

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out WAM Strategic Value Limited's (**Company**) current compliance with the ASX Corporate Governance Council's 4th edition Corporate Governance Principles and Recommendations (**ASX Recommendations**). The ASX Recommendations are not mandatory. However, the Company will be required to provide a statement in their future annual reports disclosing the extent to which the Company has followed the ASX Recommendations.

Corporate Governance Council recommendation		Compliance	Comment
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (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.	Complies	The functions of the Board are set out in the Company's Board charter (Board Charter) that is contained in Section 2 of the Company's corporate governance charter (Corporate Governance Charter). The Corporate Governance Charter is located at: www.wilsonassetmanagement.com.au. WAM Strategic Value Limited (Company) entered into an investment management agreement with Wilson Asset Management (International) Pty Limited (ACN 081 047 118) (Investment Manager) dated 5 May 2021 (Investment Management Agreement) which sets out the specific responsibilities of the Company's board of directors (Board) and those delegated to the Investment Manager. The Investment Management Agreement is summarised in section 10.1 of the Company's replacement prospectus dated 17 May 2021 (Prospectus).
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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.	Complies	The Board Charter sets out: ➤ what the Board will consider when appointing a director, including the results of an appropriate background check, which the Board will undertake; and ➤ the requirement that the Board provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies	Under the Board Charter, when the Board considers the appointment of any new director, the terms of appointment of a director must be recorded in a letter of appointment which takes into consideration the ASX Recommendations. This will form the basis of the written agreement entered into between the Company and a director. The current Directors have such written agreements with the Company in place. The Company does not have any senior executives.
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.	Complies	The Board Charter states that the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Compliance	Comment
1.5 A listed entity should: (a) have and disclose a diversity policy; (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 (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (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 (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. If the entity was in the S&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.	Will comply	The Company's diversity policy (Diversity Policy) is outlined in Section 3 of the Corporate Governance Charter which is available on the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au. The Company does not have any employees or management. The Diversity Policy will only apply to the Board. The Company is not a relevant employer under the Workplace Gender Equality Act. The Board is required to develop measurable objectives and the strategy to meet these objectives. In the event a vacancy arises, the Board will include diversity in its nomination process. Currently, the Company has one female Director, representing 33.33% of the Board. The Company will disclose the information referred to in paragraph (c) at the end of each reporting period.
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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Will comply	The Board will review its performance by discussion and by reference to generally accepted Board performance standards. A performance evaluation of the Board will be undertaken annually in accordance with the Corporate Governance Charter. The Company will disclose whether a performance evaluation is undertaken for each reporting period.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (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.	N/A	The Company does not have senior executives.
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	Complies with (b)	The Board has not established a nomination committee. Given the Company's size and nature, the formation of such a committee would not serve to protect or enhance the interest of shareholders. Accordingly, the Company considers that the functions and roles that would be performed by such a committee are best undertaken by the Board as a whole. Should the size of the Company change, the Board will consider establishing a separate nomination committee. The Board will identify suitable candidates to fill vacancies as they arise with consideration to the optimal mix of skills and diversity. The Board Charter sets out how the Company addresses succession issues and processes it will employ to ensure the Board has an appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The Board Charter is contained in the Corporate Governance Charter which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au.
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.	Complies	Section 9 of the Prospectus outlines the skills and diversity of its Board and the annual report (Annual Report) will disclose these matters in the future.
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, 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	Complies	Section 9 of the Prospectus discloses the names of the Directors that the Board considers to be independent, and the interests of each Director. The Company will disclose in its Annual Report each year the length of service of each Director.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
	the board is of that opinion; and (c) the length of service of each director.		
2.4	A majority of the board of a listed entity should be independent directors.	Does not comply	The Prospectus discloses that one of the three Directors, Glenn Burge is an independent Director. Whilst the Company agrees with the benefits of a majority of independent Directors, under Recommendation 2.4, it believes that it can better achieve the results of the Company with the current Board's level of expertise and without burdening shareholders with the additional costs associated with adding further independent Directors.
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.	Does not comply	The Chair is not an independent Director. The Company believes that an independent Chair, under Recommendation 2.5, does not necessarily improve the function of the Board. The Company believes that when the Chair is a significant driver behind the business, as is the case with this Company, it adds value to the Company and all shareholders benefit. The Company does not employ a Chief Executive Officer, consequently Recommendation 2.5 is 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.	Complies	On appointment, new Directors participate in an induction process to familiarise themselves with the business of the Company and the senior management team of the Manager. The process includes briefings on the nature of the business, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors. The Directors are entitled to receive appropriate professional development opportunities and maintain the skills and knowledge needed to perform their role effectively. The Company's Director Professional Development Policy supports the Board's commitment to assessing the professional development needs for existing Directors semi-annually.
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	Complies	The Company acknowledges the importance of values and pursues the Company's purpose and investment objectives in a manner that is consistent with its values, as outlined in the Company's Board Charter. A copy of the Board Charter is contained in the Company's Corporate Governance Charter which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au .
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any	Complies	The Company has adopted a code of conduct contained in Section 5 of the Corporate Governance Charter (Code of Conduct) which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au . Material breaches of the Code of Conduct (including breaches which call into question the

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
	material breaches of that code by a director or senior executive; and (2) any other material breaches of that code that call into question the culture of the organisation.		culture of the organisation) are reported to the Board.
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Complies	The Company has adopted a whistleblower policy, which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au . The Board is required to be informed of any material incidents reported under that policy.
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	Complies	The Company has adopted an anti-bribery and corruption policy, which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au . The Board is required to be informed of any material incidents reported under that policy.
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (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 (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.	Complies with (b)	The Company does not have an audit committee. Whilst the Company agrees with the benefits of such a committee, under Recommendation 4.1, given the Company's size, Board composition and the nature of the Company's operations the Board believes that the committee's role is best achieved by the Board as a whole. The Board has adopted an audit and risk committee charter which is contained in section 8 of the Corporate Governance Charter (Audit and Risk Committee Charter), which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au . The Audit and Risk Committee Charter discloses the processes the Company employs that independently verify and safeguard the integrity of our corporate reporting.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
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.	Complies	The Investment Manager will be responsible for preparing the declaration pursuant to section 295A of the Corporations Act as the Company does not have a chief executive officer (or equivalent) or a chief financial officer (or equivalent). Accordingly, the terms of the Investment Management Agreement between the Company and the Investment Manager require the Investment Manager to maintain sound systems of risk management and internal controls and ensure that the systems are operating effectively in all material respects in relation to financial reporting risks.
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.	Will comply	All periodic corporate reports, including the annual Corporate Governance Statement and monthly Investment Updates, will be subject to a rigorous internal review process coordinated by the Investment Manager's finance team in conjunction with its Corporate Affairs team, with individual sign offs provided by the Investment Manager's Chief Executive Officer and Chief Financial Officer and the Company's Chair prior to its release to the market.
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Complies	The Company has adopted a policy to ensure compliance with its continuous disclosure obligations under the ASX Listing Rule 3.1 (Continuous Disclosure Policy). The Continuous Disclosure Policy is contained in section 4 of the Corporate Governance Charter and is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au .
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	The Company has established an email alert system allowing members of the Board to receive a notification email following the lodgement of an ASX market announcement, along with a copy of the announcement.
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.	Complies	The Continuous Disclosure Policy aims to ensure all investors have equal and timely access to material information concerning the Company and that Company announcements are factual and presented in a clear and balanced way. The Policy requires that presentation materials must be released on the ASX Market Announcements Platform ahead of any new and substantive investor or analyst presentation.
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.	Complies	The Company has disclosed information about it and its governance to investors via the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au .

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Complies	The Board has developed a shareholder communication strategy within its Continuous Disclosure Policy to ensure that shareholders are informed of all major developments affecting the Company's performance, activities and state of affairs. Additionally, the Company will publish regular shareholder communications, such as monthly NTA announcements, half yearly and annual reports and will provide shareholders with an opportunity to access such reports and other releases electronically. The Company's Continuous Disclosure Policy is available on the Company's website.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Will comply	The Board encourages full participation of shareholders at the Company's AGMs and any general meetings to ensure a high level of accountability and identification with the Company's strategy. The external auditor will attend the annual general meeting of shareholders and will be available to answer any questions concerning the conduct, preparation and content of the auditor's report. The Continuous Disclosure Policy is contained in the Company's Corporate Governance Charter.
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.	Will comply	All substantive resolutions at the Company's first Annual General Meeting in 2022 will be decided by a poll.
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.	Complies	The Company's registry, Automic Pty Limited, provides the option for shareholders to receive and send communications electronically. Shareholders are encouraged to create an online account at www.automicgroup.com.au .
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the	Complies with (b)	The Company has not appointed a committee to oversee risk. The functions and roles that would be performed by such a committee are undertaken by the Board as a whole. Should the composition of the Board, or size of the Company change, the Company will consider establishing an audit and risk committee. The Company has adopted an audit and risk committee charter that is contained in section 8 of the Corporate Governance Charter (Audit and Risk Committee Charter), which is available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au. The Board will perform the duties and have the risk management responsibilities contained in this charter.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
	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.		
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 that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Will comply	The Board will review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board. The Company will disclose whether the review has taken place in each Annual Report.
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 governance, risk management and internal control processes.	Complies with (b)	The Company does not have an internal audit function. The process for evaluation and improving the effectiveness of its governance, risk management and internal control processes are set out in the Board Charter and the Audit and Risk Committee Charter, which are available at the Manager's website dedicated to the Company at: www.wilsonassetmanagement.com.au.
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.	N/A	The Company does not currently have any material exposure to environmental and social risks.
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual	Complies with (b)	The Board does not have and does not currently intend to establish such a committee. The Board considers that the formation of such a committee would be inefficient given the Company's size and the fact that it does not have any employees. For this reason, a remuneration committee would not serve to protect or enhance the interest of shareholders. Should the size of the Company change, the Company will consider establishing a separate remuneration committee. The Board will ensure that appropriate remuneration policies and practices are in place for non-executive Directors, executive Directors (if any) and senior management (if any), while having regard to the ASX Recommendations. Remuneration will be set with reference to market rates. The Board will review the allocation and amount of remuneration for its Directors periodically.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Compliance	Comment
	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.		The remuneration to be paid to the Investment Manager (including worked examples) is disclosed in the Prospectus. Details of all management and performance fees paid to the Investment Manager each year will be disclosed in the Annual Report.
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.	Complies	The Company does not have any executive directors or senior executives. Refer to Item 8.1 of this table and the Prospectus for the current remuneration levels and the policies and practices in place for the non-executive Directors.
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.	N/A	The Company does not have an equity based remuneration scheme.