



> Corporate Governance Statement

For the year ended 31 March 2024

This Corporate Governance Statement is current as at 21 May 2024 and has been approved by the Board.



OFX Corporate Governance

The corporate governance arrangements for OFX Group Limited (**Company**) and its subsidiaries (together the **OFX Group**) are set by the Board having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (**ASX Principles and Recommendations**), corporate best practice and the best interests of all stakeholders.

The Company is committed to adopting best practice in corporate governance where these practices are appropriate to the business and add value. Consistent with the ongoing review of the Company's corporate governance framework to ensure that reflects best practice, the Company regularly reviews its Charters and Policies to ensure that they continue to reflect the ASX Principles and Recommendations.

The policies and charters that are described in this Corporate Governance Statement are available on the Company's website at www.ofx.com/en-au/investors/corporate-governance.

Principle 1: Lay solid foundations for management and oversight

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

ASX Recommendation 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.

Position

The Board has adopted a Board Charter that details the functions and responsibilities of the Board, Chair and individual Directors.

Responsibility for the day-to-day management and administration of the OFX Group is delegated to the Managing Director and Chief Executive Officer (**CEO**), assisted by the CEO's executive direct reports (**Executives**). The CEO manages the OFX Group in accordance with the strategy, financial plans and delegations approved by the Board. A formal delegation from the Board to the CEO, Executives and other senior management sets out the limits of those delegations.

The Board is responsible for the overall operation and stewardship of the OFX Group, including the long-term growth and profitability, the strategies, policies and financial objectives, and for monitoring the implementation of those policies, strategies and financial objectives.

The functions reserved for the Board include:

- providing input into, and approval of, the OFX Group's strategic direction, budgets and financial plans as developed by the Executives;
- directing, monitoring and assessing the OFX Group's performance against strategic and business plans, to determine if appropriate resources are available;
- approving and monitoring capital management and major capital expenditure, acquisitions and divestments, and capital distributions to shareholders and equity issuances;
- overseeing the process for identifying significant risks of the OFX Group's business and that adequate controls are established, reviewing and overseeing the OFX Group's systems of internal compliance and control, risk management and legal compliance, to determine the integrity and effectiveness of those systems;
- approving and monitoring internal and external financial and other reporting, including reporting to shareholders, the ASX and other stakeholders;
- the appointment and removal of the Chair, CEO, Chief Financial Officer (**CFO**) and the Company Secretary;
- ratifying the appointment and removal of Executives;
- determining whether the remuneration and conditions of service of Directors and Executives are appropriate;
- establishing and monitoring Board and Executive succession planning;
- monitoring of performance including approving criteria for assessing performance of the CEO and Executives;
- ensuring ethical behaviour and compliance with the OFX Group's governing documents, including the

Code of Conduct, Communications Policy, Continuous Disclosure Policy, Diversity and Inclusion Policy, Remuneration Policy, Securities Trading Policy and the Whistleblower Policy; and

- reviewing corporate governance principles and policies and compliance with corporate governance standards.

To assist in performing these duties in the most efficient manner, the Board has established the following Board committees:

Audit, Risk and Compliance Committee (**ARCC**)

- People Culture & Remuneration Committee (**PCRC**)
- Nomination Committee
- Continuous Disclosure Committee

There is a Charter for each Committee setting out its role and responsibilities. Committee Charters are available on the Company's website. Further details about the operation of these Committees can be found below.

Details of the number of times that the Board and each of these Committees met during FY24, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's FY24 Annual Report.

Additionally, the Board invites Executives to attend Board and Committee meetings where appropriate. Executives are required to report regularly to the Board to create a culture that promotes transparency, candour, contestability and foresight.

Directors are entitled to request additional information at any time they consider it appropriate and an open dialogue between individual Directors, the CEO and Executives is encouraged.

ASX Recommendation 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.

Position

The selection, appointment and reappointment of directors occurs in accordance with the Selection, Appointment and Reappointment of Directors Policy adopted by the Nomination Committee. As part of the Company's director selection process, potential candidates are subject to appropriate and prudent background and screening checks prior to appointment. These include checks in relation to the person's probity, experience, qualifications, criminal history, bankruptcy as well as ensuring that the person is available to provide the appropriate time commitment to serve as a director.

As part of its ongoing succession planning, the OFX Board undertakes a review of potential directors on a periodic basis with a view to selecting and appointing directors in accordance with the Selection, Appointment and Reappointment of Directors Policy.

Additionally, Directors who have been in office without re-election since their appointment, or for three years since their last re-election, must retire and seek re-election at the Company's AGM. The following Directors will retire and seek re-election at the AGM on 1 August 2024:

- Robert Bazzani (first AGM since appointment)
- Jacqueline Hey (first AGM since appointment)
- Cathy Kovacs (last re-elected at the 2021 AGM)

In each case, the Company provides to shareholders all material information in its possession, concerning any Director standing for re-election, in the explanatory memorandum to the Notice of Meeting. The Board will also include a recommendation within the Notice of Meeting on the manner in which shareholders are encouraged to vote in respect to any resolutions relating to the re-election of Directors.

ASX Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Position

Directors receive a formal letter of appointment setting out the arrangements relating to their appointments including:

- term of appointment – noting that Directors are not appointed for specific terms and are subject to rotational requirements for re-election;
- anticipated time commitment;
- remuneration;
- requirements to disclose interests which may affect independence;
- requirements to comply with key Company policies including the Code of Conduct, Global Anti-Bribery and Corruption Policy, Securities Trading Policy and Minimum Shareholding Policy;
- entitlement to seek independent advice at the expense of the Company;
- insurance, indemnity and ongoing rights to access information arrangements; and
- ongoing confidentiality obligations.

Similarly, the CEO and the Executives all have employment contracts which set out the key terms and conditions of their employment, including details about their remuneration. These are updated from time to time, as appropriate. Background and screening checks are also undertaken in respect of all Executives prior to appointment.

ASX 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.

Position

Mr Adrian Wong is appointed as both Chief Legal Officer and Company Secretary. Ms Rebecca Blair was appointed as Assistant Company Secretary on 3 October 2023. Mr Brett Farrell resigned as Company Secretary on 29 September 2023.

The Company Secretaries report directly to the Board through the Chair on all Board and governance matters. The Company Secretaries and each Director communicate directly as required. Mr Wong has an internal reporting line to the CEO on legal matters in respect of the business.

The Company Secretaries are responsible for supporting the effectiveness of the Board by ensuring policies and procedures are followed, as well as by co-ordinating the Board agendas and dispatching

Board papers.

The Company Secretaries are appointed by the Board. Ms Blair's and Mr Wong's biographies are included in the Directors' Report of the Company's FY24 Annual Report.

ASX Recommendation 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.

Position

The Board has adopted a Diversity and Inclusion Policy and the Company is committed to maintaining a workplace culture that embraces diversity and inclusion.

The Diversity and Inclusion Policy is designed to reinforce the Company's commitment to an inclusive workplace that embraces and promotes diversity in all its forms. The Policy also sets out the obligations of the Board to set measurable objectives for achieving diversity and to assess annually the Company's progress in achieving those objectives.

The Company recognises that a diverse workforce operating in an inclusive environment is key to its success. Reflecting the diversity of the OFX Group's customers, other stakeholders and the communities in which the OFX Group operates enables the Company to better understand and serve their needs, build trust and make better business decisions. The Company is committed to building a culture and working environment in which our people can perform at their best, feel respected and valued for their contribution as well as feel a sense of belonging. The Company's commitment to workplace diversity is an investment in the creation of a sustainable and enduring business, which will deliver long term shareholder value.

To assist the Company to continue to develop a diverse and inclusive workplace, the following measurable objectives were reviewed by the PCRC and approved by the Board in relation to FY24. The Chief People and Culture Officer is responsible for ensuring that the OFX Group meets its compliance reporting obligations as it relates to diversity. A summary of progress achieved against these objectives during the year is set out below.

Objective	Progress
Maintain 40:40:20* gender representation on the Board.	Target met. As at 31 March 2024, female representation 50%.
Target 40:40:20* gender representation on the Global Executive Team.	Target not met. As at 31 March 2024, female representation 33%.
Maintain 40:40:20* gender representation on the Senior Leadership Team (CEO-2).	Target met. 44% as at 31 March 2024
Identify regions where female representation in Sales / Commercial roles is below 30% and aim to increase female representation by >=10% by the end FY25.	On track to meet target by the end of FY25. Female representation as at 31 March 2024: <ul style="list-style-type: none"> APAC: 47.3% EMEA: 30.2% North America: 27.9%
Build on our partnerships / community engagement opportunities that enable OFX to support indigenous education and employment.	Target met. Supporting Indigenous community programs through employee-matched fundraising and team volunteering for organisations such as: <ul style="list-style-type: none"> KARI Foundation who provide support services to Aboriginal children, youth, families, and communities in the south-western Sydney region Weave Youth & Community Services who provide counselling, crisis intervention, and therapeutic programs to young people and families in inner and north-western Sydney. Established partnership with Advanced Personnel Management (APM) to access a candidate pools for recruitment with a focus on disadvantaged Aboriginal & Torres Strait Islanders.

*40% men, 40% women and 20% of any gender.

The following table summarises the proportion of men and women on the Board and across the OFX Group as at 31 March 2024 compared to 31 March 2023.¹

OFX Group	Board	Board	Executive ²	Executive ²	SLT ³	SLT ³	Manager ⁴	Manager ⁴	Employee ⁵	Employee ⁵
	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23
Female	50%	50%	33%	36%	44%	45%	38%	46%	43%	43%
Male	50%	50%	67%	64%	56%	55%	62%	54%	57%	57%

¹Calculations based on self-reported figures.

² Includes the CEO and Executives.

³ SLT (Senior Leadership Team) includes direct reports of the Executives.

⁴ Represents all people managers not already included in Executive or SLT.

⁵ Represents all other employees not already included in Executive, SLT or Manager.

The Company prepares an annual report to the Workplace Gender Equality Agency. Copies of which can be found at www.ofx.com/wp-content/uploads/2023/05/Workplace-Gender-Equality-Agency-Report-2022-2023.pdf

The Company's FY25 diversity and inclusion objectives approved by the Board are:

- maintain 40:40:20 gender representation on the Board;
- target 40:40:20 gender representation on the Global Executive Team;
- maintain 40:40:20 gender representation on the Senior Leadership Team (CEO-2);
- identify regions where female representation in Sales / Commercial roles is below 30% and aim to increase female representation by $\geq 10\%$ by the end FY25;
- support equality of opportunity by ensuring gender diverse slates for internal promotions globally; and
- build on our partnerships / community engagement opportunities that enable OFX Group to support indigenous education and employment.

ASX Recommendation 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.

Position

In accordance with the Nomination Committee Charter, the Nomination Committee is responsible for formal performance reviews of the Board, its Committees and the individual Directors annually to determine whether they are functioning effectively. In FY24 Board, Committee and Director performance evaluation included:

- an anonymous survey of both the Directors and Executives in September 2023 to rate and provide commentary on performance of the Board and its Committees.
- a report prepared by the Chief People and Culture Officer for the Board outlining the results of the evaluation including areas of strength and areas where there is opportunity for improvement.
- this report and the areas of strength and opportunities for improvement were discussed by Directors at the November 2023 meeting of the Nomination Committee; and
- the Chair of the Board held 1:1 sessions with each Director to obtain specific feedback and to discuss individual performance.

The next Board performance and effectiveness review is scheduled for September 2024.

In addition to the formal annual evaluation, the Board undertakes a review of its performance and effectiveness at the end of each meeting.

ASX Recommendation 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

Position

Key performance indicators (**KPIs**) for the CEO and each Executive are reviewed and recommended to the Board by the People, Culture and Remuneration Committee (**PCRC**) at the commencement of each financial year. The CEO reports at each regular Board meeting on progress of performance of each Executive against those KPIs. At the end of each financial year, the PCRC, together with the CEO, reviews and makes recommendations to the Board following the CEO's assessment of the Executives against the agreed KPIs. The PCRC also reviews the performance of the CEO against the CEO's KPIs. A performance evaluation of the CEO and each Executive was conducted in respect of the FY24 financial year. KPIs in respect of FY25 for the CEO and each Executive have been established and reported to the Board.

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

A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively

ASX Recommendation 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.

Position

The Board has established a Nomination Committee. The Chair of the Committee is Douglas Snedden and the other members include Robert Bazzani, Connie Carnabuci, Patricia Cross, Cathy Kovacs, Jacqueline Hey (from 1 May 2024), John (Skander) Malcolm and Grant Murdoch (until 22 February 2024). Jacqueline Hey will take over as Chair of the Nomination Committee from 1 June 2024 when Douglas Snedden retires from the Board on 31 May 2024. The Chair and all members, except for Mr Malcolm, are independent directors. The Charter for the Nomination Committee is available on the Company's website.

Details of the number of times the Nomination Committee met during FY24, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's FY24 Annual Report.

ASX Recommendation 2.2

A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

Position

The Company recognises the value that comes from people who have diverse backgrounds, knowledge, lived experiences and perspectives. The Company seeks to have a Board with an appropriate mix of skills, knowledge, experience and diversity to enable it to discharge its responsibilities and add value to the OFX Group. The skills matrix identifies the skills, knowledge and experience the Company believes is needed to drive the current and future strategic objectives of the OFX Group.

The Board regularly reviews its size and composition, including reviewing the skills matrix to ensure it continues to reflect the necessary and desirable competencies of directors. Board succession planning and the selection of new directors is guided by the skills matrix, taking into consideration the current directors' mix of skills, knowledge and experience.

The Board feels that it currently has the right size and composition to drive the current and future strategic objectives of the OFX Group.

This table sets out the Board’s assessment from September 2023 against the skills matrix:

Skill	Description	Directors’ Ratings ¹
Global Operating Experience	Exposure to international regions either through experience working in an organisation with global operations or through management of international stakeholder relationships, including understanding of different cultural, political, regulatory and business requirements.	3 2 1
Online/Digital/ Emerging Technology	Expertise/experience in the analysis of online/digital feasibility and assessment, strategies for optimising value and understanding and mitigating risk from/of online/digital opportunities, including skills and knowledge for addressing cyber risks and privacy risks.	2 2 2
Industry Expertise	Experience and/or broad understanding of the cross-border payments industry or wider financial services industry including market drivers, risks, opportunities and trends including policies, competitors, end users, regulatory policy, framework and engagement.	3 3
Growth business and/or dynamic markets	Experience in building growth businesses and/or in highly competitive and dynamic markets/industries.	5 1
Disruption	Experience in an industry that has faced significant disruptive change and/or rapidly changing business environment.	3 2 1
Financial Acumen	Experience in financial accounting and reporting, corporate finance, risk and internal controls.	5 1
Risk Management and Compliance	Experience in the identification and resolution of legal and regulatory issues, including ability to anticipate and evaluate key risks to the group in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.	4 2
Mergers and Acquisitions	Experience in all aspects of the negotiation, structuring, risk management and assessment of both acquisitions and divestments.	6
People	Experience in building workforce capability, setting an appropriate ‘tone from the top’ in terms of organisational culture, setting a remuneration framework which attracts and retains a high calibre of executives, talent development, engagement and organisational change and promotion of diversity and inclusion.	5 1

¹ An assessment was conducted as of September 2023 and the Directors’ Ratings include Grant Murdoch (retired on 22 February 2024) or Douglas Snedden (who will retire on 31 May 2024) and it does not include Robert Bazzani (appointed 1 February 2024) or Jacqueline Hey (appointed 1 May 2024). The selection of these two new Directors was guided by the skills matrix, taking into consideration the current Directors’ mix of skills, knowledge and experience.

Key

- Very high/high experience and knowledge
- Sound working experience and knowledge
- Limited/no experience and knowledge

ASX Recommendation 2.3

A listed entity should disclose:

- (a) the names of the directors considered by the board to be independent directors;
- (b) if a director has an interest, position, association or relationship 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, association or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

Position

The names, skills and experience of the Directors and the period of office of each Director are set out in the Directors' Report of the Company's FY24 Annual Report.

The Company considers that all current directors, other than the CEO, John (Skander) Malcolm, are independent. There are no other material interests, positions or relationships that raise issues about the independence of other Directors of the Company.

ASX Recommendation 2.4

A majority of the board of a listed entity should be independent directors.

Position

The Board Charter's definition of the independence of a Director from the Company takes into account guidance in the ASX Listing Rules and the ASX Principles and Recommendations. The Charter requires that the majority of the Directors are independent.

As at the date of this Corporate Governance Statement, there are seven Directors and the Company considers six of the Non-Executive Directors (including the Chair) to be independent.

Directors are required to promptly advise the Company of any material changes to interests, positions and relationships to enable the Board to consider and determine any impacts to a Director's independence. Directors' interests are also a standing agenda item at each Board meeting.

ASX 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.

Position

The Company considers that the Chair of the Board is an independent Non-Executive Director.

The position of Chair of the Board and CEO are held by separate individuals.

ASX Recommendation 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.

Position

Any new Directors receive a comprehensive induction designed to familiarise them with the business, strategy and operations. This includes meetings with Non-Executive Directors, CEO, Company Secretaries and other key Executives or employees where appropriate. New Directors are also provided access to a tailored induction pack containing relevant Company information including key corporate governance policies, charters, procedures and Board papers.

Existing Directors have access to continuing information about the OFX Group in the form of regular updates from the CEO and his direct reports. As needed, Directors are also provided with briefings or continuing professional development where gaps or knowledge improvement opportunities are identified.

All Directors are responsible for ensuring they maintain a current understanding of their duties as Directors.

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

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

ASX Recommendation 3.1

A listed entity should articulate and disclose its values.

Position

The Company has adopted the following values which embody our Company's culture, behaviours and actions:

- Always keep learning
- Get the right stuff done
- Inspire client confidence
- Push boundaries
- We're better together

These values, which are set out in the Company's Code of Conduct, have been created to build a shared understanding of the priorities of the Company and to help guide the behaviours and actions of our people.

ASX Recommendation 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.**

Position

The Company maintains high standards of ethical conduct and the CEO is responsible for ensuring that high standards of conduct are maintained by all employees. The OFX Group's reputation as an ethical business organisation is critical to its ongoing success.

The Board has adopted a Code of Conduct covering the practices necessary to maintain confidence in the OFX Group's integrity, the practices necessary to take account of the OFX Group's legal obligations and reasonable expectations of its stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. It is not a prescriptive set of rules but rather a practical set of principles giving direction and reflecting the OFX Group's approach to business conduct. All Directors, Executives, employees and contractors of the Company are subject to this Code of Conduct.

The Company's Code of Conduct was reviewed and approved by the Board during FY24 and is available on the Company's website.

The Company encourages individuals to report known or suspected instances of inappropriate conduct, including breaches of the Code of Conduct and other policies and directives. There are policies in place designed to protect employees and contractors from any reprisal, discrimination or being personally disadvantaged as a result of their reporting a concern. Any breach of these policies is reported to the ARCC and to the Board.

ASX Recommendation 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.

Position

The Company operates a comprehensive whistleblower program to encourage employees to report suspected illegal or unethical behaviours or practices. All whistleblower hotlines are operated by an independent third party where reports can be made confidentially and anonymously. All reports made under the Whistleblower Policy are reported to the ARCC. Any material breach of the Whistleblower Policy is reported to the Chair of the Board. The Whistleblower Policy is available on the Company's website and all employees are provided with training on this Policy.

ASX Recommendation 3.4

A listed entity should:

(a) have and disclose an anti-bribery and corruption policy; and

(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

Position

Directors, employees, contractors, officers, agents and business partners of the Company are subject to the Global Anti Bribery and Corruption Policy. This Policy provides a summary of the law on bribery and corruption, outlines the circumstances in which it is unacceptable to receive gifts, entertainment and hospitality and provides a reporting mechanism for allegations of bribery and corruption. The Policy prohibits facilitation payments, kickbacks and donations to political parties or which are intended to obtain an improper advantage for any OFX Group company.

The Global Anti Bribery and Corruption Policy is available on the Company's website and all employees are provided with training on this Policy.

Principle 4: Safeguard the integrity of corporate reports

A listed entity should have appropriate processes to verify the integrity of its corporate reports

ASX Recommendation 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.

Position

The Company is committed to a transparent process for auditing and reporting of the OFX Group's financial performance.

The Board has established an Audit, Risk and Compliance Committee (**ARCC**). The Chair of the ARCC was Grand Murdoch (until 22 February 2024) and is now Robert Bazzani (from 23 February 2024). Other members include Robert Bazzani (from 1 February 2024), Patricia Cross, Cathy Kovacs and Douglas Snedden (until 31 May, when he retires from the Board). The Chair of the ARCC and all members are independent Non-Executive Directors. The Chair of the Board and the Chair of the ARCC are held by separate individuals. The external auditor is invited to attend ARCC meetings.

The Charter for the ARCC is available on the Company's website.

Details of the number of times the ARCC met during FY24, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's FY24 Annual Report.

The ARCC's principal functions are set out in its Charter and includes:

- To oversee the OFX Group's financial reporting process on behalf of the Board and to report the results of its activities to the Board, including to:
 - review the OFX Group's financial statements to determine whether they are accurate and complete and make any necessary recommendations to the Board;
 - review significant accounting policies adopted by the OFX Group to ensure compliance with AIFRS and generally accepted accounting principles;
 - consider any significant accounting, financial reporting issues raised and matters relevant to half year and annual reporting in a timely manner;
 - ensure systems are in place aimed at ensuring accounting records are properly maintained are in accordance with statutory requirements; and
 - review other financial information distributed externally as required.

- To oversee the performance of the external audit including making recommendations to the Board in relation to the external auditor and internal auditor (if applicable).

One of the main purposes of the ARCC is to ensure the quality and independence of the audit process. The Chair of the ARCC and the CFO work with the external auditors to plan the audit approach. All aspects of the audit are reported back to the ARCC and the external auditors are given the opportunity at ARCC meetings to meet with the Board. The external auditor meets with the Board without management present to allow open discussion between the Directors and the external auditor in relation to their external audit.

To ensure the auditor remains independent, all audit and non-audit work is authorised by the ARCC. The external auditor is not permitted to perform any non-audit or assurance services that may impair or appear to impair the external auditor's judgement.

ASX Recommendation 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.

Position

In accordance with section 295A of the Corporations Act 2001 (Cth), for each half and full year financial period, the CEO and CFO provide the Board with a written declaration that, in their respective opinions:

- the financial records of the Company have been properly maintained; and
- 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.

To underpin the integrity of the Company's financial reporting and risk management framework, it is also the Company's practice for the CEO and CFO to state to the Board in writing that in their respective opinions:

- statements made regarding the integrity of the financial statements are found on a sound system of risk management and internal compliance and control systems which implement the policies adopted by the Board;
- the risk management and internal compliance and control systems, to the extent that they relate to financial reporting, are operating effectively and efficiently, in all material respects based on the risk management framework adopted by the Company; and
- the Company's material business risks (including non-financial risks) are being managed effectively.

In FY24, the Board received the declarations and statements referred to above in relation to the half year ending 30 September 2023 and the full year ending 31 March 2024, prior to approving the financial statements for those periods.

ASX Recommendation 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.

Position

All of the Company's financial and half yearly financial reports are externally audited prior to being released to the market. In addition, Directors require a section 295A declaration from the CEO and the CFO prior to any half yearly financial reports or financial reports being released to the market, In advance of the CEO and CFO providing that declaration, each Executive is required to sign a declaration to confirm that they have disclosed any relevant matters and information to the Company's Enterprise Risk Management Committee, the CEO or CFO.

The ARCC reviews the Company's financial reports, including the Company's Annual Report and recommends whether the Board should approve the release of these documents to the market.

Principle 5: Make timely and balanced disclosure

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

Position

The Company has adopted a comprehensive Continuous Disclosure Policy which is available on the Company's website. The purpose of the Continuous Disclosure Policy is to:

- ensure that the Company, as a minimum, complies with its continuous disclosure obligations under the Corporations Act 2001 (Cth) and the ASX Listing Rules and, as much as possible, seeks to achieve and exceed best practice;
- provide shareholders and the market with timely, direct and equal access to information issued by the OFX Group; and
- promote investor confidence in the integrity of the OFX Group and Company's securities.

The Board has established a Continuous Disclosure Committee. The Chair of the Committee is the CEO, John (Skander) Malcolm, and the other members include the Company Secretary and CFO.

The Charter for the Continuous Disclosure Committee is available on the Company's website.

The Company Secretary and the Continuous Disclosure Committee are responsible for the overall administration of the Continuous Disclosure Policy and all communications with the ASX. All OFX Group employees are required to comply with the Continuous Disclosure Policy.

ASX Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

Position

In accordance with the Company's Continuous Disclosure Policy all material market announcements during FY24 were approved by Directors prior to being released to the ASX.

ASX Recommendation 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.

Position

The Continuous Disclosure Policy outlines the process undertaken to ensure material market presentations are released to the ASX in a prompt matter.

Principle 6: Respect the rights of security holders

A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.

ASX Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website

Position

The Company is committed to effective, accurate and timely communication with its shareholders, market participants, customers, employees, suppliers, financiers, creditors, other stakeholders and the wider community. The Company has adopted a Communications Policy which sets out the OFX Group's approach and commitment to communication. Information is communicated in several ways including:

- the OFX Group website;
- annual and half yearly reports;
- market disclosures;
- updates on operations and developments;
- market briefings and webcasts of briefings; and
- presentations at General Meetings.

The half yearly and annual report, market releases and presentations are all available via the Company's website.

ASX Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

Position

The Company has an investor relations engagement program that includes engaging with institutional investors, buy-side and sell-side research analysts, individual investors and prospective investors on a scheduled basis (including the release of its results) or ad hoc basis (including industry conferences and key updates).

During FY24, the OFX Group provided investor presentations following the release of the FY23 results in May 2023 and the 1H24 results in November 2023.

For full year and half year results the Company invited current and prospective investors and analysts to meet with our CEO and CFO. These discussions, and discussions that happen when investors request them, provide investors with insight to better understand the OFX Group's business operations and strategy, its culture, the complex industry the OFX Group operates in as well as its marketing approach and customer engagement, and internal governance and risk processes. In addition, the Board engaged with investors through the AGM, and through ongoing dialogue during the year.

The Board places importance on these interactions as it allows the Company to articulate its objectives and also receive feedback from investors on all areas of its performance including its strategy, financial results and governance.

Advance notification of scheduled analyst and investor briefings is provided to shareholders and the briefings are webcast.

ASX Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Position

The Company's FY23 AGM was held on 3 August 2023.

The Company intends to hold this year's AGM on 1 August 2024 as a hybrid AGM and a copy of the Notice of Meeting will be provided on the Company's website as well as being sent directly to shareholders via their nominated means of communication.

The Company's Constitution permits Shareholders to participate in the AGM electronically. Shareholders will be invited to submit questions prior to the AGM, which may be answered by the Chair or CEO in their addresses. Facilities will also be available for Shareholders to ask questions through a chat function during the AGM.

ASX Recommendation 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.

Position

It is Company practice for voting on all resolutions to be conducted by a poll. This practice will continue for the AGM this year.

ASX Recommendation 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.

Position

Shareholders are encouraged to receive communications from and send communications to the Company and its share registrar, Link Market Services, electronically.

Principle 7: Recognise and manage risk

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

ASX Recommendation 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.

Position

The Company is committed to a transparent process for overseeing the OFX Group's internal control structure, risk management framework and systems and processes for compliance with applicable legal and regulatory requirements. The Board has established an ARCC. The Chair of the ARCC was Grand Murdoch (until 22 February 2024) and is now Robert Bazzani (from 23 February 2024). Other members include Robert Bazzani (from 1 February 2024), Patricia Cross, Cathy Kovacs and Douglas Snedden (until 31 May, when he retires from the Board). The Chair of the ARCC and all members are independent Non-Executive Directors. The Chair of the Board and the Chair of the ARCC are held by separate individuals.

The Charter for the ARCC is available on the Company's website.

Details of the number of times the ARCC met during FY24, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's FY24 Annual Report.

The ARCC's principal functions are set out in its Charter and include:

- to ensure that the ARCC understands the OFX Group's structure, business and controls to ensure that it can adequately assess the significant risks facing the OFX Group;
- to review the effectiveness of the OFX Group's risk and compliance function, reviewing the risk management framework and establishing procedures and systems in relation to dealing with breaches and complaints; and
- to review the OFX Group's legal and regulatory compliance.

ASX Recommendation 7.2

The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

Position

The Company conducted a review of the Company's risk framework and risk appetite statement during FY24. A review and update of the Company's risk profile in line with the revised framework was also approved by the ARCC in FY24. The ARCC receives updates on the risk profile at each meeting.

ASX Recommendation 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.

Position

OFX Group management undertake quarterly risk assessments which are reported to the ARCC. The Company also has an Assurance function that conducts regular reviews of key processes and controls. The OFX Group's Chief Risk Officer has responsibility for the Assurance function and has direct access to the Chair of the ARCC.

In addition, the OFX Group has a co-sourced internal audit arrangement with PwC (**Internal Audit**). Internal Audit provides independent assurance over the effectiveness of the Company's risk management, internal control and governance processes. The Internal Audit function has direct access to the Chair of the ARCC and to management. A risk-based approach is used to develop the annual internal audit plan, aligning planned internal audit activities to the Company's material risks. The internal audit plan is approved by the ARCC annually.

OFX Group also uses other specialised independent review firms to provide assurance and complete audits when required by regulation.

ASX Recommendation 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.

Position

The Company includes details of key risks facing the OFX Group and how they are managed in the Directors' Report of the Company's FY24 Annual Report.

The Company does not consider that it has any material exposure to environmental risks.

The Company has identified the following social risks:

- **Money laundering:** Money laundering is a process by which the illicit source of assets obtained or generated by criminal activity is concealed to obscure the link between the funds and the original criminal activity. It therefore has significant economic and social consequences. As an international payments company involved in the transfer of funds around the world, the OFX Group has a responsibility to take steps to prevent the use of its services for the purposes of money laundering, terrorist financing or other illegal activities. The OFX Group has therefore implemented policies, systems and controls to detect and prevent these activities and regularly undertakes independent reviews of their effectiveness.
- **Money Transfer Scams:** Recipient fraud occurs when a genuine OFX Group client sends or attempts to send funds to a fraudulent recipient because of misinformation. This misinformation can occur in various ways, such as from phishing emails or other scams like romance scams, investment scams or lottery scams. Scam activity is a growing concern and causes significant harm to community.



The OFX Group will not facilitate transfers for clients where it believes they are a victim of a scam and has implemented fraud systems that aim to detect and prevent recipient fraud. This includes blocking transfers to known scam accounts where OFX Group is notified by regulatory agencies and regularly training its employees on identifying where clients may be victims of scams. These measures cannot detect all clients who are subject to recipient fraud.

The Company's Environmental, Social and Governance (**ESG**) Report which is included in the Company's FY24 Annual Report assists stakeholders to understand the Company's ESG approach.

Principle 8: Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

ASX Recommendation 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.

Position

The Company believes that attracting and retaining the high calibre of people at the Board, Executive and employee level is critical to ensure the OFX Group is able to pursue its strategic objectives.

The Board has established a PCRC. The Chair of the PCRC is Douglas Snedden and the other members include Connie Carnabuci, Patricia Cross and Jacqueline Hey (from 1 May 2024). Jacqueline Hey will take over as Chair of the PCRC from 1 June 2024 when Douglas Snedden retires from the Board on 31 May 2024. The Chair of the Board and the Chair of the PCRC are held by separate individuals.

The Charter for the PCRC is available on the Company's website.

Details of the number of times the PCRC met during FY24, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's FY24 Annual Report.

The PCRC's principal functions are set out in its Charter and includes:

- reviewing the Company's Diversity and Inclusion Policy and progress against measurable diversity and inclusion objectives;
- monitoring and evaluating the culture of the organisation in line with the values of the Company;
- providing advice and recommendations in relation to remuneration packages of senior executives, Non- Executive Directors and the CEO;
- regularly reviewing the Company's remuneration framework; and
- reviewing and providing recommendations to the Board in relation to the Company's talent acquisition, retention, learning and development and termination policies and/or practices.

ASX Recommendation 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

Position

The PCRC is responsible for reviewing and making recommendations to the Board with respect to the appropriate remuneration for Non-Executive Directors, the CEO and Executives. The principles applied by the PCRC in fulfilling this role are set out in the Company's Remuneration Policy.

The Remuneration Report section of the Company's FY24 Annual Report includes details of:

- the structure of Non-Executive Directors' remuneration and that of Executives, including the CEO; and
- the nature and amount of each element of the remuneration of each Director of the Company and each key Executive of the Company having responsibility for its operational performance for the financial year.

ASX Recommendation 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.

Position

The Company's Securities Trading Policy prohibits participants from entering into transactions in financial products which operate to limit the economic risk of security holdings in the Company over unvested entitlements or vested entitlements subject to a holding lock or restriction on dealing (restricted entitlements or restricted securities), including any hedging or similar arrangement in respect of unvested entitlements or restricted entitlements held or granted under any equity based remuneration scheme.

Directors, Executives and certain other employees are prohibited at all times from entering into any stock borrowing or margin loan arrangement in relation to security holdings in the Company, transferring securities in the Company into an existing margin loan account and selling securities in the Company to satisfy a call pursuant to a margin loan.