

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Regis Healthcare Limited

ABN / ARBN:

11 125 203 054

Financial year ended:

30 June 2015

Our corporate governance statement² for the above period above can be found at:³

☐ These pages of our annual report:

☒ This URL on our website: <http://regis.com.au/assets/PDF/Regis-Corporate-Governance/Regis-Healthcare-Corporate-Governance-Statement.PDF>

The Corporate Governance Statement is accurate and up to date as at 31 August 2015 and has been approved by the board.

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

Date: 25 September 2015

Name of Director or Secretary authorising lodgement: Martin Bede, Company Secretary

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

² "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.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT | | | |
| 1.1 | A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Board-charter.PDF | <input type="checkbox"/> an explanation why that is so 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 person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so 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. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so 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. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

⁴ 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.

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| 1.5 | <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) 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>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Diversity-Policy.PDF</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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> |
| 1.6 | <p>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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | <p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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> |
| 1.7 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | <p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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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| PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE | | | |
| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Remuneration-and-Nomination-Committee-Charter.PDF</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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> |
| 2.2 | <p>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.</p> | <p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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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| 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. | ... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 2.4 | A majority of the board of a listed entity should be independent directors. | ... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input checked="" type="checkbox"/> an explanation why that is so 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. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.6 | A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY | | | |
| 3.1 | A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. | ... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Code-of-Conduct.pdf | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

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| PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING | | | |
| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http:// regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Audit-Risk-and-Compliance-Committee-Charter.PDF</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 4.2 | <p>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.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

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| 4.3 | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable |
| PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE | | | |
| 5.1 | A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it. | ... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Continuous-disclosure-policy.PDF | <input type="checkbox"/> an explanation why that is so 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. | ... information about us and our governance on our website: <input checked="" type="checkbox"/> at http://www.regis.com.au/about-us/about-regis-aged-care/ | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 6.2 | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 6.3 | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders. | ... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable |
| 6.4 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| PRINCIPLE 7 – RECOGNISE AND MANAGE RISK | | | |
| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Audit-Risk-and-Compliance-Committee-Charter.PDF</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
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| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | <p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.4 | <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> | <p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

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| PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY | | | |
| 8.1 | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Remuneration-and-Nomination-Committee-Charter.PDF</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so 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> |
| 8.2 | <p>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.</p> | <p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/assets/PDF/Regis-Healthcare/Regis-Healthcare-Limited-Annual-Report-2015.pdf</p> | <p><input type="checkbox"/> an explanation why that is so 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> |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴ |
|--|--|---|--|
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p> | <p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://regis.com.au/cg-files/PDF/Regis-Corporate-Governance/Regis-Policy-for-dealing-in-securities.PDF</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES | | | |
| - | <p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p> | <p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| - | <p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | <p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

CORPORATE GOVERNANCE STATEMENT

Regis Healthcare Limited (**Regis**) has adopted the 3rd edition of the ASX Corporate Governance Principles and Recommendations released in March 2014.

As required by the ASX Listing Rules, this Statement discloses the extent to which Regis has followed the ASX Principles and Recommendations. Except where otherwise explained, Regis has followed the ASX Principles and Recommendations since its admission to the official list of ASX Limited on Tuesday 7 October 2014. As such, the Corporate Governance Statement reflects the position of the Company since that date rather than for the full 2015 financial year. This Statement should be read in conjunction with the information on our website (www.regis.com.au) including the 2015 Annual Report.

This Statement is current as at 31 August 2015 and has been approved by the Regis Healthcare Limited Board.

The Board has established a framework for managing Regis, including adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for Regis' business and that are designed to promote the responsible management and conduct of Regis. The main policies and practices adopted by Regis, are summarised below:

BOARD AND MANAGEMENT

ROLES AND RESPONSIBILITIES

The Board monitors the operational and financial position and performance of Regis and oversees its business strategy including approving the strategic objectives, plans and budgets of Regis.

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of Regis. In conducting Regis' business with these objectives in mind, the Board seeks to ensure that Regis is properly managed to protect and enhance Shareholder interests, and that Regis, its Directors, officers and personnel operate in an appropriate environment 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 our website at <http://www.regis.com.au/about-us/corporate-governance/>. The Charter sets out the matters specifically reserved to the Board and the powers delegated to Board Committees.

The Board delegates the responsibility for the day-to-day management of Regis to the Managing Director/Chief Executive Officer, but retains responsibility for the overall strategy, governance and performance of Regis.

The delegation to the Managing Director/Chief Executive Officer is governed by a formal Statement of Delegated Authority approved by the Board and a formal delegation to the Managing Director/Chief Executive Officer. The Board may impose limits on the conduct of the Managing Director/Chief Executive Officer and other managers in exercising their authority, and may change the authorities it has delegated to the Managing Director/Chief Executive Officer at any time.

Under the delegation framework, the Managing Director/Chief Executive Officer then delegates his authority to the senior executives for specific activities and transactions where appropriate.

This delegation framework is designed to ensure that:

- Decisions are made by the right people within Regis.
- There is clarity for holders of delegated authority.
- Business decisions are made in a timely fashion.
- People are not making decisions beyond their power.
- There is accountability of decision-making.

BOARD APPOINTMENT AND COMPOSITION

The Remuneration and Nomination Committee established by the Board prior to listing assists the Board with the selection and appointment of Directors. Before the Board appoints a new Director or puts forward a candidate for election to the Board, the Remuneration and Nomination Committee will ensure that appropriate background checks are undertaken where necessary. An election of Directors will occur at each Annual General Meeting of the Company and we provide our Shareholders with all material information in our possession that is relevant to their decision on whether or not to elect or re-elect a Director. This information is provided through a number of channels, including the Notice of Meeting for the Annual General Meeting, the Director resumes and other information contained in the Annual Report and presentations to the Annual General Meeting by candidates.

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

Following appointment, Directors meet with the Managing Director/Chief Executive Officer and other Company executives where they are briefed on the Company's vision, values, strategy, financials, and governance frameworks. Directors are also able to attend ongoing professional development and training programs to enable them to develop and maintain their skills and knowledge.

BOARD SKILLS AND EXPERIENCE

The Company objective is to have an appropriate mix of experience and expertise on the Board and Committees so that the Board is able to effectively discharge its corporate governance and oversight responsibilities. This mix is described in the Board skills matrix as follows:

| SKILL | NUMBER OF DIRECTORS HOLDING THIS SKILL |
|----------------------------------|--|
| Leadership | 6 |
| Public/Govt relations | 4 |
| Stakeholder management | 6 |
| Risk management | 6 |
| Strategy | 6 |
| Mergers and acquisitions | 5 |
| Information Technology | 2 |
| Listed Company Governance | 4 |
| Project Management | 5 |
| Human Resources | 5 |
| Remuneration | 6 |
| Legal | |
| Corporate | 3 |
| Aged/Healthcare specific | 2 |
| Aged/Healthcare knowledge | |
| Business | 4 |
| Clinical | 0 |
| Research | 2 |
| Accounting and finance | |
| Analysis | 5 |
| Budgeting/forecasting | 5 |
| Reporting | 6 |
| Audit | 4 |
| Building/facilities | |
| Development | 3 |
| Financing | 6 |

While the Board does not currently have any members with clinical expertise, this expertise is available to the Board as required through the Senior Executive team and other senior clinicians within the Company.

PERFORMANCE REVIEWS

The Board is committed to formally evaluating its performance, the performance of its Committees and individual Directors, as well as the governance processes supporting the Board on an annual basis. During this first year of admission to the ASX, the Board has not undertaken a formal review of Board and Director performance but plans to do so for the 2016 full year. The process will be one of self assessment of the Board's performance during the previous year and any recommendations for improvement which become apparent from that review, will be considered and discussed by the Board.

INDEPENDENCE OF THE BOARD

The Board currently comprises five Non-Executive Directors (three of whom are independent, including the Chairman), and one Executive Director (the Managing Director/Chief Executive Officer).

The Board has formally adopted guidelines in relation to the criteria for independence of Directors. Under these guidelines, the Board considers a Director to be independent where he or she is not a member of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment. The Board will consider the materiality of any given relationship on a case by case basis and has adopted materiality guidelines to assist it in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board.

The Board considers that each of Mark Birrell, Sylvia Falzon and Trevor Gerber is free from any business or any other relationship that could materially interfere with the independent exercise of their judgment and is able to fulfil the role of an independent Director for the purposes of the ASX Recommendations.

While the Board composition does not meet the ASX Corporate Governance recommendation that the majority of Directors should be independent, the Board considers the current composition to be in the best interests of the Company. In this regard the non-independent Directors comprise the two company founders and the Managing Director/Chief Executive Officer who collectively bring considerable skills and experience to the Board.

Details regarding each of the Directors, including their expertise and qualifications, are set out in the 2015 Annual Report.

COMPANY SECRETARY

The Company Secretary is appointed by and is accountable to the Board through the Chairman on all matters regarding the proper functioning of the Board. This includes assisting the Board and its Committees with meetings and Directors' duties, advising the Board on corporate governance matters and acting as the interface between the Board and the Managing Director/Chief Executive Officer.

The roles of the Company Secretary are set out in the Board Charter.

Details regarding the Company Secretary, including his expertise and qualifications, are set out in the 2015 Annual Report.

SENIOR EXECUTIVES

Senior Executives of Regis are appointed by the Managing Director/Chief Executive Officer.

Each Senior Executive is subject to target performance levels which are set at the beginning of the year and assessed annually. These performance targets are reviewed annually by the Managing Director/Chief Executive Officer and reviewed and approved by the Remuneration and Nomination Committee and the Board.

The performance of Senior Executives is evaluated annually against these performance targets. A performance evaluation of Senior Executives was undertaken during the reporting period in accordance with this process.

REMUNERATION

Information regarding the remuneration framework for Regis' Directors and Senior Executives is set out in the Remuneration Report in the 2015 Directors' Report. The Remuneration Report includes a summary of the Company's policies and practices in relation to performance based remuneration.

BOARD COMMITTEES

At the date of this statement, the Board has two committees. These are the:

- Audit, Risk and Compliance Committee; and
- Remuneration and Nomination Committee.

Each Committee has adopted a formal Board approved Charter that details its role, authority, responsibilities, membership and operations. The Committee Charters are reviewed annually and are available on our website at <http://www.regis.com.au/about-us/corporate-governance/>

Each Committee reports to the Board meeting following each Committee meeting on matters relevant to the Committee's role and responsibilities and the minutes of each meeting are made available to the full Board unless a Director is otherwise excluded due to a potential conflict.

Directors, including the Managing Director/Chief Executive Officer, who are not Committee members may attend Committee meetings unless that Director is excluded due to a potential conflict.

Details of the number of Board and Committee meetings held during the 2015 Financial Year and attendance by Directors are set out in the Directors' Report in the 2015 Annual Report.

CORPORATE REPORTING AND RISK MANAGEMENT

CHIEF EXECUTIVE OFFICER DECLARATION

Prior to the approval of the 2015 full year financial results by the Board, the Chief Executive Officer provided a declaration to the Board that, in his opinion, the 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 his opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

EXTERNAL AUDITOR

The Company's external auditor is Ernst & Young. Ernst & Young is supplied with papers and minutes from each Audit, Risk and Compliance Committee meeting and attends all Committee meetings. Ernst & Young representatives are also available to all Audit, Risk and Compliance Committee members.

A representative from Ernst & Young will attend the Annual General Meeting each year to answer questions from Shareholders in relation to the audit of the Regis accounts. Ernst & Young's Independence Declaration is contained in the Director's Report in the 2015 Annual Report.

INTERNAL AUDIT

The Company did not have an internal audit function during the reporting period and utilised a comprehensive program of reviews by its internal Compliance team and targeted reviews by external consultants to evaluate and improve the effectiveness of its risk management and internal control processes.

The Audit, Risk and Compliance Committee has approved the establishment of an internal audit function in financial year 2016 to provide independent and objective assurance on the adequacy and effectiveness of the Company's systems for risk management, internal control and governance, along with recommendations to improve the efficiency and effectiveness of these systems and processes.

The internal audit function will report to the Audit, Risk and Compliance Committee and have all necessary access to all, functions, records, property and personnel of the Company.

RISK MANAGEMENT

As noted, the Board has established an Audit, Risk and Compliance Committee which assists the Board in carrying out its accounting, auditing and financial reporting responsibilities.

The Committee's Charter provides that the Committee must comprise only Non-Executive Directors, a majority of independent Directors, an independent Chairman who is not Chairman of the Board, and a minimum of three members of the Board. The Audit, Risk and Compliance Committee comprises:

- Trevor Gerber (Chairman);
- Mark Birrell;
- Bryan Dorman; and
- Sylvia Falzon.

All Directors have a standing invitation to attend Committee meetings. Other non-committee members, including members of management and the external auditor, may attend meetings of the Committee by invitation of the Committee Chairman.

A copy of the Committee's charter is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

The Board undertook a review of the risk management framework and approved the Regis Healthcare Risk Management Procedure and Risk Management Policy during the reporting period and will continue to review the risk management framework on an annual basis.

The Risk Management Procedure provides for regular reporting to the Audit, Risk and Compliance Committee in relation to risk treatment and an annual review of the risk management framework.

The Company's Risk Management processes have considered economic, environmental and social sustainability risk in the areas of:

- Quality/clinical compliance
- Workplace Health and Safety
- Staff Recruitment and Retention
- Corporate governance

These risks are managed under the Risk Management Procedure and Risk Management Policy approved by the Board under which:

- Executive risk owners are responsible for documenting existing controls, proposed mitigating actions and residual risk ratings in accordance with the risk management procedure.
- Risk treatment is reviewed regularly by the Audit, Risk and Compliance Committee.
- There are regular reports to the Board providing updates on treatment of high and significant risks and details of new or previously unrecognised risks identified by management.

REMUNERATION AND NOMINATION

The Board has established a Remuneration and Nomination Committee which is responsible for matters relating to succession planning, nomination of the Directors and remuneration of the Managing Director/Chief Executive Officer and Senior Executives reporting to the Managing Director/Chief Executive Officer.

The Committee's charter provides that the Committee must consist of only Non-Executive Directors, a majority of independent Directors, a minimum of three Directors, and an independent Director as Chairman. The current members of the Committee are:

- Sylvia Falzon (Chairman);
- Mark Birrell;
- Trevor Gerber; and
- Ian Roberts.

All Directors have a standing invitation to attend Committee meetings. Other non-committee members, including members of management, may attend meetings of the Committee by invitation of the Committee Chairman.

A copy of the Committee's charter is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

RESPONSIBLE AND ETHICAL BEHAVIOUR

CONTINUOUS DISCLOSURE POLICY

The Company places a high priority on communication with Shareholders and is aware of the obligations under the Corporations Act and the ASX Listing Rules, to keep the market fully informed of any information concerning the Company that is not generally available and that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The Company has adopted a Continuous Disclosure Policy that establishes procedures to ensure that Directors and senior management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

A copy of the Policy is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

DEALING IN SECURITIES

The Company has adopted a Policy for Dealing in Securities which sets out the types of conduct in dealings in securities that are prohibited under the Corporations Act and establishes a best practice procedure for the trading of securities that protects the Company and Directors and employees against the misuse of unpublished information that could materially affect the value of securities. The Policy applies to all Directors, Officers and Senior Executives of the Company and its related bodies corporate, other designated employees specified by the Board and connected persons of Directors, Officers, Senior Executives and designated employees.

A copy of the Policy is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

CODE OF CONDUCT

The Board is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how Regis expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards. All employees of Regis (including temporary employees, contractors and Directors) must comply with the Code of Conduct.

A copy of the Policy is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

DIVERSITY

The Board has formally approved a Diversity Policy in order to address the representation of women in management positions and on the Board, and to actively facilitate a more diverse and representative management and leadership structure.

In June 2015, the Board formally approved the following objectives under the Diversity Policy for financial year 2016:

1. Increase the representation of women at all levels of management within the company.
2. Gender equity in remuneration of senior managers.
3. Support employees experiencing domestic violence.

The Board will include in the Annual Report each year a summary of the Company's progress towards achieving the measurable objectives set out under the Diversity Policy for the year to which the Annual Report relates and details of the measurable objectives set under the Diversity Policy for the subsequent financial year.

A copy of the Policy is available on Regis' website at <http://www.regis.com.au/about-us/corporate-governance/>

The following table sets out the proportions of men and women on the Board, in Senior Executive positions and across the whole group.

| | FEMALE | MALE |
|--------------------|--------|--------|
| Board | 16.67% | 83.33% |
| Senior Executives* | 30% | 70% |
| All Employees | 79.3% | 20.7% |

* Executives reporting to the Managing Director/Chief Executive Officer.

SUSTAINABILITY

In the period since admission to the ASX, the Board has not undertaken a formal review of the Company's material exposure to economic, environmental and social sustainability risks.

However, Regis recognises that sustainability is the integration of environmental, social and governance (ESG) factors into the Company's decision making to create short and long term shareholder value and plans to do so for the 2016 full year.

The Board will consider and assess what financial and non-financial ESG issues are important to the business and report on the approach to sustainability governance and reporting on these matters in the 2016 Annual Report.

COMMUNICATIONS WITH SHAREHOLDERS

The Company has a commitment to ensuring that Shareholders are kept informed of all major developments affecting the state of affairs of the Company, including information necessary to assess the performance of the Directors.

In addition to the Company's continuous disclosure obligations, the Company recognises that current and potential investors wish to obtain information about the Company from time to time. To this end the Company has implemented an investor relations program managed by our General Manager, Investor Relations. Under this program the Company communicates information regularly to Shareholders and other stakeholders through a range of forums and publications, including:

- The Annual Report distributed to Shareholders;
- The Half Yearly Report which is available on the Company's web site;
- The Annual General Meeting;
- Letters to Shareholders when considered to be appropriate and informative;
- Announcements to the ASX; and
- Investor information through the Company's website at www.regis.com.au.

All ASX announcements made to the market, including annual and half year financial results, are posted on the Company's website at <http://www.regis.com.au/investor-centre/asx-announcements/> as soon as practicable following the release by the ASX. The full text of all notices of meetings and explanatory material, the Company's Annual Report and copies of all investor presentations made to analysts and media briefings are also posted on the Company's website following release to the ASX. The website also contains a facility for the Shareholders to direct queries to the Company.

The program facilitates two-way communication with investors with Shareholders able to contact the General Manager, Investor Relations or ask questions through the Company's website. Shareholders are also able to communicate with Directors and Senior Executives at the Annual General Meeting which is held at a time and place to maximise the opportunity for Shareholders to attend and participate in meetings.

The Shareholders of the Company are responsible for voting on the election of Directors at the Annual General Meeting in accordance with the Constitution. All Directors (other than the Managing Director/Chief Executive Officer) are subject to re-election by rotation, no later than every three years. The Annual General Meeting also provides Shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by Shareholders.

The Company's auditors, make available a partner of the firm, to be in attendance at the Annual General Meeting and to be available to answer Shareholder questions in relation to the audit.

Shareholders are given the option to, and are encouraged to, receive communications from, and send communications to, the Company and its security registry electronically.