

## 2019 CORPORATE GOVERNANCE STATEMENT

The Directors of FE Investments Group Limited (**FEIG** or **the Company**) are committed to the Company's obligations and responsibilities to the Shareholders through the promotion of good corporate governance practices.

The Company has adopted a "top down" approach to its governance practices by ensuring that Directors, being either Non-Executive Directors or Executive Directors set the standard of expected practice by performing their duties with honesty, integrity, empathy and to act in the best interest of the Shareholders.

The Directors are committed to a high standard of governance practices ensuring that at all levels of the Company there is compliance with the Corporations Act 2001, ASX Listing Rules, Company Constitution, all relevant New Zealand laws, regulations and standards and all other applicable laws.

For the financial year ended 31 March 2019, the Company continues to follow the 3<sup>rd</sup> edition of the ASX Corporation Governance Council's Principles and Recommendations. The Board believes these Principles and Recommendations to be an appropriate benchmark for governance practices, given the current size, structure and market position of the Company.

Where, after due consideration a governance practice is currently not followed by the Company, an explanation is provided as to why the Company has adopted its own practice.

This Statement was approved by the Board on 07 June 2019.

## – Compliance with ASX Principles

Corporate Governance Recommendation		Is the Recommendation followed
<b>Principle 1</b>		
<i>Lay solid foundations for management and oversight</i>		
1.1	Disclose roles and responsibilities of Board and management	Yes
1.2	Undertake appropriate checks before appointing or electing a person as director	Yes
1.3	Written agreement with each director and senior executive	Yes
1.4	Company Secretary accountable directly to Board	Yes
1.5	Diversity Policy disclosures reported	No
1.6	Board performance evaluation undertaken	Yes
1.7	Senior executive performance evaluation undertaken	Yes
<b>Principle 2</b>		
<b>Structure the Board to add value</b>		
2.1	Nomination committee requirements met	Yes
2.2	Board skills matrix disclosed	Yes
2.3	Director Independence and tenure disclosed	Yes
2.4	Majority of the Board are independent directors	Yes
2.5	Chair of the Board is an independent director and not the same person as the MD	Yes
2.6	Director induction and ongoing training program	Yes
<b>Principle 3</b>		
<i>Act ethically and responsibly</i>		
3.1	Code of conduct available on website	Yes
<b>Principle 4</b>		
<i>Safeguard integrity in corporate reporting</i>		
4.1	Audit committee requirements met	Yes
4.2	MD and CFO financial statement declarations received	Yes
4.3	External auditors attend AGM and available to answer questions from securityholders	Yes
<b>Principle 5</b>		
<i>Make timely and balanced disclosure</i>		
5.1	Continuous Disclosure Policy available on website	Yes
<b>Principle 6</b>		
<i>Respect the rights of securityholders</i>		
6.1	Corporate and governance information available on website	Yes
6.2	Investor relations program	Partly
6.3	Processes to facilitate and encourage participation at securityholder meetings	Yes
6.4	Electronic securityholder communications functionality	Yes
<b>Principle 7</b>		
<i>Recognise and manage risk</i>		
7.1	Risk committee requirements met	Yes
7.2	Annual review of risk management framework	Yes
7.3	No internal audit function but internal control processes in place	Yes
7.4	Disclosure of material exposure to and management of economic, environmental and social sustainability risk	Yes
<b>Principle 8</b>		
<i>Remunerate fairly and responsibly</i>		
8.1	Remuneration committee requirements	Yes
8.2	Remuneration practices disclosed	Yes
8.3	Remuneration Policy disclosures regarding equity-based remuneration	Yes

	<b>Principle 1:</b> <b>Lay solid foundations for management and oversight</b>	
	<b>Establish and disclose the respective roles and responsibilities of the Board and management and how their performance is monitored and evaluated</b>	<b>Conform</b>
<b>Role of Board and management</b>	<p>1.1 The Company should disclose</p> <ul style="list-style-type: none"> <li>(a) the respective roles and responsibilities of the Board and management; and</li> <li>(b) those matters expressly reserved to the Board and those delegated to management</li> </ul> <p>The role of the FE Investments Group Limited (FEIG) Board is to monitor performance, identify areas of risk and opportunity on behalf of its shareholders.</p> <p>A Board Charter has been adopted, which outlines the functions and responsibilities of the FEIG Board and those delegated to FEIG management. The allocation of functions and responsibilities ensures that the Board discharges its duties in an effective and capable manner having regard to principles of good corporate governance and applicable laws.</p> <p>The Board Charter is included in the Corporate Policies which can be found on the Company's website.</p>	<input checked="" type="checkbox"/>
<b>Appointment of new directors</b>	<p>1.2 The Company should</p> <ul style="list-style-type: none"> <li>(a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director; and</li> <li>(b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director</li> </ul> <p>The Board relies upon the recommendations of the Nomination and Remuneration Committee with respect to the selection and appointment process for directors.</p> <p>When a casual vacancy arises or there is a need for a particular skill set on the Board, the full Board reviews the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience in accordance with the Skills Matrix and advises the Nomination Committee of "what they are looking for"</p> <p>The Nomination and Remuneration Committee identifies potential candidates and considers character, education, experience, skillset, associations, availability to commit to the Board's activities and contribution (if any) to the strategic direction of the Company. The Committee interviews potential candidates then recommends a short-list of suitable candidates and then the full Board makes the appointment.</p> <p>Appropriate background checks are completed by the Committee prior to recommending a candidate for election or re-election as a director.</p> <p>FEIG has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a director, is disclosed as part of a Notice of Meeting and Explanatory Memorandum for the relevant meeting of Shareholders, which addresses the election or re-election of a director.</p> <p>During the period, FEIG appointed Messrs. Sun, Lally and Ritchie onto the Board to fulfil various director roles.</p>	<input checked="" type="checkbox"/>
<b>Written agreements of appointment</b>	<p>1.3 The Company should have a written agreement with each director and senior executive setting out the terms of their appointment.</p> <p>New directors, appointed to the Board, are provided with a letter of appointment including their remuneration details, time commitment</p>	<input checked="" type="checkbox"/>

	<p>envisaged, reporting lines, disclosure obligations in relation to personal interests, insurance and indemnity entitlements, share trading guidelines, in addition to an overview of the duties that are expected to be fulfilled.</p> <p>Each senior executive has entered into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements.</p> <p>All Directors, being either Non-Executives or Executives have signed a letter of appointment and Deed of Indemnity.</p> <p>Copies of the Company and Board policies, the Constitution and access to prior Board minutes and papers are also available.</p> <p>Details of senior executives which are Key Management Personnel are summarized in the Remuneration Report of the Company's 2019 Annual Report.</p>	
Company Secretary	<p>1.4 The Company Secretary should be accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.</p> <p>The Company Secretary is accountable to the Board, through the Chairman, on all governance matters, managing the flow of information between the Board, its committees and senior executives.</p> <p>Further details on the role of the Company Secretary are set out in the Company's Board Charter. In brief, the FEIG Company Secretary is responsible for:</p> <ul style="list-style-type: none"> <li>• Advising on corporate governance matters;</li> <li>• Advising on ASX matters;</li> <li>• Ensuring Board processes and procedures run efficiently; and</li> <li>• Communicating with the ASX and ASIC</li> </ul> <p>Each Director of the Company is able to communicate directly with the Company Secretary and vice versa.</p> <p>The qualifications and experience of the Company Secretary is set out in the Directors' Report of the Company's 2019 Annual Report.</p>	<input checked="" type="checkbox"/>
Diversity	<p>1.5 The Company 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 Company'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 Company's diversity policy and its progress towards achieving them, and either</p> <ul style="list-style-type: none"> <li>• The respective proportions of men and women on the Board, in senior executive positions and across the whole organization; or</li> <li>• The most recent "Gender Equity Indicators" as defined in the Workplace Gender Equality Act</li> </ul> <p>The Company has established a policy on diversity in the Boardroom and for senior management which provides a framework for new and existing diversity related initiatives and policies to be implemented and maintained. The Policy is available on the Company's website.</p> <p>FEIG is committed to creating a diverse working environment and promoting a culture which embraces diversity.</p>	<input checked="" type="checkbox"/>  <input checked="" type="checkbox"/>  X

	<p>The Board is responsible for developing, where possible, measurable objectives and strategies to support the framework and objectives of the Diversity Policy.</p> <p>Given the stage of development of the business within Australia, the Board has not determined measurable objectives on gender diversity across the workplace and at the Board level.</p> <p>At all times the Board continues to oversee the development of new programs to achieve a broader pool of skilled and experienced senior management and Board candidates, and if deemed appropriate, identify future and targeted measurable objectives and strategies on gender diversity.</p> <p>Pursuant to Recommendation 1.5 of the Recommendations, the Company discloses the following information as at the date of this Statement:</p> <p>The proportion of women employees in the Company is 71%.</p> <p>There is currently no women in senior executive positions and there are no women on the Board, although the current Company Secretary is a female.</p> <p>The Company has defined an employee who is a senior executive as a person who is a “senior manager” as defined in Section 9 (Definitions) of the Corporations Act 2001, namely a person who is at the highest management level of the Company who “makes, or participates in making decisions that affect the whole, or a substantial part, of the business of the corporation; or has the capacity to affect significantly the corporation’s financial standing”. The performance appraisal of a senior executive is performed by the Chief Executive Officer and where appropriate, the Remuneration Committee.</p> <p>There have been no changes to the personnel holding director positions other than as disclosed - all six (6) Board positions are male.</p>	
Board Reviews	<p>1.6 The Company 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 Company’s Corporate Governance Policies includes a Performance Evaluation Process Policy which discloses the annual process for evaluating performance.</p> <p>A performance appraisal system of Board and individual Director performance was in place during the 2019 financial year. At the heart of the performance appraisal system is that each director completed a questionnaire relating to the role, composition and behavior of the Board and directors. The compilation of outcomes and reviews are facilitated by the Chairman in consultation with the Nomination Committee.</p> <p>An independent third-party consultant may be used to facilitate the assessment, if deemed necessary by either the Chairman or Nomination Committee.</p> <p>Membership of the Board and Committees by non-executive directors is for a three (3) year period, with an annual renewal review thereafter with performance being one criteria in order to retain office.</p>	<input checked="" type="checkbox"/>
Management reviews	<p>1.7 The Company should</p> <p>(a) Have and disclose a process for periodically evaluating the performance of its senior executives; and</p>	<input checked="" type="checkbox"/>

	<p>(b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period on accordance with that process</p> <p><b>The Senior Executives of the Company are Directors on the Board therefore performance evaluation is as noted in section 1.6 above.</b></p> <p><b>Performance evaluations of the staff members is undertaken by the CEO on an annual basis. Staff performance reviews are in progress in relation to the 2019 year.</b></p> <p><b>A number of administrative roles are fulfilled by qualified professional consultants and therefore assessment of their performance is conducted without a formal evaluation process. Whilst this is at variance with ASX Recommendation 1.7, the directors consider that at the date of this Statement an appropriate and adequate process for the evaluation of the consultants is in place. A more structured process of assessment will be considered in the future as the Company's Australian operations develops.</b></p>	
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	<b>Principle 2:</b> <b>Structure the Board to add value</b>	
	<b>The Board should be of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</b>	
Nominations committee	<p>2.1 The Company should</p> <p>(a) Have a nomination committee</p> <ul style="list-style-type: none"> <li>• With a least three (3) members, a majority of who are independent directors;</li> <li>• Chaired by an independent director</li> </ul> <p>And discloses:</p> <ul style="list-style-type: none"> <li>• The charter of the committee;</li> <li>• The members of the committee; and</li> <li>• The number of times the committee met throughout the period and the individual attendance of the members at those meetings</li> </ul> <p>(b) If the Company has no nomination committee, there must be disclosure of 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 independent and diversity to enable it to discharge its duties and responsibilities effectively.</p> <p>The Company has established a combined Nomination and Remuneration Committee, operating under a specific Charter, which is included in the Corporate Policies section on the Company's website.</p> <p>The Nomination and Remuneration Committee consists of three independent Non-Executive directors, Messrs Green, Lally and Huang and Mr Green is the Chairman of this Committee.</p> <p>Details of the number of times the Committee met during the year, including the membership of the Directors and their attendance at committee meetings, appear in the Directors' Report of the 2019 Annual Report</p> <p>In terms of the nomination role; the Committee is responsible for devising the criteria for reviewing membership of the Board – including the re-election of incumbent Directors and nominations for new appointments – to maintain an appropriate balance of skills, experience, diversity and expertise on the Board.</p>	<input checked="" type="checkbox"/>
Board Skills Matrix	<p>2.2 The Company should have and disclose a Board skills matrix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p> <p>The Board is currently comprised of 6 directors, including four Non-Executive directors and there is currently no female representation on the Board.</p> <p>Detailed biographies of the Board are set out in the Directors' Report of the Company's 2019 Annual Report.</p> <p>The Board considers that collectively the directors have the skills, knowledge and experience necessary and desirable to direct the Company. The Non-Executive Directors contribute operational experience, an understanding of the industry in which FEIG operates, knowledge of financial markets and an understanding of the matters that are important to the Company. The CEO brings an additional perspective to the Board through a thorough understanding of FEIG's business.</p> <p>The current directors are from diverse backgrounds possessing an appropriate mix of skills, experience and expertise to enable the Board to discharge its responsibilities and deliver the company's strategic priorities.</p> <p>The Board recognises that opportunities exist to consider diversity upon future retirements of non-executive directors.</p>	<input checked="" type="checkbox"/>

	<p>The Board skills matrix sets out below the combined skills, experience and expertise presently represented on the Board.</p> <p><b>Skills, experience and expertise</b></p> <table><tr><td>- Public Company experience</td><td>- Capital markets knowledge</td></tr><tr><td>- Legal</td><td>- Accounting knowledge</td></tr><tr><td>- Financial acumen</td><td>- Leadership</td></tr><tr><td>- Investor relations</td><td>- Corporate Strategy</td></tr><tr><td>- Risk Management</td><td></td></tr><tr><td>- Ability to Chair Audit and Risk Management Committee</td><td></td></tr><tr><td>- Ability to Chair Nomination and Remuneration Committee</td><td></td></tr><tr><td>- Asian knowledge and relationships</td><td></td></tr></table> <p>As a team, the Board brings together economics, law, commerce and business qualifications and experience but to the extent that any skills are not directly represented on the Board, they are augmented through external advisors.</p>	- Public Company experience	- Capital markets knowledge	- Legal	- Accounting knowledge	- Financial acumen	- Leadership	- Investor relations	- Corporate Strategy	- Risk Management		- Ability to Chair Audit and Risk Management Committee		- Ability to Chair Nomination and Remuneration Committee		- Asian knowledge and relationships														
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Independence and Length of service	<p>2.3 The Company should disclose:</p> <p>(a) The names of the directors considered by the Board to be independent;</p> <p>(b) If a director has an interest, position, association or relationship that might cause doubts about the independence of a director 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 explanation of why the Board is of that opinion; and</p> <p>(c) The length of service of each director</p> <p>The Board gives formal recognition to a detailed definition of independence as detailed below:</p> <table><tr><th>Director Name</th><th>Role</th><th>Independent</th><th>Date Appointed</th></tr><tr><td>James GREEN</td><td>Non-Executive Chairman</td><td>YES</td><td>31 July 2017</td></tr><tr><td>Cook HUANG</td><td>Non-Executive Director</td><td>YES</td><td>10 October 2017</td></tr><tr><td>Anthony LALLY</td><td>Non-Executive Director</td><td>YES</td><td>31 July 2018</td></tr><tr><td>Fang SUN</td><td>Non-Executive Director</td><td>NO</td><td>11 July 2018</td></tr><tr><td>Thatt Kiong SHIM</td><td>Executive Director</td><td>NO</td><td>06 June 2017</td></tr><tr><td>Marcus RITCHIE</td><td>CEO</td><td>NO</td><td>31 July 2018</td></tr></table> <p>A review of the independence criteria detailed in Recommendation 2.3 in relation to each non-executive director is made on a regular basis.</p>	Director Name	Role	Independent	Date Appointed	James GREEN	Non-Executive Chairman	YES	31 July 2017	Cook HUANG	Non-Executive Director	YES	10 October 2017	Anthony LALLY	Non-Executive Director	YES	31 July 2018	Fang SUN	Non-Executive Director	NO	11 July 2018	Thatt Kiong SHIM	Executive Director	NO	06 June 2017	Marcus RITCHIE	CEO	NO	31 July 2018	<input checked="" type="checkbox"/>
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Independent directors	<p>2.4 A majority of the Board should be independent directors</p> <p>The independent and objective judgment of directors is of paramount importance to the effective operation of the FEIG Board and the Company strives to have majority of the Board independent.</p>	<input checked="" type="checkbox"/>																												



	<p>As at the date of this Statement, the Company has 6 Directors and 3 (Messrs. Green, Huang and Lally), are considered to be independent of management, individually hold less than 5% of the issued ordinary shares of the Company and individually do not hold a position, association or relationship that would compromises their independence directly or indirectly.</p> <p>The CEO is not deemed to be independent within the strict meaning as he is employed in an executive capacity and the remaining 2 directors are substantial shareholders.</p> <p>The Board considers there is sufficient intellectual input which enables the Non-Executive Directors to effectively discharge their obligations and responsibilities and there is an appropriate diversity of membership to avoid entrenching unconscious bias.</p> <p>A determination with respect to independence is made by the Board on an annual basis. In addition, the directors are required on a monthly basis to disclose relevant personal interests and conflicts of interest which may in turn trigger a review of a director's independent status.</p>	
Independent Chairman	<p>2.5 The Chairman of the Board should be an independent director and, in particular should not be the same person as the CEO.</p> <p>The current Chairman (Mr James Green) was elected because he is an independent Non-Executive director and has the skill set to effectively lead meetings, facilitate the effective contribution of all directors and promote respectful relations between the Board and management.</p> <p>Mr Green does not perform the role of CEO of the Company, this position is currently held by Mr Ritchie.</p>	<input checked="" type="checkbox"/>
Induction and professional development	<p>2.6 The Company 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.</p> <p>Induction and professional development forms part of the responsibilities of the Nomination and Remuneration Committee.</p> <p>An induction process exists which includes induction documents being provided together with a written appointment letter and the Company Secretary is available to promote early, active and relevant involvement of new directors.</p> <p>All Company directors are encouraged to further their knowledge through ongoing professional development and is addressed as circumstances require.</p>	<input checked="" type="checkbox"/>

	<b>Principle 3:</b> <i>Act ethically and responsibly</i>	
	<b>The Company should act ethically an responsibly</b>	
<b>Code of Conduct</b>	<p>3.1 The Company should:</p> <ul style="list-style-type: none"> <li>(a) Have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) That disclose that code or a summary of it.</li> </ul> <p><b>A Directors and Executive Officers' Code of Conduct and a general Code of Business Conduct are in place and provides a framework for decisions and actions in relation to ethical conduct which all Directors and employees are expected, at a minimum to follow.</b></p> <p><b>A copy of these Codes is included in the Corporate Policies section on the Company's website.</b></p>	<input checked="" type="checkbox"/>

	<b>Principle 4:</b> <b><i>Safeguard integrity in corporate reporting</i></b>	
	<b>The Company should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting</b>	
<b>Audit Committee</b>	<p>4.1 The Company should:</p> <p>(a) Have an audit committee</p> <ul style="list-style-type: none"> <li>• With a least three (3) members, all of whom are non-executive directors and the majority of who are independent directors;</li> <li>• Chaired by an independent director who is not the Chairman of the Board</li> </ul> <p>And discloses:</p> <ul style="list-style-type: none"> <li>• The charter of the committee;</li> <li>• The relevant qualifications and experience of the members of the committee; and</li> <li>• The number of times the committee met throughout the period and the individual attendance of the members at those meetings</li> </ul> <p>(b) If the Company has no audit committee, there must be disclosure of that fact and the processes it employs to 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><b>The Board has established a combined Audit and Risk Management Committee, operating under a specific Charter, which is included in the Corporate Policies section on the Company's website.</b></p> <p><b>The Audit and Risk Management Committee consists of three independent Non-Executive directors, Messrs Green, Lally and Huang.</b></p> <p><b>Mr Lally, as Chairman of the Committee is an independent Non-Executive director and is well qualified to hold the role.</b></p> <p><b>Details of the Audit and Risk Management Committee in terms of qualifications, experience and attendance at meetings, are disclosed in the Directors' Report in the 2019 Annual Report</b></p> <p><b>The important role of the Audit and Risk Management Committee is to review, report and make recommendations in relation to financial reporting, enterprise risk management, internal control systems, the internal and external audit functions, insurance and reserves and resources reporting.</b></p>	<input checked="" type="checkbox"/>
<b>Certification of Financial Statements</b>	<p>4.2 Before the Board approves the financial statements for a financial period, it should receive from its CEO and Head of Finance a declaration that, in their opinion the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and gives a true and fair view of the financial position and performance of the Company which has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> <p><b>Under the Company's Risk Management Policy, the CEO/Head of Finance will provide a written declaration of assurance in accordance with section 295A of the Corporations Act 2001, that in their opinion, the financial records of the Company for the relevant reporting period have been properly maintained, comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and this has been formed on the basis of a sound system of management and internal control which is operating efficiently.</b></p>	<input checked="" type="checkbox"/>
<b>External auditor at AGM</b>	<p>4.3 The external auditors are to attend the Company's AGM and are available to answer questions from shareholders relevant to the audit.</p> <p><b>The Company's Annual General Meeting is conducted in accordance with the Corporations Act and the Constitution of the Company and therefore takes all reasonable actions to ensure the external auditor or a representative from the external auditor firm attends the Meeting to answer</b></p>	<input checked="" type="checkbox"/>

	<p>questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.</p> <p>Pursuant to section 249K of the Corporations Act 2001, the external auditor is provided with a copy of the notice meeting and relevant communications forwarded to the shareholders.</p>	
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	<b>Principle 5:</b> <b><i>Make timely and balanced disclosure</i></b>	
	<b>The Company should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities</b>	
Continuous disclosure obligations	<p>5.1 The Company should</p> <ul style="list-style-type: none"> <li>(a) Have a written policy for complying with its Continuous disclosure obligations under the Listing Rules; and</li> <li>(b) Disclose that policy or a summary of it</li> </ul> <p>Compliance procedures, to ensure timely and balanced disclosure of information in line with Recommendation 5.1 have been noted and the Company has adopted a Continuous Disclosure Policy which is included in the Corporate Policies section on the Company's website.</p> <p>The Policy ensures the Company's and directors' compliance with the ASX Listing Rules disclosure requirements.</p> <p>The Company Secretary is charged with ensuring that any disclosure steps which need to be taken by the Company are brought before the Board for discussion and approval.</p> <p>The Company Secretary is responsible for standard form disclosures to the market and is also responsible for communicating with the ASX.</p>	<input checked="" type="checkbox"/>

	<b>Principle 6:</b> <b><i>Respect the rights of shareholders</i></b>	
	<b>The Company should respect the rights of its shareholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively</b>	
Information on website	<p>6.1 The Company should provide information about itself and its governance to investors via its website.</p> <p>The Company maintains a website and shareholders can find all recent information on the Company under various headings on the Company's website, including all ASX releases, notices of meetings, details of its projects, Corporate Profile, financial reports and provides a mechanism for Shareholders to be able to contact the Company by email.</p> <p>Shareholders may also request a copy of the Company's ASX recent releases.</p>	<input checked="" type="checkbox"/>
Investor relations programs	<p>6.2 The Company should design and implement an investor relations program to facilitate effective two-way communication with investors.</p> <p>The Board does not believe a documented or formal investor relations program is required presently, but the Company has established and adopted a Shareholder Communications Policy which aims to actively engage with shareholders by keeping them fully informed by communicating through</p> <ul style="list-style-type: none"> <li>• Continuous disclosure reporting to the ASX;</li> <li>• Quarterly, half yearly and annual reports; and</li> <li>• Media releases, copies of which are lodged with the ASX and placed on the Company's website</li> </ul> <p>The Shareholder Communications Policy is included in the Corporate Policies section on the Company's website.</p>	<input checked="" type="checkbox"/>
Facilitate participation at meetings of shareholders	<p>6.3 The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.</p> <p>The Shareholder Communications Policy aims to ensure Shareholder participation at all Annual and General Meetings to ensure a high level of accountability and identification with the Company's strategy and goals.</p> <p>Important issues are presented to the shareholders as single resolutions.</p>	<input checked="" type="checkbox"/>
Electronic communications	<p>6.4 The Company should give shareholders the option to receive communications from and send communications to the Company and its share registry electronically.</p> <p>The Company has arranged for the Share Registry to provide Shareholders with the option to receive information such as the Annual Report and Notice of Meeting in print or electronic form.</p> <p>Shareholders can access the Company's website and email the Company with queries and information requests.</p>	<input checked="" type="checkbox"/>

	<b>Principle 7:</b> <b><i>Recognise and manage risk</i></b>	
	<b>The Company should establish a sound risk management framework and periodically review the effectiveness of that framework</b>	
Risk committee	<p>7.1 The Company should:</p> <p>(a) Have a committee or committees to oversee risk, each of which</p> <ul style="list-style-type: none"> <li>Has at least three (3) members, a majority of who are independent directors; and</li> <li>Chaired by an independent director</li> </ul> <p>And discloses:</p> <ul style="list-style-type: none"> <li>The charter of the committee;</li> <li>The members of the committee; and</li> <li>The number of times the committee met throughout the period and the individual attendance of the members at those meetings</li> </ul> <p>(b) If the Company has no risk committee or committees, that satisfy (a) above, disclose that fact and the processes it employs to oversee the Company's risk management framework.</p> <p><b>The Board with the assistance of the Audit and Risk Management Committee acts, effectively, as a committee to oversee risk and there is no need to further subdivide it.</b></p> <p><b>The Audit and Risk Management Committee comprises three (3) independent Non-Executive directors and the Chairman is Mr Lally, who is independent.</b></p> <p><b>Details of the Audit and Risk Management Committee in terms of qualifications, experience and attendance at meetings, are disclosed in the Directors' Report in the 2019 Annual Report.</b></p> <p><b>The Company has developed and adopted a Risk Management Policy which is included in the Corporate Policies section on the Company's website.</b></p> <p><b>The main areas of business risk to the Company arise from</b></p> <ul style="list-style-type: none"> <li>Rental book growth;</li> <li>Cashflow management;</li> <li>Assessing the adequacy of the Company's insurance program;</li> <li>Monitoring compliance with capital adequacy and other regulated financial ratios; and</li> <li>Review of the Company's internal controls in relation to financial risk</li> </ul> <p><b>These areas of risk are discussed by the Board at monthly Board Meetings, which are reviewed in conjunction with monthly reporting by the CEO on operations, finances, reporting obligations and regulatory compliance matters.</b></p> <p><b>The Company believes that all employees have a role in managing risk and in particular, they are encouraged to identify, report and assess operating risks in the business. The Risk Management Policy is accessible to all staff on the Group's website.</b></p>	<input checked="" type="checkbox"/>
Annual risk review	<p>7.2 The Board or a Committee of the Board should:</p> <p>(a) Review the Company's risk management framework at least annually to satisfy itself that, it continues to be sound; and</p> <p>(b) Discloses, in relation to each reporting period, whether such a review has been taken.</p> <p><b>The Company recognises that the standard process for risk management, includes:</b></p>	<input checked="" type="checkbox"/>

	<ol style="list-style-type: none"> <li>1. Risk identification;</li> <li>2. Risk rating;</li> <li>3. Risk controls;</li> <li>4. Risk monitoring and reporting</li> </ol> <p>Building and developing a risk management framework to encapsulate the above processes is organic and ongoing.</p> <p>The Board meets on a monthly basis whereby the strategic, financial, business, compliance legal and operational risks including ability to raise capital to fund the businesses growth profile, share price/currency fluctuations, adequate levels of insurance, contract documentation, compliance with financial reporting and statutory obligations, retention of key executives and staff and costs of operations are reviewed and discussed by the Board.</p> <p>The Board recognises that there are inherent risks associated with the Company's operations and the Board endeavors to mitigate such risks by</p> <ul style="list-style-type: none"> <li>• Calling monthly Board meetings;</li> <li>• Share price monitoring;</li> <li>• Market monitoring; and</li> <li>• Daily review of financial position and operations.</li> </ul> <p>The Board is ably assisted by the Audit and Risk Management Committee regarding profiling the Company's risk matters and both monitors risk informally throughout the year.</p>	
Internal audit	<p>7.3 The Company 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>The Company's affairs are not of a size and complexity to warrant the establishment of an internal audit function.</p> <p>An internal audit function may be established in due course in consultation with the Audit and Risk Management Committee and in consultation with the external auditors as to when the Company is at the stage where such a function is warranted.</p> <p>The evaluation and monitoring of the Company's risk management and internal control processes is currently completed by the Board, competently assisted by the Audit and Risk Management Committee.</p> <p>Due to the nature of the Company's subsidiary business, on a regular basis Executives and Senior Management are checking and monitoring the Company's position and compliance with capital adequacy and other regulatory requirements and benchmarks set by the Reserve Bank of New Zealand and other applicable regulatory organisations.</p>	X
Sustainability risks	<p>7.4 The Company 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>The Company recognises that it has exposure to economic risk and tries to mitigate this risk with financial modelling, ratio analysis and budgeting.</p> <p>As the Company offers financial products with an investment component, the continually updated and published Product Disclosure Document states the extent to which environmental, social or ethical considerations are taken into account in the selection, retention or realisation of investments.</p>	☑



	<p>The financial risks to which the Company is exposed to and the Company's approach to managing them are identified in the Going Concern Note of the Notes to the Financial Statements contained in the Company's 2019 Annual Report.</p> <p>Areas of risk are highlighted in the monthly CEO Report and Business Plan presented to the Board including in respect of operations the financial position, legal, reporting and compliance matters and obligations and how they are being addressed.</p> <p>To the extent possible, internal controls are in place to mitigate against any material administrative risks.</p> <p>Considerable importance is placed on maintaining a strong control environment. There is an organisational structure with clear lines of accountability and delegation of authority.</p> <p>Adherence to the Director and Employee Codes of Conduct is required at all times and the Board actively promotes a culture of quality and integrity.</p>	
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	<b>Principle 8</b> <i>Remunerate fairly and responsibly</i>	
	<b>The Company should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for Shareholders.</b>	
<b>Remuneration Committee</b>	<p>8.1 The Board should</p> <p>(a) Have a remuneration committee which</p> <ul style="list-style-type: none"> <li>Has at least three (3) members, a majority of who are independent directors;</li> <li>Chaired by an independent director</li> </ul> <p>And discloses:</p> <ul style="list-style-type: none"> <li>The charter of the committee;</li> <li>The members of the committee; and</li> <li>The number of times the committee met throughout the period and the individual attendance of the members at those meetings</li> </ul> <p>(b) If the Company has no 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><b>The Company has established a combined Nomination and Remuneration Committee, operating under a specific Charter, which is included in the Corporate Policies section on the Company's website.</b></p> <p><b>The Nomination and Remuneration Committee consists of three independent Non-Executive directors, Messrs Green, Lally and Huang and Mr Green is the Chairman of this Committee.</b></p> <p><b>Details of the number of times the Committee met during the year, including the membership of the Directors and their attendance at committee meetings, appear in the Directors' Report of the 2019 Annual Report</b></p> <p><b>In terms of the remuneration role; the Committee assists and advises the Board on remuneration policies and practices for the Board, the CEO, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company.</b></p> <p><b>There is a \$5 million monetary limit to the extent of indemnity.</b></p>	<input checked="" type="checkbox"/>
<b>Disclosure of remuneration policy</b>	<p>8.2 The Company 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><b>The Board distinguishes the remuneration of non-executive directors from that of executive directors and senior executives.</b></p> <p><b>The Company's Constitution provides that the remuneration of non-executive directors is fixed, and they do not participate in any incentive plans nor receive any retirement benefits.</b></p> <p><b>The Company's policies and practices regarding the remuneration paid to the Non-Executive and Executive Directors is set out in the Remuneration Report as disclosed in the Directors' Report of the 2019 Annual Report.</b></p> <p><b>The information provided in the Remuneration Report is audited as required by Section 308(3C) of the Corporations Act 2001.</b></p>	<input checked="" type="checkbox"/>
<b>Policy on hedging equity incentive schemes</b>	<p>8.3 The Company if it has an equity-based remuneration scheme should</p> <ul style="list-style-type: none"> <li>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</li> </ul>	<input checked="" type="checkbox"/>

	<p>- <a href="#">Disclose that policy or a summary of it</a></p> <p><b>The Company does not currently have an equity-based remuneration scheme.</b></p> <p><b>The Company's policy on Dealing in Securities prohibits participants leveraging securities without the fully informed consent of the Board.</b></p> <p><b>A copy of the Dealing in Securities Policy is included in the Corporate Policies section on the Company's website.</b></p>	
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*This Corporate Governance Statement is current as at 07 June 2019 and has been approved by the Board of Directors.*