

ASX RELEASE.

BELL FINANCIAL GROUP

24 February 2016

ASX Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Via ASX Online

2015 CORPORATE GOVERNANCE STATEMENT AND APPENDIX 4G

In accordance with the Listing Rules, Bell Financial Group encloses the following information for immediate release:

1. 2015 Corporate Governance Statement; and
2. Appendix 4G.



Cindy-Jane Lee
General Counsel & Company Secretary

2015 CORPORATE GOVERNANCE STATEMENT.

Dated: 24 February 2016

CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2015

Bell Financial Limited (Bell Financial) recognises the importance of good corporate governance. The ASX Corporate Governance Council (Council) Principles and Recommendations (ASX Recommendations) set out recommended corporate government practices for listed entities. While the ASX Recommendations are designed to achieve good corporate governance outcomes, the Council recognises that different entities may legitimately adopt different corporate governance practices based on a range of factors, including their size and complexity. The ASX Recommendations are therefore not mandatory, however where the Board of a listed entity does not follow a particular recommendation, it must explain why – the “if not, why not” approach.

Bell Financial has adopted the majority of the ASX Recommendations. Having regard to the structure, size and nature of operations of Bell Financial, the Board considers that three recommendations are not appropriate to its particular circumstances and has identified these below.

As required under the ASX listing rules, a copy of this Corporate Governance Statement has been lodged with the ASX.

BOARD OF DIRECTORS

Composition of the Board

The skills, experience and expertise of each Director is described in the Directors' Report section of the Annual Report. Each Director possesses significant financial acumen and has extensive experience in financial markets and financial services. The following table summarises the key skills and experience of the Directors:

| Skills and experience | No. of Directors |
|--|------------------|
| Retail and institutional broking | 6 |
| Investment banking / equity capital markets | 6 |
| Financial acumen | 6 |
| Other financial services | 6 |
| Held CEO or similar position in financial organisation | 6 |
| Experience as a Non-Executive Director of at least 2 other listed entities | 3 |

Chairman

The Chairman of the Board is not an independent Director. Colin Bell serves as the Executive Chairman. This represents a departure from the ASX Recommendations. The Board considers that this is in the best interests of Bell Financial given his experience, expertise and understanding of the business. Alastair Provan, Managing Director, has the primary responsibility for the discharge of the chief executive function including the day-to-day management of Bell Financial. In this way, the Executive Chairman is not distracted in performing the role of Chairman effectively.

Directors' independence

A Director is considered independent if their interests are not allied with the interests of management, they are not a substantial shareholder and they are free of any business or other relationship that could materially influence, or reasonably be perceived to materially influence, the independent exercise of their judgement. The Board Charter contains the principles used by the Board in assessing independence and is located at www.bellfg.com.au/corporategovernance.

During 2015, there were four Non-Executive Directors on the Board - Craig Coleman, Graham Cubbin, Brian Wilson and Brenda Shanahan. Mr Cubbin, Mr Wilson, and Ms Shanahan are independent Non-Executive Directors. The Board is of the opinion that the provision of consultancy services by Bell Financial by Mr Wilson in 2012 does not compromise his independence, and could no longer reasonably be perceived to do so. The Board did not consider that Mr Coleman was an independent Director in 2015 as he provided consultancy services to Bell Financial in 2013.

CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2015

The independent status of Directors may change over time and this will be disclosed to the market in a timely manner. As at the date of this document, the Board has an equal number of independent Directors and non-independent Directors, and a majority of Non-Executive Directors. The Board considers that it has the appropriate balance of experience, expertise and independence to enable it to discharge its functions effectively.

Independent professional advice

Directors are, after consultation with the Chairman, able to seek independent professional advice at Bell Financial's expense. Where appropriate, that advice may be made available to the Board.

Director education

Bell Financial has a formal process to educate new Directors about the nature of the business, current issues, corporate strategy and the expectations of Bell Financial concerning the performance of Directors. Directors also have the opportunity to meet with management to gain a better understanding of business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

BOARD RESPONSIBILITIES

The Board is responsible for the overall corporate governance of Bell Financial, which includes effective oversight of management. The Board has adopted a Board Charter which contains a description of the specific responsibilities reserved to the Board, which can be found at: www.bellfg.com.au/corporategovernance.

The Board Charter also describes the nature of matters delegated to senior executives, and includes a description of the respective roles of the Executive Chairman and the Managing Director. This description is designed to clearly identify the division of responsibility at the senior executive level of Bell Financial. The Managing Director has authority to sub-delegate to the senior executive team. Whilst the appointment of an Executive Chairman represents a departure from the ASX Recommendations, the Board is satisfied that the division of responsibility is clearly articulated and ensures appropriate accountability.

The Board is responsible for monitoring the senior executive team's performance. As part of the delegation of authority to manage the day-to-day affairs of Bell Financial, the Managing Director carries out a performance evaluation for senior executives regularly, against appropriate performance objectives and indicators. A performance evaluation for senior executives was carried out by the Managing Director in 2015.

BOARD COMMITTEES

The Board Charter contemplates that the Board may delegate certain functions to Board Committees to assist the Board in the discharge of its oversight role. These Committees are required to consider particular issues in detail and then report back to and advise the Board. The Board has established two standing Committees, the functions of which are discussed below. A copy of each Board Committee charter is located at www.bellfg.com.au/corporategovernance.

Group Risk and Audit Committee

The Group Risk and Audit Committee (GRAC) assists the Board to carry out its oversight role in relation to risk management, accounting, auditing and financial reporting. The core responsibilities of the GRAC include reviewing and where required, providing recommendations to the Board on:

- the effectiveness of Bell Financial's risk management and internal control systems,
- external financial reporting and financial statements,
- the discharge of the internal audit function, and
- matters relating to the appointment, independence and performance of the external auditor, and the rotation of the external auditor.

The GRAC Charter stipulates that the Chair of the Committee must be an independent Non-Executive Director, who is not the Chairman of the Board. The Charter also stipulates that the Committee must be comprised of only Non-Executive Directors, a majority of independent Directors and have at least three members. During 2015, the members of the GRAC were Mr Cubbin (Chairman), Mr Coleman and Ms Shanahan. Each Director was a GRAC member for the full year.

CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2015

Under the GRAC Charter, the Committee is required to review its performance periodically and whenever there are major changes to the management structure of Bell Financial. The performance evaluation has regard to the extent to which the Committee has met its responsibilities under the Charter. A performance evaluation was undertaken during the reporting period ending 31 December 2015 in accordance with that process.

Remuneration Committee

The Remuneration Committee assists and advises the Board on remuneration matters. The role of the Remuneration Committee is to develop, review and make recommendations to the Board on the remuneration framework for the Non-Executive Directors, Executive Directors, other key management personnel (KMP) and senior executives. This includes recommendations in relation to incentive schemes and equity based plans where appropriate. An overview of Bell Financial's remuneration policy and framework is contained in the Remuneration Report section of the 2015 Annual Report, and the Remuneration Committee Charter, located at www.bellfg.com.au/corporategovernance.

The members of the Remuneration Committee during 2015 were Mr Cubbin (Chairman), Mr Coleman, Ms Shanahan and Mr Provan. Each Director was a Committee member for the full year.

The composition of the Remuneration Committee represents a departure from the ASX Recommendations, which propose that a majority of members should be independent Directors. However, the Board is satisfied that, given the majority of Non-Executive Directors, the Remuneration Committee has the appropriate balance of experience, expertise and independence to enable it to discharge its functions effectively.

Under the Remuneration Committee Charter, the Committee is required to review its performance periodically and whenever there are major changes to the management structure of Bell Financial. The performance evaluation has regard to the extent to which the Committee has met its responsibilities under the Charter. A performance evaluation was undertaken during the reporting period ending 31 December 2015 in accordance with that process.

BOARD NOMINATIONS AND RENEWAL

The Board does not consider that delegating the Board selection and appointment practices of Bell Financial to a separate Committee would enhance efficiency. Bell Financial does not have a Nominations Committee and this is a departure from the ASX Recommendations. Instead, the Board has reserved to itself relevant responsibilities, including appointing and removing the Managing Director, developing and approving succession plans for the Board and key senior executives and overseeing that membership of the Board has the mix of experience, skills and diversity appropriate for Bell Financial's needs. A performance evaluation of the Board as a whole and each individual Director was carried out during the reporting period ending 31 December 2015.

There must be an election of Directors at each Annual General Meeting. The constitution of Bell Financial provides, among other things, for a process of retirement of Directors by rotation (which will occur for each Director approximately every three years except for the Managing Director, Alastair Provan). Directors who retire from office are eligible to stand for re-election.

COMPANY POLICIES

Disclosure and Communications Policy

With a view to ensuring that investors are informed of all major developments affecting Bell Financial and its businesses, the Board has adopted policies, including our Disclosure and Communications Policy, designed to ensure that Bell Financial meets the continuous disclosure obligations imposed by the ASX listing rules and the Corporations Act. Information is communicated to shareholders through ASX announcements, annual reports and half-yearly updates, which are available on Bell Financial's website, www.bellfg.com.au. Shareholders may elect to receive communications from, and send communications to, Bell Financial and our share registry electronically, including via email. A copy of the Disclosure and Communications Policy is located at www.bellfg.com.au/corporategovernance.

CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2015

Trading Policy

Bell Financial has adopted a Trading Policy that applies to its Directors and other key management personnel (KMPs), Directors of its subsidiaries, and other persons nominated by the Managing Director from time to time (Designated Persons). The Policy explains the restrictions on trading that apply to Designated Persons, including trading during the following 'black-out periods' (subject to limited exceptions):

- from the end of Bell Financial's financial year (31 December) until release of its full year results in February; and
- from the end of Bell Financial's half-year (30 June) until release of its half-year results in August.

Other 'black-out periods' may be declared from time to time. The Policy contains an approval process to be followed by Designated Persons if they propose to deal in Bell Financial's securities. A copy of the Trading Policy is located at www.bellfg.com.au/corporategovernance.

Code of Conduct

Bell Financial has developed a Code of Conduct which applies to all Directors, officers, employees, contractors, consultants and associates. Bell Financial is committed to honesty and integrity in all its dealings, as well as ensuring the highest quality of service is provided to customers and clients at all times. The Code sets out the ethical standards, values and policies of Bell Financial. It provides a framework to guide compliance with legal and other obligations to stakeholders, commitment to which the Board believes will maintain the confidence of Bell Financial's stakeholders.

The Code states that all potential or actual conflicts of interest must be avoided or disclosed. Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of Bell Financial. Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned will not receive the relevant Board papers and must not be present at the meeting while the item is considered. Details of Director-related entity transactions with Bell Financial and the Group (if any) are disclosed in the Annual Report. A copy of our Code of Conduct is located at www.bellfg.com.au/corporategovernance.

Diversity

Considerable diversity exists throughout the Group in terms of age, culture and gender. Bell Financial values diversity in the workplace and is committed to employing people on the basis of the 'best fit' for the job, based on relative ability, performance and potential. Bell Financial departs from the ASX Recommendations in that it does not set or disclose measurable objectives around gender diversity, nor does it disclose the proportion of female employees at organisation, senior executive and Board level. Bell Financial has a Diversity Policy, which is located at www.bellfg.com.au/corporategovernance.

Risk assessment and management

The Board understands that the management of risk is a continuous process and an integral part of sound business management and corporate governance. The Group Risk and Audit Committee (GRAC) plays a key role in assisting the Board with its responsibilities relating to accounting, internal control systems, reporting practices, risk management and monitoring the independence of Bell Financial's external auditors.

Bell Financial has implemented a Risk Management Policy and Framework based on *Australian/New Zealand standard AS/NZ ISO 3100:2009 Risk Management Standard*. A description of the Risk Management Policy Framework is located at www.bellfg.com.au/corporategovernance. The Group's principal financial instruments comprise listed securities, derivatives, term deposits and cash. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. These are examined in more detail in the Annual Report.

The GRAC reviews Bell Financial's Risk Management Policy and its Risk Management Plan at least annually and a review was conducted in 2015. The GRAC reported to the Board on these matters and the Board is satisfied that Bell Financial's risk management and internal control system is appropriate.

CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2015

Material exposure to economic, environmental and social sustainability risks

There are a number of material business risks that could adversely affect the Group and the achievement of the Group's financial performance objectives, including market risk, liquidity risk and credit risk. Those risks and how they are managed are described in Notes 3 and 30 to the Financial Statements in the 2015 Annual Report. Other key risks include:

- The Australian and international financial markets
- Changes in legislation and policy
- Operational risks (including regulatory compliance and technology and information systems)
- Loss of key business relationships
- Competition and pricing pressure
- Loss of reputation.

The Group does not have any material exposure to environmental or social sustainability risks.

External auditors

The Bell Financial policy is to appoint external auditors who demonstrate quality and independence. The performance of the auditor is reviewed annually. KPMG is Bell Financial's external auditor. The external auditor attends each Annual General Meeting where he is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Independent Auditor's Report.

Internal audit

The internal auditors assist the GRAC in ensuring compliance with internal controls and risk management programs by regularly reviewing the effectiveness of Bell Financial's internal controls and systems. The GRAC is responsible for approving the program of internal audit visits to be conducted each financial year and for the scope of the work to be performed. The GRAC is also responsible for recommending to the Board the appointment and dismissal of the Internal Audit and Risk Manager.

Other information

This Corporate Governance Statement was approved by the Board of Bell Financial Group Limited on 24 February 2016 and the information in it is current as at that date.

This statement, together with our 2015 Appendix 4G (which is a checklist cross-referencing the ASX Recommendations to the relevant disclosures in this document and our website) have both been lodged with the ASX on 24 February 2016. This statement and our 2015 Appendix 4G can also be found at the Corporate Governance section of our website: www.bellfg.com.au/corporategovernance.

Copies of Bell Financial's charters (Board Charter, Group Risk and Audit Committee Charter, Remuneration Committee Charter) and policies (Code of Conduct, Diversity Policy, Disclosure and Communication Policy, Risk Management Policy Summary and Trading Policy) are also located here.

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

Bell Financial Group Limited

ABN / ARBN

59 083 194 763

Financial year ended:

31 December 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: www.bellfg.com.au/corporategovernance

The Corporate Governance Statement is accurate and up to date as at 24 February 2016 and has been approved by the board.

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

Date: 24 February 2016

Name of Director or Secretary authorising lodgement: Cindy-Jane Lee

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 |
|---|---|--|---|
| 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 Board Charter at www.bellfg.com.au/corporategovernance ... 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"/> in our Board Charter at www.bellfg.com.au/corporategovernance | |
| 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 Board Charter at www.bellfg.com.au/corporategovernance | |
| 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 Board Charter at www.bellfg.com.au/corporategovernance | |
| 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 Board Charter at www.bellfg.com.au/corporategovernance | |

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.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 |
|---|---|---|---|
| 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): Not followed.</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Diversity Policy at www.bellfg.com.au/corporategovernance</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: Not followed.</p> <p>... and the information referred to in paragraphs (c)(1) or (2): Not followed.</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</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 Board Charter at www.bellfg.com.au/corporategovernance</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</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 Board Charter at www.bellfg.com.au/corporategovernance</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 |
|---|--|--|---|
| 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>... 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 checked="" type="checkbox"/> in our Board Charter at www.bellfg.com.au/corporategovernance</p> | |
| 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. | <p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |
| 2.3 | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(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</p> <p>(c) the length of service of each director.</p> | <p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</p> | |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 |
|--|--|--|---|
| 2.4 | A majority of the board of a listed entity should be independent directors. | | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 2.5 | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 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 | |
| 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 checked="" type="checkbox"/> in our Code of Conduct at www.bellfg.com.au/corporategovernance | |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 |
|---|--|--|---|
| 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>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> in our Group Audit and Risk Committee Charter at www.bellfg.com.au/corporategovernance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</p> | |
| 4.2 | The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in the 2015 Annual Report at page 59</p> | |
| 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. | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | |

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 |
|---|--|--|---|
| 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 checked="" type="checkbox"/> in our Disclosure and Communication Policy at www.bellfg.com.au/corporategovernance | |
| 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 www.bellfg.com.au/corporategovernance | |
| 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 Disclosure and Communication Policy at www.bellfg.com.au/corporategovernance | |
| 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 Disclosure and Communication Policy at www.bellfg.com.au/corporategovernance | |
| 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 Disclosure and Communication Policy at www.bellfg.com.au/corporategovernance | |

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

| 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 the Directors Report section of the 2015 Annual Report</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> Group Audit and Risk Committee Charter at www.bellfg.com.au/corporategovernance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</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</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</p> | |
| 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):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Group Audit and Risk Committee Charter at www.bellfg.com.au/corporategovernance</p> | |

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|---|---|---|---|
| 7.4 | 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>... 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 AND</p> <p><input checked="" type="checkbox"/> in the 2015 Annual Report at Notes 3 and 30 to the Financial Statements</p> | |

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Key to Disclosures Corporate Governance Council Principles and Recommendations

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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>... 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</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> Remuneration Committee Charter at www.bellfg.com.au/corporategovernance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the Directors Report section of the 2015 Annual Report</p> | |
| 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. | <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 checked="" type="checkbox"/> in the Remuneration Report section of the 2015 Annual Report</p> <p><input checked="" type="checkbox"/> Remuneration Committee Charter at www.bellfg.com.au/corporategovernance</p> | |
| 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 checked="" type="checkbox"/> in our Trading Policy at www.bellfg.com.au/corporategovernance</p> | |