | <b>Where a box below is ticked,<sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:</b>   | <b>Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:<sup>5</sup></b> |
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| <b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>     |   |  |  |
| 7.1  | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Board Committees") and we have disclosed a copy of the charter of the committee at:<br><a href="http://www.altium.com/sites/default/files/2022-08/audit_charter.pdf">www.altium.com/sites/default/files/2022-08/audit_charter.pdf</a><br>and the information referred to in paragraph (4) in our Corporate Governance Statement (under "Board Committees")<br>and the information referred to in paragraph (5) in our FY2023 Annual Report (under "Meetings of Directors" in the Directors' Report). | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 7.2  | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>   | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Board Committees" and "Risk Management") and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement (under "Risk Management").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 7.3  | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>   | <input checked="" type="checkbox"/> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes in our Corporate Governance Statement (under "Internal Audit Function").  | <input type="checkbox"/> set out in our Corporate Governance Statement   |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| Corporate Governance Council recommendation |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| 7.4   | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Risk Management" and "Material risk disclosure") and we have disclosed whether we have any material exposure to environmental and social risks in our FY23 Annual Report (under "Key Risks" in the Directors' Report)</p> <p>and, if we do, how we manage or intend to manage those risks in our FY23 Annual Report (under "Key Risks" in the Directors' Report)</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>  |

**Key to Disclosures Corporate Governance Council Principles and Recommendations**

| Corporate Governance Council recommendation            |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
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| <b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b> |   |  |   |
| 8.1  | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Board Committees") and we have disclosed a copy of the charter of the committee at:<br><a href="http://www.altium.com/sites/default/files/2022-08/altium_human_resources_committee_charter.pdf">www.altium.com/sites/default/files/2022-08/altium_human_resources_committee_charter.pdf</a><br>and the information referred to in paragraph (4) in our Corporate Governance Statement (under "Board Committees")<br>and the information referred to in paragraph (5) in our FY2023 Annual Report (under "Meetings of Directors" in the Directors' Report). | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| 8.2  | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Remuneration of Directors and Senior Executives") and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in our FY23 Annual Report (in the Remuneration Report).   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| 8.3  | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>  | <input checked="" type="checkbox"/> in our Corporate Governance Statement (under "Remuneration of Directors and Senior Executives") and we have disclosed our policy on this issue or a summary of it at:<br><a href="https://www.altium.com/sites/default/files/2023-07/share_trading_policy.pdf">https://www.altium.com/sites/default/files/2023-07/share_trading_policy.pdf</a>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

| Corporate Governance Council recommendation                        |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. Our reasons for not doing so are: <sup>5</sup>  |
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| <b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b> |   |  |   |
| 9.1  | A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents. | <input type="checkbox"/><br>and we have disclosed information about the processes in place at:<br>.....<br>[insert location]   | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| 9.2  | A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.  | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable   |
| 9.3  | A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.   | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable<br><input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable |