

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

PROSPA GROUP LIMITED

ABN/ARBN

13 625 648 722

Financial year ended:

30 June 2023

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: www.prospa.com/investor

The Corporate Governance Statement is accurate and up to date as at 29 August 2023 and has been approved by the board.

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

Date: 30 August 2023

Name of authorised officer
authorising lodgement: Stephanie Rowland
Legal Counsel and Company Secretary

¹ "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.

² 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.

³ 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, ⁴ 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 in full for the whole of the period above. Our reasons for not doing so are: ⁵
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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://investor.prospa.com/investor-centre/?page=corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ 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/”).

⁵ 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

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ 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: ⁵
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(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</p> <p>(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.</p> <p>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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: https://investor.prospa.com/investor-centre/?page=corporate-governance and we have disclosed the information referred to in paragraph (c): In our Corporate Governance Statement (investor.prospa.com).</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a): In our Corporate Governance Statement (investor.prospa.com) and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: In our Corporate Governance Statement (investor.prospa.com)</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a): In our Corporate Governance Statement (investor.prospa.com) and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: In our Corporate Governance Statement (investor.prospa.com)</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ 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: ⁵
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.	<input checked="" type="checkbox"/> Prosopa complies with paragraph (a) and we have disclosed a copy of the charter of the committee at: https://investor.prospa.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5): The members of the Committee are included in our Corporate Governance Statement. The number of Committee meetings and the attendance at those meetings are listed in "Meetings of Directors" contained within the Company's Annual Report.	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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 (investor.prospa.com)	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 the board is of that opinion; and (c) the length of service of each director.	<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 and, where applicable, the information referred to in paragraph (b) at: N/A and the length of service of each director at: In our Corporate Governance Statement (investor.prospa.com)	<input type="checkbox"/> set out in our Corporate Governance Statement
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 OR <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 checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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

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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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
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 (investor.prospa.com) The Company's values are included on our website https://www.prospa.com/about-us in the "What we value" section.	<input type="checkbox"/> set out in our Corporate Governance Statement
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 material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</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>	<p><input checked="" type="checkbox"/> Prosopa complies with paragraph (a) and we have disclosed a copy of the charter of the committee: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5): The members of the Committee are included in our Corporate Governance Statement. Information relating to the qualifications of members is included in the Company's Annual Report section "Information on Directors". The number of Committee meetings and the attendance at those meetings are listed in "Meetings of Directors" contained within the Company's Annual Report.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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"/>	<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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<p><input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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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"/>	<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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance	<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"/>	<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: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance	<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"/>	<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"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

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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 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.	<input checked="" type="checkbox"/> Prosopa complies with paragraph (a) and we have disclosed a copy of the charter of the committee: On our website at https://investor.prospa.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5): The members of the Committee are listed in our Corporate Governance Statement. The number of Committee meetings and the attendance at those meetings are listed in "Meetings of Directors" contained within the Annual Report.	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> 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	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed how our internal audit function is structured and what role it performs at: In our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: In our Corporate Governance Statement and, if we do, how we manage or intend to manage those risks at: N/A	<input type="checkbox"/> set out in our Corporate Governance Statement

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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 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.	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://investor.prospa.com/investor-centre/?page=corporate-governance and the information referred to in paragraphs (4) and (5): The members of the Committee are listed in our Corporate Governance Statement. The number of Committee meetings and the attendance at those meetings are listed in "Meetings of Directors" contained within the Annual Report.	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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"/> 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 at: In the Company's Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: https://investor.prospa.com/investor-centre/?page=corporate-governance	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

This corporate governance statement sets out Prospa Group Limited (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 29 August 2023 and has been approved by the board of the Company (**Board**).

Principle 1: Lay solid foundations for management and oversight

Board responsibilities and delegations

The Board is responsible for the corporate governance of the Company.

The Board has adopted a Board Charter which outlines how its powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance and applicable laws.

Pursuant to the Board Charter, the Board assumes responsibilities including, but not limited to the following:

- (a) selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning succession of, the CEO and the CEO's direct reports;
- (b) contributing to and approving management development of corporate strategy, including setting performance objectives and approving operating budgets;
- (c) reviewing, ratifying and monitoring systems of risk management, internal control and legal compliance. This includes reviewing procedures to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage these risks;
- (d) monitoring corporate performance and implementation of strategy and policy;
- (e) developing and reviewing the Company's values and corporate governance policies (including in respect of diversity and the measurable objectives for achieving diversity) and monitoring corporate culture, setting the tone from the top;
- (f) approving major capital expenditure, acquisitions and divestitures, and overseeing capital management, including determining if a dividend payment is appropriate and if so, to what extent;
- (g) monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- (h) approving financial reports, profit forecasts and other reports required at law or under the ASX Listing Rules to be adopted by the Board;
- (i) ensuring shareholders are kept informed of the Company's performance and major developments affecting its state of affairs;
- (j) evaluating, at least annually, the performance of the Board, its Committees and individual Directors;

- (k) developing and monitoring the Board's Risk Appetite Statement and the Company's risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk; and
- (l) performing such other functions as are prescribed by law or nominated by the Board from time to time.

Pursuant to the Board Charter, matters which are specifically reserved for the Board or its committees include:

- (a) appointment of a Chair;
- (b) appointment and removal of the CEO;
- (c) appointment of directors to fill a vacancy or as an additional Director;
- (d) establishment of Board committees, their membership and delegated authorities;
- (e) approval of dividends;
- (f) approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- (g) calling of meetings of shareholders; and
- (h) any other specific matters nominated by the Board from time to time.

A copy of the Board Charter is available on the Company's website at: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

While the Board retains ultimate responsibility for the strategy, performance and culture of the Company, the day-to-day operation of the Company is conducted by, or under the supervision of, the CEO and overseen by the Board.

The Board approves corporate objectives for the CEO to work towards and, jointly with the CEO, develops the duties and responsibilities of the CEO.

The management team (being the CEO and other officers to whom the management function is properly delegated by the CEO):

- is responsible for implementing strategic objectives, plans and budgets approved by the Board; and
- is accountable to the Board for matters within its delegated authority.

Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

The Company Secretary was appointed by and is accountable to the Board on all matters relating to the proper functioning of the Board. The Company Secretary is responsible for coordination of all Board and Board Committee business, including agendas, papers, minutes, communication with regulatory bodies, and all statutory and other filings.

Background checks before appointing directors and senior executives

The Company undertakes background checks with regards to the person's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director. Any material adverse information revealed by these checks is released to shareholders prior to the general meeting at which the

relevant individual stands for election. In addition, when an individual is nominated to be a director, details of their relevant professional history and qualifications will be made accessible to the shareholders in the Company.

Directors and senior executives of the Company are given letters of appointment and/or service agreements prior to their engagement with the Company.

Diversity

At a Board and senior management level, gender diversity has been identified as a key area of focus for the Company. Accordingly, the Company has adopted a Diversity and Inclusion Policy which will aim to achieve adequate representation of women in senior management and leadership roles (including on the Board).

The Company aims to achieve greater gender diversity by:

- (a) setting measurable objectives to achieve gender diversity;
- (b) broadening the field of potential candidates for senior management and Board appointments;
- (c) ensuring appropriate transparency with respect to the Board appointment process; and
- (d) embedding the extent to which the Board has achieved the objective of the Diversity and Inclusion Policy in the evaluation criteria for the annual Board performance evaluation.

A copy of the Diversity and Inclusion Policy is available on the Company's website at the following URL:

<https://investor.prospa.com/investor-centre/?page=corporate-governance>.

Our current gender targets were set at the beginning of FY22 to be achieved by the end of FY23. For that period, we have a workforce participation target of:

- at least 50% women (all employees); and
- at least 40% women (the Leadership Team).

As at the end of FY23, we employed 44% women (all employees) and our Leadership Team comprised 35% women.

Our Executive Team is comprised of 13% women. The Executive Team are the most senior leaders who determine the strategic direction of the business, in conjunction with the Board.

The Board comprises 50% women and 50% men.

The Company was compliant with the Workplace Gender Equality Act 2012 in FY23.

Performance review of the Board

Directors provide performance feedback in relation to the Board, its Committees and individual Directors on an annual basis. Each Committee of the Board also provides feedback in terms of a review of its own performance on an annual basis. The CEO also provides feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review. Where appropriate to facilitate the review process, assistance may be obtained from third party advisers.

A Board and Committee review was undertaken in FY23.

Performance review of the CEO and Senior Executives

Executive performance is reviewed every 12 months when the audited financial results are available. This last occurred in September 2022 and will occur again in August or September 2023. The process reviews each executive's Key Performance Indicators against performance and targets set in the previous period and sets new targets.

Principle 2: Structure the board to be effective and add value

Remunerations, People and Nominations Committee (RPNC)

The Board of the Company has in place a Remuneration, People and Nomination Committee.

The RPNC is comprised of the following members:

- (a) Mary Ploughman (Chair);
- (b) Gail Pemberton;
- (c) Fiona Trafford-Walker; and
- (d) Avi Eyal.

Of its four members, the Company considers Mary Ploughman, Gail Pemberton and Fiona Trafford-Walker to be independent. Mary Ploughman is Chair of the RPNC.

The RPNC's primary responsibilities with respect to nominations include:

- assist the Board to develop a board skills matrix;
- review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chair and CEO;
- review and recommend to the Board the criteria for nomination as a Director and the membership of the Board more generally, including:
 - making recommendations for the re-election of Directors; and
 - assisting the Board to identify qualified individuals for nomination to the Board;
- assist the Board in relation to the performance evaluation of the Board, its Committees and individual Directors;
- ensure that processes are in place to support Director induction and ongoing education and regularly review the effectiveness of these processes;
- in accordance with the Diversity and Inclusion Policy, develop and recommend to the Board measurable objectives for achieving gender diversity and, on an annual basis, review them and recommend any changes to the Board.
- on an annual basis:
 - review the Diversity and Inclusion Policy and its effectiveness
 - review the relative proportion of women and men on the Board, in senior executive positions and in the workforce at all levels of the Group; and

- submit a report to the Board, which outlines the Committee's findings or, if applicable, provide the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012*.

Further detail in relation to the RPNC's function as a remuneration committee is available under Principle 8 of this Corporate Governance Statement.

A copy of the RPNC Charter is available on the Company's website at the following URL:

<https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The number of RPNC meetings held during the period is disclosed in the Company's Annual Report.

Composition of the Board and details of Directors

The Board considers an independent Director to be a Non-Executive Director who is not a member of Management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent and unfettered exercise of their judgement. The Board considers the materiality of any given relationship on a case-by-case basis.

The Board will assess the independence of new Directors upon appointment and review their independence, and the independence of the other directors, as appropriate. This is informed by the independence criteria in the ASX Principles as well as the Company's own Guidelines on Independence of Directors, contained in the Board Charter as Attachment 1 and available on the Company's website at the following URL:

<https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Board is comprised of six Directors, of whom three Directors are considered independent Non-Executive Directors (being Gail Pemberton, Fiona Trafford-Walker and Mary Ploughman) and a further Director considered to be a non-independent Non-Executive Director (being Avi Eyal). There is one Board position currently vacant. As such, the Board is comprised of 50% independent directors, which is short of a majority, whilst that vacancy exists. During this period, the Board is comfortable that it is maintaining its independence as the Chair of the Board is independent and has a casting vote in the event of equal votes on any matter that comes before the Board.

The Company's Non-Executive Chair, Gail Pemberton, satisfies the ASX Principles definition of an independent director. The CEO of the Company is Mr Greg Moshal. There is a clear division of responsibility between the Independent Non-Executive Chair and the CEO.

The below table sets out the independent status and length of appointment of each Director:

Director	Independent Status	Appointment Date
Gail Pemberton (Chair)	Independent Non-Executive Director	14 May 2018
Greg Moshal (CEO & Managing Director)	Not independent	18 April 2018
Fiona Trafford-Walker	Independent Non-Executive Director	14 May 2018
Mary Ploughman	Independent Non-Executive Director	1 March 2021
Avi Eyal	Non-Independent Non-Executive Director	14 May 2018
Beau Bertoli	Not independent	18 April 2018

The Company has disclosed the details of each Director, including their qualifications, skills and experience, in the "Directors' Report", contained in the Company's Annual Report.

Board skills matrix

The Board members have each completed a board skills matrix, a copy of which is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

Under the Company's Constitution, the Board must comprise of at least three Directors and a maximum of eight Directors. The Board regularly reviews the composition of the Board, considering the number and skill mix of the Directors to ensure the Board can address existing and emerging business and governance issues relevant to Prospa.

The Board has developed a Board skills matrix which is provided below. Whilst the Board recognises that skills such as leadership and previous experience as a chief executive, chair or board member of a large organisation have traditionally been prerequisites to appointment as a director, the Board further recognises that other skills gained from experience in the following areas are key skills and experience that the Board as a whole should comprise given the nature of Prospa and its industry:

Board Director Skills, Experience and Expertise	Number of Directors with Experience
ASX Listed and Corporate Governance	6 directors
Audit, Risk and Compliance	6 directors
Investor Relations	6 directors
Industry	
Credit and Treasury functions	6 directors
Digital Business Models and Technology	6 directors
Finance	
Mergers and Acquisitions	6 directors
Remuneration and Reward	6 directors

Induction and education

The Company has an induction program for each new Director upon appointment. This includes meeting with members of the existing Board, Company Secretary, management and other relevant executives to familiarise themselves with the Company, its procedures and governance requirements, and Board practices and procedures.

On an ongoing basis, and subject to approval of the Chair, Directors may request and undertake training and professional development, as appropriate, at the Company's expense.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

The Board is conscious of the importance of the Company's culture and distilling it to all employees to ensure lawful, ethical and responsible behaviour.

Company values

The Company's values are:

- Customer obsessed

- One team
- Simplify
- Deliver value fast
- Be bold, open and real
- Think like an owner

The Company's values are included on our website <https://www.prospa.com/about-us> in the "What we value" section.

Code of Conduct

The Company has adopted a formal Code of Conduct which is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Code of Conduct outlines a clear set of values and forms the basis for Prospa's culture which encompasses strong corporate governance, sound business practices and good ethical conduct.

The Company has a compliance framework in place that ensures that material breaches of the code are reported to the Board.

Whistleblower policy

The Company has adopted a Speak Up Policy which is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Company has processes in place to report any material incidents under this policy to the Board at the next Board meeting.

Anti-bribery and corruption policy

The Company has adopted an Anti-Bribery and Anti-Corruption Policy which is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Company has a compliance framework that ensures that material breaches of this policy are reported to the Board.

Environment & Community initiatives

The Group is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations. In FY23, Prospa initiated a carbon footprint analysis across the Group and implemented strategies working towards further minimising our direct impact, while offsetting our carbon footprint, and have committed to this again for FY24. Prospa is aware of proposals from a number of key accounting bodies in relation to new sustainability disclosure reporting. Prospa acknowledges the importance of sustainability reporting and will monitor the development of those proposals and consider the applicability of any mandated changes for our future reporting.

The Group is a responsible corporate citizen and actively supports the communities in which we live and work. Prospa offers its employees paid volunteer leave to give back to the community through the donation of time and skills, either individually or as a team, to help those in need. In FY23, some employees utilised this leave in partnership volunteering with FoodBank and with Clean Up Australia Day. During FY23, Prospa was proud to continue and strengthen our partnership with Kiva, a non-profit focused on expanding financial access to underserved communities.

Principle 4: Safeguard the integrity of corporate reports

Audit and Risk Committee (ARC)

The Board of the Company has in place an Audit and Risk Committee to assist the Board in ensuring the integrity of the Company's financial reporting, the effectiveness of the Company's systems of financial risk management and internal control and monitoring the Company's external audit functions.

The Audit and Risk Committee is comprised of the following members:

- (a) Fiona Trafford-Walker (Chair);
- (b) Gail Pemberton; and
- (c) Mary Ploughman.

Of its three members, the Company considers Fiona Trafford-Walker, Gail Pemberton and Mary Ploughman to be independent. Fiona Trafford-Walker is chair of the Audit and Risk Committee.

The primary role of the ARC is to assist the Board in carrying out its financial reporting and external audit responsibilities.

The ARC's key responsibilities with respect to financial reporting include:

- reviewing, and discussing with management and the external auditor, the Company's corporate and financial reporting and disclosure processes and make recommendations to the Board in relation to the adequacy of those processes;
- reviewing the Company's half-yearly and yearly financial statements for completeness, for accuracy, for adherence to accounting standards and policies, and to ensure they reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company, as a basis for recommendation to and adoption by the Board;
- receiving and reviewing reports of the external audit of the Company's financial statements;
- reviewing and making recommendations to the Board in relation to the appropriateness of the accounting policies, judgements and choices adopted by management in preparing the Company's financial reports, including significant changes in the selection or application of accounting principles;
- reviewing any proposed payment of a dividend to shareholders;
- reviewing the financial sections of the Company's Annual Report and related regulatory filings prior to release and consider the accuracy and completeness of the information provided;
- receiving from the CEO and CFO a declaration in relation to the half-yearly and yearly financial statements;
- reviewing the management representation to the external auditor in relation to the half-yearly and yearly financial statements;

- establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters, and procedures for the confidential, anonymous submission of concerns by employees regarding accounting and auditing matters;
- ensuring that procedures are in place designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management; and
- discussing with management and the external auditor the process for and disclosures made by the CEO and CFO in connection with their certification of the periodic reports.

The ARC's key responsibilities with respect to external audit include:

- reviewing and making recommendations to the Board in relation to the scope and adequacy of the external audit, including the proposed fees;
- reviewing the effectiveness of the annual audit, placing emphasis on areas where the Committee or the external auditor believes special attention is necessary;
- reviewing with the external auditor its report regarding significant findings in the conduct of its audit and the adequacy of management's response and monitor whether any issues are being managed and rectified in an appropriate and timely manner;
- discussing with the external auditor matters relating to the conduct of the audit (without management present);
- reviewing the performance, independence and objectivity of the external auditor at least annually;
- reviewing the procedures for selection and appointment of the external auditor and for the rotation of external audit engagement partners;
- recommending to the Board the selection and termination of the external auditor, subject to any shareholder approval;
- reviewing annually and recommending to the Board, the external auditor's terms of engagement (including the audit plan) and other contractual terms, fees and other compensation to be paid to the external auditor and ensure that any key risk areas for the Company and financial requirements are incorporated into the audit plan;
- overseeing the operation of the External Audit Policy;
- overseeing the compliance with the Company's policy on the engagement of the external auditor to supply non audit services;
- providing advice to the Board as to whether the Committee is satisfied that the provision of non audit services is compatible with the general standard of independence, and an explanation of why those non audit services do not compromise audit independence, in order for the Board to be in a position to make the statements required by the *Corporations Act 2001* (Cth) to be included in the Company's Annual Report; and
- oversee the coordination of the external audit.

Under the charter, it is the policy of the Company that its external auditing firm must be independent of it. The committee will review and assess the independence of the external auditor on an annual basis.

The ARC may obtain information from, and consult with, management, the external auditor and external advisers, as it considers appropriate. The ARC also has access to the external auditor to discuss matters without Management being present.

Further detail in relation to the ARC's function as a risk committee is available under Principle 7 of this Corporate Governance Statement.

A copy of the Audit and Risk Committee Charter is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The qualifications and experience of all Board members and the number of Audit and Risk Committee meetings held during the period are set out in the "Directors' Report", contained in the Company's Annual Report.

CEO and CFO declaration

Prior to Board approval of Prospa's annual financial reports, the CEO and CFO must provide the Board with the declarations required under section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles. This declaration is also provided prior to Board approval of Prospa's half-year financial reports required under Recommendation 4.2 and as if section 295A of the Corporations Act applied in respect of a half-year period.

For the financial year ended 30 June 2023, the CEO and CFO made a declaration in accordance with section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles.

Periodic corporate report

For the financial year ended 30 June 2023, a number of Prospa's periodic corporate reports⁶ released by Prospa to the market were audited or subject to review by the auditor.

The Board is responsible for reviewing and approving the release of any periodic corporate report not audited or reviewed by an external auditor. This involves a verification process which is undertaken by Management to ensure the information included in such corporate reports is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions. The verification process varies depending on the nature of the report but typically includes preparation by subject matter experts (e.g. finance, legal, governance, People & Culture and other expert advisers as appropriate) and final review by the CEO, CFO and Company Secretary, with final review and sign-off by the Board.

Auditor at AGM

At Prospa's 2023 AGM, Deloitte, as the independent external auditor, will be present and available to answer shareholder questions on the:

- conduct of the independent external audit;

⁶ Periodic corporate report is defined in the ASX Principles as an entity's annual directors' report, annual and half yearly financial statements, quarterly activity report, quarterly cash flow report, integrated report, sustainability report, or similar periodic report prepared for the benefit of investors.

- preparation and content of the independent external auditor's report;
- accounting policies adopted by in relation to the preparation of the financial statements; and
- independence of Deloitte in relation to the conduct of the audit.

Principle 5: Make timely and balanced disclosure

The Company is committed to providing timely, complete and accurate disclosure of information to keep the market fully informed of information which may have a material effect in the price or value of the Company's securities in accordance with its obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

A copy of the Company's Disclosure Policy is available at the following URL:

<https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Board approves all material announcements prior to release.

The Company releases all new and substantive investor or analyst presentations to the ASX markets platform ahead of the presentation.

Principle 6: Respect the rights of security holders

The Board's aim is to ensure that Shareholders are provided with sufficient information about itself and its governance to assess the performance of the Group and that Shareholders are kept informed of all major developments affecting the state of affairs of the Group in accordance with all applicable laws. In addition to the Company's continuous disclosure obligations, the Company has adopted a Shareholder Communications Strategy to keep Shareholders informed.

Prospa website

The Company provides information about itself and its governance to its investors on the Company's website via the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

The Company will regularly update the website and its contents as necessary.

Investor relations

The Company has in place an investor relations program which is used as a measurement for communicating important aspects of the Company's affairs under the wider-ranging and Board-adopted Communications Strategy.

A copy of the Company's Communications Strategy is available at the following URL:

<https://investor.prospa.com/investor-centre/?page=corporate-governance>.

Shareholder communications

The Company encourages shareholders to register for receipt of announcements and updates electronically.

The Company has in place a formal Communications Strategy whereby information is communicated to shareholders through a range of forums and publications including:

- (a) notice of meetings and explanatory material;
- (b) the AGM and other general meetings;
- (c) periodic disclosure through the Annual Report and the half year financial report;
- (d) announcements lodged with the ASX; and
- (e) investor presentations.

All of the above information is available on the Company's website at <https://investor.prospa.com/investor-centre>.

A copy of the Communication Strategy is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

Shareholder engagement and participation

To encourage shareholder engagement, shareholders have the opportunity to attend the virtual AGM, ask questions via the Q&A functionality and participate in voting.

Shareholders who are unable to attend the virtual AGM are encouraged to vote on the proposed motions by appointing a proxy via the proxy form that accompanies the notice of meeting, or online through the share registry's website.

Shareholders have the opportunity to submit written questions and comments to Prospa and its external Auditor.

The Company's Constitution states that the Chair may determine that any question to be submitted to a general meeting will be determined by a poll without first submitting the question to a show of hands.

It is intended that the Chair will make this determination for at least all substantive resolutions to be considered at a general meeting.

Presentations and speeches made by the Chair and CEO at the AGM are made available on the ASX announcements platform, and Prospa's website following the meeting.

Prospa also publishes the results of the AGM to the ASX and on its website following the conclusion of the AGM.

Principle 7: Recognise and manage risk

Risk Management

In its function as a risk committee, the ARC assists the Board in fulfilling its corporate governance responsibilities with regard to providing oversight and ensuring the soundness of Prospa's risk management framework and internal control systems. The ARC's primary responsibilities with respect to risk management include:

- overseeing and advising the Board on high-level risk related matters;
- reviewing, at least annually, the Company's risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk and report to the Board on its findings;
- overseeing management's implementation of the risk management strategy, including:

- ensuring that management has appropriate processes for identifying, assessing and responding to risks in a manner that is consistent with the Company's risk appetite, and that those processes are operating effectively;
 - challenging management's proposals and decisions on all aspects of risk management arising from the Company's activities; and
 - seeking reports from management on any key risk exposures and incidents;
- reviewing the trends in the Company's risk profile and report to the Board on key risks;
- monitoring whether management is communicating the importance of internal control and management of risk throughout the organisation and therefore setting up an appropriate 'control culture';
- reviewing and making recommendations to the Board in relation to the risk disclosures in the Company's periodic reporting documents;
- evaluating the adequacy and effectiveness of the Company's identification and management of economic, environmental and social sustainability risks and its disclosure of any material exposures to those risks;
- overseeing the establishment and maintenance of processes to ensure that there is:
 - an adequate system of internal control, management of business risks and safeguard of assets; and
 - a regular review of internal control systems and the operational effectiveness of the policies and procedures related to risk and control.
- evaluating the Company's exposure to internal and external fraud, overseeing investigations of allegations of internal fraud or malfeasance and make recommendations to the Board in relation to any incident involving internal fraud or external fraud due to a breakdown of the Company's internal controls; and
- at least annually, evaluating and making recommendations to the Board in relation to the structure and adequacy of the Company's insurance program having regard to the Company's business and the insurable risks associated with its business.

Details of the ARC are contained in this Corporate Governance Statement under Principle 4. For details of the qualifications and experience of each ARC member, refer to the "Directors' Report", contained within the Annual Report. For details regarding the number of ARC meetings and the attendance at those meetings, refer to "Meetings of Directors" contained within the Annual Report.

In accordance with the Company's Board Charter, it is the Board's responsibility to review, ratify and monitor the Company's systems of risk management, internal controls and legal compliance. The review of the Company's risk management framework has been delegated to, and is therefore the responsibility of, the ARC. The Company's overall risk management and compliance frameworks were reviewed and approved during FY23.

The Company has undertaken reviews of its risk management framework and receives regular reports in relation to risk. The Company reviews its Risk Appetite Statement regularly.

Internal Audit

Prospa engaged an external agency as its internal audit partner to implement and execute the FY21-24 internal audit plan. Since appointment, several key operational areas have been internally audited during that period. The audit plan is designed to provide independent insights and challenges to Prospa and includes interviewing key stakeholders and decision makers on a number of identified potential risk items that form the scope and objective of the audit.

This internal audit process is managed by the Head of Operational Risk and Compliance. Observations (including identified gaps and weaknesses) and management responses are then tabled at the ARC. The objective is for Prosopa to strengthen its internal operations and processes. The external agency works closely with Compliance and Operational Risk and is facilitated by Compliance to ensure the meetings and artefact gathering is maximised and effective.

The three-year internal audit plan is designed around the major internal risks identified to date, however is flexible and updated in response to changing circumstances. The current internal audit plan is being reviewed for FY25.

Prosopa also has an enterprise risk management function to provide the policies, frameworks, tools, techniques and relevant risk advice to allow the business to effectively own and manage risks through the course of achieving business outcomes. This function oversees and monitors the management of risk across the business to also provide risk insights, operational risk reviews and the controls required to ensure compliance with key internal and external obligations as well as general advice on risk acceptance to the business.

Environmental and social risks

All material risks to environmental and social risks will be announced to the market, in accordance with the requirements of the ASX Listing Rules and otherwise.

Principle 8: Remunerate fairly and responsibly

Remuneration, People and Nominations Committee (RPNC)

The RPNC assists the Board in fulfilling its corporate governance responsibilities to remunerate fairly and responsibly. The RPNC's primary responsibilities with respect to remuneration include:

- reviewing and recommending to the Board arrangements for the CEOs and the CEOs' direct reports, including contract terms, annual remuneration and participation in the Company's short and long term incentive plans;
- reviewing and recommending to the Board short term incentive performance targets and bonus payments for the CEOs and the CEOs' direct reports;
- approving major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Group, including having regard to reputation and standing in the community related to excessive remuneration;
- reviewing and recommending to the Board major changes and developments in relation to the Company's employee equity incentive plans;
- recommending to the Board whether offers are to be made under any or all of the Company's employee equity incentive plans in respect of a financial year;
- overseeing the operation of the Company's employee equity incentive plans when in place;
- reviewing and making recommendations to the Board on remuneration by gender and recommend strategies or changes to address any pay gap;
- reviewing and recommending to the Board the remuneration arrangements for the Chair and the non-executive Directors of the Board, including fees, travel and other benefits;

- approving the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Cth);
- taking appropriate action to ensure that the Committee, the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration;
- reviewing and recommending to the Board the remuneration report prepared in accordance with the Corporations Act for inclusion in the annual directors' report; and
- reviewing and facilitating shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

A copy of the Remuneration, People and Nomination Committee Charter is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.

Details of the RPNC are contained in the disclosure under Principle 2. For details of the qualifications and experience of each RPNC member, refer to the "Directors' Report", contained within the Annual Report. For details regarding the number of NRC meetings and the attendance at those meetings, refer to "Meetings of Directors" contained within the Annual Report.

Remuneration policies and practices

The Company disclosed its remuneration principles and practices in the "Remuneration Report" contained within the Company's Annual Report.

Securities Dealing Policy

The Company has a Securities Dealing Policy that prohibits directors, officers and employees from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme.

A copy of the Securities Dealing Policy is available on the Company's website at the following URL: <https://investor.prospa.com/investor-centre/?page=corporate-governance>.