



GLOBAL MASTERS FUND LIMITED

ABN 84 109 047 618

## CORPORATE GOVERNANCE STATEMENT

FOR YEAR ENDED 30 June 2023

This statement outlines the main corporate governance practices that were in place for the year ended 30 June 2023. The statement explains the extent to which the Company complies with the ASX Corporate Governance Principles and Recommendations (Fourth Edition), including explanations of why certain recommendations have not been followed. For ease of comparison with the Principles and Recommendations, this section summarises the Company's compliance with each of the specific recommendations as follows.

### PRINCIPLE 1:

#### Lay solid foundations for management and oversight

##### Recommendation 1.1: Disclose a Board Charter that sets out the respective roles and responsibilities of its Board and Management

###### Compliant

The Board is responsible for the overall corporate governance of the entity and its overriding objective is to protect and increase Shareholder value. The Board guides and monitors the business to ensure that the Company is properly managed in the best interest of Shareholders. The Board is accountable to its Shareholders.

It is responsible for a broad range of matters including:

- monitoring the Investment Manager and the composition and performance of the investment portfolio;
- monitoring and assessing the performance of the Managing Director;
- undertaking Director nomination matters including succession planning for the Board to ensure an appropriate mix of skills, experience, expertise and diversity is maintained;
- approving and maintaining appropriate risk management and internal control systems to identify, assess, monitor and manage the Company's business risks on an ongoing basis;
- overseeing the Company's process for disclosure and communications; and

- developing and approving appropriate Company policies, procedures and codes of behaviour (including Whistleblower Policy) as required to maintain a culture of integrity and a strong framework of corporate governance.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations, and is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

The Charter sets out the matters specifically reserved for the Board.

##### Recommendation 1.2: Information prior to Director election/re-election or engaging Senior Executives

###### Compliant

Before the Board appoints a Senior Executive, a new Director or puts forward a candidate for election, the Board will ensure that appropriate background checks are undertaken. Shareholders are provided with all material information in our possession that is relevant to their decision on whether or not to elect or re-elect a Director through a number of channels, including via the Notice of Meeting, the Director Résumés and other information contained in the Annual Report.

##### Recommendation 1.3: Written agreement with each Director and Senior Executive setting out the terms of their appointment

###### Compliant

Upon appointment, each Director receives a letter of appointment which sets out the formal terms of their appointment, along with a deed of indemnity, insurance and access.

##### Recommendation 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

###### Compliant

The Company Secretary is directly accountable to the Board on matters relating to the proper functioning of the Board.

Details regarding the Company Secretary, including experience and qualifications, are set out in the Directors' Report.



### Recommendation 1.5: Gender Diversity

#### Compliant

The Company has a Diversity Policy which is available on the website: [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

The policy includes measurable diversity objectives of 1/3 of the independent Directors. The Company currently meets its' diversity objectives: there is currently one female Director (1/2 of the independent Directors).

In respect of diversity, the Board considers that diversity includes differences that relate to gender, age, ethnicity and cultural background. It also includes differences in background and life experience, communication styles, interpersonal skills, education and problem solving skills.

The Board seeks to develop a culture of diversity whereby a mix of skills and diverse backgrounds are employed by the Company at all levels. By structuring the recruitment processes so that a diverse range of candidates are considered, there are no excuses or unconscious biases that might discriminate against certain candidates.

As the Company is an externally managed entity with no employees, there is no further reporting in relation to Senior Executives or the workforce.

### Recommendations 1.6 and 1.7: Board and Senior Executive Evaluation

#### Compliant

The Board is committed to formally evaluating its performance and the performance of the individual Directors, as well as the governance processes supporting the Board. The Board does this through an annual assessment process. Any issues identified are addressed at subsequent Board meetings. A Review was conducted during the year.

**PRINCIPLE 2:**  
**Structure the Board to be effective and add value**

### Recommendation 2.1: Establish a Nomination Committee

#### Non-Compliant

The Company has not established a formal Nomination Committee, as the Board considers that, due to the scope and nature of the Company's activities, the whole Board should undertake the responsibility.

### Recommendation 2.2: Have and disclose a Board skills matrix

#### Compliant

The Company's objective is to have an appropriate mix of expertise and experience on our Board and its Committees so that the Board can effectively discharge its corporate governance and oversight responsibilities. This mix is described in the Board skills matrix below.

Expertise	Experience
<ul style="list-style-type: none"> <li>● Financial knowledge and experience</li> <li>● Legal, governance and compliance</li> <li>● Commercial acumen</li> <li>● Risk management</li> </ul>	<p><b>Industry</b> Finance / Superannuation</p> <p><b>Market</b> International and Australian Listed Securities</p> <p><b>Geographic</b> Australia, USA and UK</p>

### Recommendation 2.3: Independent Directors

#### Compliant

The Board has accepted that an Independent Director is as defined in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition).

Of the current Board members, Mrs Angela Obree and Mr Murray d'Almeida are considered to be independent Directors.

The length of service of each Director is set out in the Directors Report.

### Recommendation 2.4: A majority of the Board of a listed entity should be independent Directors

#### Compliant

The structure of the Board does comply with this recommendation in that a majority of the Directors are independent (refer recommendation 2.3).

### Recommendation 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

#### Compliant

The Company's Chairman is Mr Murray d'Almeida an independent Director.



### Recommendation 2.6: Director induction and professional development

#### Compliant

New Directors are inducted into the Company's processes and policies in a suite of ways, including the provision of a 'Board manual', interviews with senior management of the Investment Manager and out of session meetings with other Directors. All Directors are encouraged to undertake ongoing professional development both in their area of technical expertise and in the skills required to effectively execute the role of Director.

### PRINCIPLE 3:

Instil a culture of acting lawfully, ethically and responsibly

### Recommendation 3.1: Values

#### Compliant

The Company has adopted a Statement of Values that is fundamental to the Company's social licence to operate. The guiding principles, standards and behaviours within are expected of Directors, Senior Executives and employees to fulfill the Company's purpose and build long term sustainable value for its security holders. The Statement of Corporate Values is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

### Recommendation 3.2: Code of Conduct

#### Compliant

The Company has developed a Code of Conduct (the Code) which has been fully endorsed by the Board and applies to all Directors and officers. The Code is reviewed annually and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity. The Code sets out the Company's commitment to conducting its business in accordance with all applicable laws and regulations while demonstrating and promoting the highest ethical standards. A copy of the Code is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

### Recommendation 3.3: Whistleblower Policy

#### Compliant

The Company has developed a Whistleblower Policy to allow eligible whistleblowers the confidentiality and protections to speak up about any unlawful, unethical or irresponsible behaviour. The Policy is reviewed annually by the Board.

The Whistleblower Policy is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

### Recommendation 3.4: Anti-Bribery and Corruption Policy

#### Compliant

The Company has incorporated matters associated with anti-bribery and corruption within its Code of Conduct. Giving bribes or other improper payments or benefits to public officials is a serious criminal offence and is considered a serious breach of the Company values.

The Code of Conduct is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

### PRINCIPLE 4:

Safeguard the integrity of corporate reports

### Recommendation 4.1: Audit Committee

#### Compliant

Due to the size of Board, the functions of the Audit Committee are undertaken by the full Board. The Board Charter of the Company includes relevant matters for which the Audit Committee would normally be responsible.

The Board Charter is available on the Company's website:

[www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

### Recommendation 4.2: CEO and CFO declaration on the financial records

#### Compliant

The Board has received a declaration from the CFO that the Company's financial records 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. Note: the Company does not have a CEO.



### Recommendation 4.3: Verification of Periodic Reporting

#### Compliant

The Company's external auditor reviews the Company's annual Directors Report, annual Remuneration Report, Interim and Final Financial Statements and the Appendix 4E and 4D announcements. Periodic reports that are not subject to external audit review such as Monthly NTA announcements and Quarterly Reports are subject to a rigorous internal review process conducted by the Manager prior to release to the market.

## PRINCIPLE 5:

### Make timely and balanced disclosure

#### Recommendation 5.1: Continuous Disclosure Policy

#### Compliant

The Company has a Continuous Disclosure Policy which sets out the obligations of the Company's Directors and officers in relation to continuous disclosure as well as the Company's obligations under the Corporations Act and the ASX Listing Rules. The policy also contains procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with the disclosure requirements and for the monitoring of Company compliance.

The Disclosure Policy is available on the Company's website: [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

#### Recommendation 5.2: The Board receives copies of all material market announcements

#### Compliant

In accordance with the Disclosure Policy the Company Secretary is required to notify the Board of all market announcements promptly after they have been made.

#### Recommendation 5.3: Announce Investor and Analyst Presentations

#### Compliant

In accordance with the Disclosure Policy the Manager must release a copy of presentation materials on the ASX Market Announcements Platform prior to giving a presentation.

## PRINCIPLE 6:

### Respect the rights of security holders

#### Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website

#### Compliant

Investors and other stakeholders can find information about the Company on its website: [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

Information on the Company's corporate governance practices can also be found at [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

#### Recommendation 6.2: A listed entity should have an investor relations program that facilitates effective two-way communication with investors

#### Compliant

The Company's Communications Policy sets out how the Company will communicate with Shareholders.

Information is communicated to Shareholders through the distribution of a quarterly report, annual and half yearly financial reports, announcements through the ASX and the media, on the Company's website and through the Chairman's address at the Annual General Meeting.

If requested, the Company will provide general information by email, facsimile or post.

Through the Company's email address and phone number, and at AGMs, the Company encourages two-way communication with Shareholders.

The Communication Policy is available on the Company's website: [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

#### Recommendation 6.3: Disclose how it facilitates and encourages participation at meetings of security holders

#### Compliant

The Company facilitates and encourages participation at meetings of security holders by having sections of each meeting dedicated to questions from the floor. Shareholders are given at least 30 days' notice of security holder meetings and those that are unable to attend in person may email or fax questions they would like answered. The Company provides a direct voting facility to allow security holders to vote ahead of AGMs without having to attend or appoint a proxy



**Recommendation 6.4: Ensure that all substantive resolutions are decided by a poll rather than by a show of hands**

Compliant

The Chair of a security holder meeting will conduct a poll when deciding substantive resolutions.

**Recommendation 6.5: Give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically**

Compliant

Quarterly reports and other information required to be sent to Shareholders are sent by email to all persons who have requested their name to be added to the Company's email list. If requested, the Company will provide general information by email, facsimile or post.

**PRINCIPLE 7:**

**Recognise and manage risk**

**Recommendation 7.1: Risk Committee**

Compliant

The Company does not have a separate Risk Committee. The Board is responsible for monitoring the Company's business risks.

The Board Charter, is available on the Company's website: [www.globalmastersfund.com.au](http://www.globalmastersfund.com.au)

**Recommendation 7.2: Annual risk management framework review**

Compliant

Each year, the Board reviews the Company's risk management framework. Ad hoc reviews may also be conducted when the Board perceives that the risk environment has shifted significantly. A review was conducted during the year.

**Recommendation 7.3: Internal audit function**

Non-Compliant

The Company does not have an internal audit function as the Board has deemed it is not necessary giving consideration to the size and nature of the Company. Instead, the full Board through the CFO liaises closely with the Company's external auditor to identify potential improvements to the risk management and internal control processes.

**Recommendation 7.4: Disclose material exposure to environmental and social risks**

Compliant

The Board monitors the business risk and guides the affairs of the Company in the discharge of its stewardship responsibilities. The Company does not currently have any material exposure to environmental and social risks.

The Board meeting agendas and reports advise the Board of current and forthcoming issues relevant to the Company's operations and performance. The Board reviews the investment portfolio at their regular meetings.

Management has designed and implemented a risk management and internal control system through a Risk Management Framework. The Framework is monitored by the Board. The Framework is reviewed yearly by the Board.

The identified risks are grouped within the Framework under the following headings:

- Strategic
- Operational
- External Macro
- Environmental



## PRINCIPLE 8:

### Remunerate fairly and responsibly

#### Recommendation 8.1: Remuneration Committee

##### Non-Compliant

Given the size of the Company and the nature of its activities, these functions are undertaken by the Board.

#### Recommendation 8.2: Disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives

##### Compliant

The maximum amount of Directors' fees is fixed by Shareholders at the Annual General Meeting and can only be varied by Shareholders in a similar manner. In determining the allocation of fees, the Board takes into account the time demands on each Director, together with the responsibilities undertaken by them and market practices of similar sized businesses in the Listed Investment Company sector.

It is the policy of the Board not to issue Directors incentive shares or options.

The details of the remuneration received by Directors in the 2022/2023 year are included in the Remuneration Report contained within the Directors' Report.

#### Recommendation 8.3: Equity-based remuneration

##### Not Applicable

As the Company does not have an equity-based remuneration scheme and does not intend to establish one, Recommendation 8.3 is not applicable.