



2017 Corporate Governance Statement

Corporate Governance Statement

The Board of Directors of APN Outdoor Group Limited (APO) is responsible for the overall corporate governance of APO, including establishing the corporate governance framework of the Group having regard to the ASX Corporate Governance Council published guidelines as well as its corporate governance principles and recommendations. Accordingly, the Board has created a framework for managing APO, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for APO's business and which are designed to promote the responsible management and conduct of APO.

APO's corporate governance practices, and the extent to which APO has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) in 2014, is set out below.

Recommendation	Comply
Principle 1 – Lay solid foundations for management and oversight	
1.1 A listed entity should disclose (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes
1.2 A listed entity should (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (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.	Yes
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
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.	Yes
1.5 A listed entity should: <ul style="list-style-type: none"> (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: <ul style="list-style-type: none"> (i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (ii) 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. 	Yes
1.6 A listed entity should (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
1.7 A listed entity should (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
Principle 2 – Structure the board to add value	
2.1 The Board of a listed entity should:	Yes

	<p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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</p> <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>	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes
2.3	A listed entity should disclose (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship relevant to assessing independence, but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Yes
2.4	A majority of the Board of a listed entity should be independent directors.	Yes
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.	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes
Principle 3 – Act ethically and responsibly		
3.1	A listed entity should (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose the code or a summary of it.	Yes
Principle 4 – Safeguard integrity in corporate reporting		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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.</p> <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>	Yes
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.	Yes

4.3	A 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.	Yes
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Principle 5 – Make timely and balanced disclosure

5.1	A listed entity should (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	Yes
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Principle 6 – Respect the rights of security holders

6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes
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6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
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6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes
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6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes
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Principle 7 - Recognise and manage risk

7.1	The board of a listed entity should: <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent Chair, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 (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. 	Yes
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7.2	The board or a committee of the board should (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Yes
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7.3	A listed entity should disclose (a) if it has an internal audit function, how the function is structured and what role it performs; or (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 risk management and internal control processes.	Yes
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7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes
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Principle 8 – Remunerate fairly and responsibly

8.1	The Board of a listed entity should: <ul style="list-style-type: none"> (a) have a remuneration committee which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 (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. 	Yes
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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.	Yes
8.3	A listed entity which has an equity-based remuneration scheme should (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 (b) disclose that policy or a summary of it.	Yes

The Company's key corporate governance practices are discussed within this statement. Further information on corporate governance policies adopted by the Company is set out at: <http://investors.apnoutdoorcorporate.com/>

Board of Directors

The Board strives to build sustainable value for shareholders whilst protecting the assets and reputation of APO. The Board has adopted a Board Charter which sets out the responsibilities of the Board and its structure and governance requirements. Under the Board Charter, the functions of the Board are to:

- (i) approve APO's strategies, budgets and business plans;
- (ii) approve APO's annual report including the financial statements, directors' report, remuneration report and corporate governance statement, with advice from the Remuneration and Nomination Committee and the Audit and Risk Management Committee, as appropriate;
- (iii) approve major borrowing and debt arrangements, the acquisition, establishment, disposal or cessation of any significant business of the company, any significant capital expenditure and the issue of any shares, options, equity instruments or other securities in APO;
- (iv) assess performance against strategies to monitor both the performance of senior management of the APO group (being the Chief Executive Officer and other individuals as determined from time to time by the Remuneration and Nomination Committee) as well as the continuing suitability of such strategies;
- (v) review operating information to understand at all times the state of health of APO;
- (vi) consider the economic, work health and safety, environmental and social sustainability risks of APO's activities;
- (vii) ensure that APO acts within the legal framework governed in all jurisdictions, responsibly on all matters and that the highest ethical standards are maintained;
- (viii) develop an investor relations program to facilitate effective two-way communication with investors;
- (ix) maintain a constructive and ongoing relationship with the Australian Securities Exchange (ASX) and regulators, and approve policies regarding disclosure and communications with the market and APO's shareholders; and
- (x) monitor and approve changes to internal governance including delegated authorities, and monitor resources available to Senior Management.

To ensure that the Board is well equipped to discharge its responsibilities, it has established guidelines for the nomination and selection of Directors and for the operations of the Board.

The responsibility for the operation and administration of the Group is delegated, by the Board, to Senior Management. The Board ensures that this team is appropriately qualified and experienced to

discharge its responsibilities and has in place procedures to assess the performance of the Senior Management team.

Whilst at all times the Board retains full responsibility for guiding and monitoring the Group, in discharging its stewardship it makes use of specialist sub-committees which are able to focus on a particular responsibility and provide informed feedback to the Board.

With the guidance of the Board's Remuneration and Nomination Committee, the Board is responsible for:

- (xi) evaluating and approving the remuneration packages of the Chief Executive Officer and other members of Senior Management;
- (xii) evaluating and approving the remuneration arrangements of non-executive directors;
- (xiii) monitoring compliance with the non-executive director remuneration pool as established by the Constitution, or as subsequently amended by shareholders, and recommending any changes to the pool;
- (xiv) administering short and long term incentive plans (including any equity plans) and engaging external remuneration consultants where appropriate;
- (xv) appointing, evaluating or removing the Chief Executive Officer, and approving appointments or removal of all other members of Senior Management and directors;
- (xvi) regularly assessing the independence of all directors and Senior Management;
- (xvii) reviewing and implementing succession planning for directors and Senior Management; and
- (xviii) monitoring the organisational capability and mix of skills, experience, expertise and diversity on the Board and, when necessary, appointing new directors, for approval by shareholders.

With the guidance of the Audit and Risk Management Committee, the Board is responsible for:

- (i) overseeing the establishment of and approving APO's risk management strategy, policies, procedures and systems;
- (ii) reviewing and monitoring the effectiveness of APO's risk management strategy, policies, procedures and systems;
- (iii) reviewing and approving APO's financial statements and reports;
- (iv) overseeing APO's financial reporting, which, without limitation, includes:
 - reviewing the suitability of APO's accounting policies and principles, how they are applied and ensuring they are used in accordance with the statutory financial reporting framework;
 - assessing significant estimates and judgements in financial reports;
 - assessing information from external auditors to ensure the quality of financial reports; and
 - determining whether the financial and associated non-financial statements should be signed based on the Audit and Risk Management Committee's assessment of them;
- (v) the entry into, approval or disclosure of related party transactions (if any);
- (vi) overseeing APO's financial controls and systems; and
- (vii) managing audit arrangements and auditor independence.

The functions listed are matters which the Board specifically reserves for itself and does not limit the Board's overall duties and responsibilities. The Board may delegate consideration to a committee of the Board specifically constituted for the relevant purpose.

Powers delegated to management

The Board has delegated to the Chief Executive Officer the authority and power to manage APO and its businesses within levels of authority specified by the Board from time to time. The Chief Executive Officer may delegate aspects of his or her authority and power but remains accountable to the Board for APO's performance and is required to report regularly to the Board on the progress being made by APO's business units.

The respective roles and responsibilities of the Board and management, including those matters expressly reserved to the Board and those delegated to management, are set out in the Board Charter.

The Chief Executive Officer's role includes:

- (i) responsibility for the effective leadership of the management team;
- (ii) the development of strategic objectives for the business; and
- (iii) the day-to-day management of APO's operations.

Committee Membership

Membership of Board committees during the year and as at the date of this report is set out below.

Director	Audit and Risk Management	Remuneration and Nomination
Doug Flynn, Independent Non-Executive Chairman	Member	Member
Richard Herring, CEO and Executive Director (until 30 September 2017 and 29 September 2017 respectively)	-	-
Lisa Chung, Independent Non-Executive Director	Member	Chair
Pat O'Sullivan, Independent Non-Executive Director	Chair	Member
Jack Matthews, Independent Non-Executive Director	Member	Member
James Warburton CEO and Managing Director (Appointed 22 January 2018)	-	-

Each director's relevant qualifications and experience are listed in the 2017 Annual Report.

Board skills matrix

In late 2014 the Board undertook a process to determine the competencies it requires as a whole in order to effectively discharge its duties and has categorised them into four key areas as set out below. Directors were individually assessed against each competency using the scale "competent | strong | high". Individual ratings were aggregated to determine the ranking for the whole of the Board for each key competency area. In addition, the Board created matrices to assess its degree of independence and gender diversity. These assessments which remain current are summarised below:

Industry competencies	Strong
Technical competencies	Strong
Governance competencies	Strong
Business administration	High

Independence	High
Gender diversity	Medium

Independence of Directors

The Board considers an Independent Director to be a Non-Executive Director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of APO and its security holders generally. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board considers that each of Doug Flynn, Lisa Chung, Pat O'Sullivan and Jack Matthews are free from any interest, positions, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

James Warburton is currently considered by the Board not to be independent on the basis that he is the Chief Executive Officer of APO.

Accordingly, the Board consists of a majority of independent Directors. The Directors believe that they are able to objectively analyse the issues before them in the best interests of all shareholders and in accordance with their duties as Directors.

Each of Doug Flynn, Lisa Chung, Pat O'Sullivan and Jack Matthews were appointed to the Board on 17 October 2014 (immediately prior to lodgement of the prospectus dated 20 October 2014). Richard Herring served as a director of APO since 24 January 2014 until his retirement on 30 September 2017. James Warburton was appointed as Executive Director on 22 January 2018.

Board Effectiveness

The Board intends to routinely review its own performance periodically with the most recent review occurring during the 2018 year. The process involved each Director completing a survey and providing specific comments. The survey considered areas including:

- How well meetings were conducted
- Engagement and visibility with company management of the board
- Adequacy of time spent on strategy
- Adequacy of governance policies
- Ability of individual directors to get their point across
- Engagement and contribution of directors
- Engagement by management with the board and adequacy of board information

The results were circulated to all board members and discussed at a subsequent Board meeting.

Committees

The Board operates two committees:

- (i) Audit and Risk Management Committee; and
- (ii) Remuneration and Nomination Committee.

Copies of the charter of each committee are available on APO's website.

The Board has reviewed the membership and Charter of each of the committees and determined that both are appropriate for APO's current circumstances.

Audit and Risk Management Committee

The Audit and Risk Management Committee's role is to assist the Board in fulfilling its responsibilities for corporate governance and oversight of APO's financial reporting, internal control structure, risk management systems and internal and external audit functions.

Key responsibilities

The Audit and Risk Management Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities:

- (i) to oversee the establishment of and approving APO's risk management strategy, policies, procedures and systems;
- (ii) to review and monitor the effectiveness of APO's risk management strategy, policies, procedures and systems;
- (iii) to review and approve APO's financial statements and reports;
- (iv) in relation to APO's financial reporting, which, without limitation, includes:
 - reviewing the suitability of APO's accounting policies and principles, how they are applied and ensuring they are used in accordance with the statutory financial reporting framework;
 - assessing significant estimates and judgements in financial reports;
 - assessing information from the external auditor to ensure the quality of financial reports; and
 - recommending to the Board whether the financial and associated non-financial statements should be signed based on the Audit and Risk Management Committee's assessment of them;
- (v) in relation to the entry into, approval or disclosure of related party transactions (if any);
- (vi) in overseeing APO's financial controls and systems; and
- (vii) to manage audit arrangements and auditor independence, including considering whether an internal audit function is required and, if not, ensuring that APO discloses the processes it employs to evaluate and improve its risk management and internal control processes.

As set out in its Charter, the Audit and Risk Management Committee comprises at least three members, all of whom are independent non-executive directors. The chair of the committee is an independent director who is not the chair of the Board.

Risk Management

The Audit and Risk Management Committee oversee the effectiveness of APO's financial controls and systems, the risk management function and evaluates the structure and adequacy of the group's insurance coverage periodically.

The risks faced by APO may include regulatory and compliance risk, investment risk, legal risk, economic risk, environmental risk, social sustainability risk, work health and safety risk, financial risk, reputation risk, operational and execution risk and strategic risk.

APO does not currently have an internal auditor, which the Board has determined is appropriate given the size of the company and the nature of its business. APO management is responsible for establishing APO's risk management framework, including identifying major or potentially major risk areas and developing APO's policies and procedures, which are designed effectively to identify, treat, monitor, report and manage key business risks. Each employee and contractor is expected to understand and manage the risks within their responsibility and boundaries of authority when making decisions and undertaking day to day activities.

The Audit and Risk Management Committee is satisfied itself that the framework is sound and is subject to periodic reviews.

APO has material exposure to economic risk, both in respect of general economic conditions and its specific exposure to the advertising sector. This risk is managed internally by APO management in the course of their strategic planning and monitoring. APO does not have material exposure to any environmental or social sustainability risks.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee's role is to assist the Board in fulfilling its responsibilities for corporate governance and oversight of APO's remuneration and nomination policies and practices which enable it to attract and retain senior management of the APO group (comprising the Chief Executive Officer and such other individuals as the Remuneration and Nomination Committee determines from time to time) and appropriately align their interests with those of key stakeholders.

Key responsibilities

The Remuneration and Nomination Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities in relation to APO's:

- (i) remuneration policies, including:
 - evaluating and approving the remuneration packages (including fixed remuneration, short and long term incentives and any other benefits or arrangements) of the Chief Executive Officer, executive directors and other members of Senior Management;
 - evaluating and approving the remuneration arrangements for non-executive directors;
 - monitoring compliance with the non-executive director remuneration pool as established by the Constitution, or as subsequently amended by shareholders, and recommending any changes to the pool; and
- (ii) engagement of external remuneration consultants;
- (iii) short and long term incentive plans, including:
 - plan terms and conditions;

- performance hurdles, if any;
 - invitations to participation in offers and the terms of participation;
 - achievement of performance criteria (if any) and the final level of any payments, grants or allocations; and
 - the ability to claw back performance-based remuneration from executive directors and Senior Management where appropriate;
- (iii) equity plans, including:
- amendments to the terms of existing plans within the parameters of those plans;
 - administration and operation of plans, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various plans; and
 - the ability to claw back performance-based remuneration from executive directors and Senior Management where appropriate;
- (iv) Board composition and performance, including:
- the appropriate size, composition and diversity of the Board;
 - the appropriate criteria (necessary and desirable skills and experience) for appointment of directors;
 - recommendations for the appointment, composition, re-election and removal of directors;
 - the terms and conditions of appointment to and retirement from the Board;
 - ensuring that an effective induction process is in place for newly appointed directors and review of those induction procedures;
 - ensuring that continuing directors are provided with appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as a director effectively;
 - the evaluation of the Board's performance; of the Board, its committees and directors;
 - the time non-executive directors are expected to devote to APO's affairs and whether directors are meeting that requirement; and
 - review of Board succession plans;
- (v) succession of the Chief Executive Officer and their direct reports, including:
- guidelines for management development; and
 - review of the Chief Executive Officer and other members of Senior Management succession and development plans.

As set out in its Charter, the Remuneration and Nomination Committee comprises at least three members, all of whom are independent non-executive directors. The chair of the committee is an independent director who is not the chair of the Board.

Code of Conduct

The Board recognises the need to observe the highest standard of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct which sets out the way APO and its subsidiaries conduct business. All employees (including directors and senior executives) are required to understand and comply with their obligations under APO's Code of Conduct and breaches of the Code may be subject to disciplinary action including termination of employment, if appropriate.

Each APO employee (including temporary employees and contractors) and director is responsible for complying with the Code of Conduct both in detail and in spirit. Under the Code of Conduct, each such person must:

- act in the best interests of APO;
- act with integrity – being honest, ethical, fair and trustworthy in all business dealings and relationships;
- avoid conflicts between APO's interests and personal interests;
- protect APO's business assets;
- not take advantage of the property or information of APO or its customers for personal gain or to cause detriment to APO or its customers;
- not take advantage of their position or the opportunities arising therefrom for personal gain;
- respect and abide by APO's obligations to fellow employees, shareholders, customers, suppliers, competitors and the communities in which APO operates; and
- comply with the laws and regulations that apply to APO and its operations and avoid any illegal or unethical activity.

The full Code of Conduct is available on the APO website.

Securities Trading Policy

APO has adopted a Securities Trading Policy which applies to APO, its Directors, company secretary and senior management and other persons nominated by the Board from time to time. The Securities Trading Policy is intended to explain the types of conduct in relation to dealings in APO shares that is prohibited under the Corporations Act and to establish procedures in relation to such persons dealing in APO shares.

The Securities Trading Policy establishes blackout periods during which shares cannot be traded, except as outlined in the policy, raises awareness of the insider trading laws, explains the types of conduct in relation to dealings in shares that are prohibited under the Corporations Act and establishes procedures in relation to certain APO persons dealing in shares.

The policy provides that the entering into of all types of "protection arrangements" for any APO securities (including APO-related products in the derivatives markets) is prohibited at any time in respect of any APO securities which are unvested or subject to a holding lock, and otherwise, requires consent in accordance with the policy. The policy also prohibits speculative trading, the granting of any form of security over any APO securities which are unvested or subject to a holding lock, and entering into any margin lending arrangement involving APO securities.

The full Securities Trading Policy is available on APO's website.

Disclosure Policy and Shareholder Communication Policy

Market disclosure

APO has adopted a Disclosure Policy designed to ensure compliance with the Company's continuous disclosure requirements.

The Disclosure Policy sets out requirements aimed to ensure full and timely disclosure to the market as required under APO's continuous disclosure obligations and the Shareholder Communication Policy ensures that shareholders are informed in a timely and readily accessible manner of all major developments affecting the state of affairs of APO.

To facilitate compliance with the Company's continuous disclosure obligations, the Board has established a disclosure committee comprising of:

- (i) the chair of the Board;
- (ii) APO's Chief Executive Officer;
- (iii) APO's Chief Financial Officer; and
- (iv) APO's company secretary (who, for administrative convenience only, is primarily responsible for overseeing and coordinating all communication with the ASX, investors, analysts, brokers, the media and the public – at this time, Chief Financial Officer also serves as the company secretary).

The disclosure committee is responsible for all decisions in relation to trading halts.

The onus is on all staff to inform a member of the disclosure committee of any price sensitive information as soon as they become aware of it. The Code of Conduct requires that everyone in APO is aware of the requirements of the Disclosure Policy and acts in accordance with the Disclosure Policy.

The Disclosure Policy is available on APO's website.

Communication with shareholders

APO has adopted a Shareholder Communication Policy, expressly recognising the right of shareholders to be informed of matters which affect their investment in the Company. The purpose of the Shareholder Communication Policy is to promote effective communication and transparency with shareholders and other stakeholders and to encourage and facilitate participation at APO's general meetings and dealing promptly with the enquiries of shareholders and other stakeholders.

The investor relations section of APO's website is the primary medium of providing information to all shareholders and stakeholders. It has been designed to enable information to be accessed in a clear and readily accessible manner. The investor relations section of APO's website contain information relevant to shareholders and stakeholders including statements lodged with the ASX by APO (including all financial results and annual reports), board and board committee charters and corporate governance policies, press releases and other material relevant to APO shareholders.

The AGM provides an important opportunity for APO to provide information to its shareholders and a reasonable opportunity for informed shareholder participation. At the AGM, shareholders can express their views to the Board and management and to vote on the Board's proposals. All shareholders are encouraged to attend the AGM. APO's external auditor attends its AGM and is available to answer any questions regarding the conduct of and any issues arising from the audit or the preparation and content of the auditor's report.

The Shareholder Communication Policy is available on APO's website.

Diversity

The workforce of APO is made up of individuals with diverse skills, backgrounds, perspectives and experiences and this diversity is recognised, valued and respected. APO's diversity policy aims to align APO's business operations with the positive outcomes that can be achieved through a diverse workforce that recognises and utilises the contribution of diverse skills and talent from its workforce.

In the context of this policy, diversity extends beyond gender and includes, but is not limited to issues of age, ethnicity, marital or family status, religious or cultural background, sexual orientation or preference, disability and mental impairment. The policy is approved by the Board and is reviewed at least annually.

Key principles

APO will endeavour to ensure:

- that APO's corporate culture at all levels supports diversity in the workplace whilst maintaining a commitment to a high performance culture;
- that recruitment and selection practices at all levels are appropriately structured so that a diverse range of candidates are considered and that there are no conscious or unconscious biases that might discriminate against certain types of candidates;
- that consideration is given to programs and processes that will assist in the development of a broader and more diverse pool of skilled and experienced employees;
- support for an individual's domestic responsibilities (including the adoption of flexible work practices that will assist them to meet those responsibilities);
- the policy for selection and appointment of new directors is transparent; and
- the Board establishes objectives on an annual basis to identify ways in which the achievement of gender diversity at APO is measured, and in relation to other aspects of this diversity policy.

Gender Diversity

As at 31 December 2017, the proportion of women employed by APO was as follows:

Board of Directors	20%
Senior executive positions	11%
Total APO permanent workforce	46%

Senior executives above comprise the CEO, COO, CFO and all general managers. In 2017, the Company hired 65 new employees of which 61% were women.