

# Corporate governance statement

This document discloses the extent to which CBL Corporation Limited ARBN 604 999 466 (**Company**) will follow, as at the date of its admission to the official list of ASX Limited (**ASX**), the recommendations set by the ASX Corporate Governance Council in the third edition of its Corporate Governance Principles and Recommendations (**ASX Recommendations**). Capitalised terms used in this document have the meanings given to them in the New Zealand product disclosure statement<sup>1</sup> lodged by the Company with the Australian Securities and Investments Commission on 7 September 2015 (**Prospectus**).

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
<b>1.</b>	<b>Principle 1 – Lay solid foundations for management and oversight</b>		
	A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.		
1.1	<b>ASX Recommendation 1.1</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>a. the respective roles and responsibilities of its board and management; and</li> <li>b. those matters expressly reserved to the board and those delegated to management.</li> </ul>	Yes to all	Please refer to Section 2.8 of the PDS and the Company Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
1.2	<b>ASX Recommendation 1.2</b> A listed entity should: <ul style="list-style-type: none"> <li>a. undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</li> <li>b. provide security holders with all</li> </ul>	<ul style="list-style-type: none"> <li>a. Yes</li> <li>b. Will comply</li> </ul>	Please refer to Section 2.8 of the PDS and the Company Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.

<sup>1</sup> The PDS was accompanied by Additional Australian Information dated 7 September 2015 which was also lodged with ASIC.

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	material information in its possession relevant to a decision on whether or not to elect or re-elect a director.		
1.3	<b>ASX Recommendation 1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Please refer to Section 2.10 of the PDS. The Company has entered into written agreements with each director and senior executive. Please also see item 41 on the Company's information form and checklist.
1.4	<b>ASX Recommendation 1.4</b> 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.	Yes	Please refer to the Company's Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail. We note that the functions described in ASX Recommendation 1.4 are performed by the Company's Chief Financial Officer.
1.5	<b>ASX Recommendation 1.5</b> A listed entity should:  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;  b. disclose that policy or a summary of it; and  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	a. No b. Yes c. Will comply	The Company has established a diversity policy which covers factors such as gender, race, ethnicity, disability, age, sexual orientation, gender identity, marital or family status, religious or cultural background. The diversity policy includes a requirement for the Company to aim to establish measurable objectives for achieving gender diversity within the organisation. The Board will receive an annual report from management on the progress against the objectives.  The Board intends to disclose the matters contemplated in ASX Recommendation 1.5, in future annual reports. <sup>2</sup>  Please refer to the Board's diversity policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.

<sup>2</sup> Any references to information to be provided in future annual reports is subject to the Company not transitioning to become a 'foreign exempt' listing on ASX.

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	<p>board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <ol style="list-style-type: none"> <li>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</li> <li>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.</li> </ol>		
1.6	<p><b>ASX Recommendation 1.6</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ol>	<p>a. Yes</p> <p>b. Will comply</p>	<p>Please refer to the Company Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p> <p>The Company intends to disclose the matters contemplated by Recommendation 1.6 in future annual reports.</p>
1.7	<p><b>ASX Recommendation 1.7</b></p> <p>A listed entity should:</p>	<p>a. Yes</p> <p>b. Will Comply</p>	<p>Please refer to the Company Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p> <p>The Company intends to disclose the matters contemplated by Recommendation 1.7 in</p>

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	<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>		future annual reports.
<b>2.</b>	<b>Principle 2 – Structure the board to add value</b>		
	A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.		
2.1	<p><b>ASX Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>a. have a nomination committee which:</p> <ol style="list-style-type: none"> <li>has at least three members, a majority of whom are independent directors; and</li> <li>is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>the charter of the committee;</li> <li>the members of the committee; and</li> <li>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</li> </ol>	<p>a. N/A</p> <ol style="list-style-type: none"> <li>N/A</li> <li>N/A</li> <li>N/A</li> <li>N/A</li> <li>Will comply</li> </ol> <p>b. Yes</p>	<p>The Company does not have a nomination committee. The Board is responsible for the functions of the nomination committee as set out in the schedule to the Board Charter. The Board has processes in place 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>Please refer to the Company Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>

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	<p>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>		
2.2	<p><b>ASX Recommendation 2.2</b></p> <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>	No	The Board Charter sets out the key skills and experience that the Board as a whole should comprise.
2.3	<p><b>ASX Recommendation 2.3</b></p> <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>a. Yes</p> <p>b. N/A</p> <p>c. Yes</p>	<p>The Board consists of six Directors, as noted in Section 2.8 of the PDS, five of which (being Sir John Wells, Anthony Hannon, Ian Marsh, Norman (Paul) Donaldson and Alistair Hutchison) are non-executive directors. The Board considers Sir John Wells, Anthony Hannon, Ian Marsh and Norman (Paul) Donaldson to be independent having regard to the indicia in Box 2.3 in the ASX Recommendations, please refer to Section 2.8 of the PDS for further details.</p> <p>The Company has disclosed in the PDS the skills, experience, relevant expertise and of each Director, please refer to Section 2.8 of the PDS.</p> <p>Each Director was appointed on the following dates:</p> <ul style="list-style-type: none"> <li>• Sir John Wells: 19 November 2013</li> <li>• Peter Harris: 19 November 2013</li> <li>• Anthony Hannon: 14 October 2013</li> <li>• Ian Marsh: 19 November 2013</li> <li>• Norman (Paul) Donaldson: 27 July 2015</li> </ul>

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	c. the length of service of each director.		<ul style="list-style-type: none"> <li>Alistair Hutchison: 19 November 2013</li> </ul>
2.4	<b>ASX Recommendation 2.4</b> A majority of the board of a listed entity should be independent directors.	Yes	As noted above in Recommendation 2.3, the Board is composed of a majority of independent Directors.
2.5	<b>ASX Recommendation 2.5</b> 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.	Yes	As noted above in Recommendation 2.3, the Chairman is an independent Director. The roles of Chairman and Managing Director (the Company does not have a CEO) are exercised by different individuals, being Sir John Wells and Peter Harris, respectively.
2.6	<b>ASX Recommendation 2.6</b> 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.	Yes / will comply	Please refer to the Company's Board charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
<b>3.</b>	<b>Principle 3 – Act ethically and responsibly</b>		
	A listed entity should act ethically and responsibly.		
3.1	<b>ASX Recommendation 3.1</b> A listed entity should: <ul style="list-style-type: none"> <li>a. have a code of conduct for its directors, senior executives and employees; and</li> <li>b. disclose that code or a summary of it.</li> </ul>	Yes to all	Please refer to the Company's code of conduct (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
<b>4.</b>	<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
	A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.		
4.1	<b>ASX Recommendation 4.1</b> The board of a listed entity should:	a) Yes 1) Yes	The Company has established the Audit and Financial Risk Committee the primary purpose of which is to assist the Board in carrying out its accounting, auditing and financial reporting obligations.

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
	<p>a. have an audit committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ol> <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>2) Yes</p> <p>3) Yes</p> <p>4) Yes</p> <p>5) Will comply</p> <p>b) N/A</p>	<p>The Audit and Financial Risk Committee is comprised of three non-executive Directors, being Anthony Hannon (Chair), Ian Marsh and Paul Donaldson with each of Anthony Hannon, Ian Marsh and Paul Donaldson being considered by the Board to be independent.</p> <p>The Company has disclosed in the PDS the skills, experience and relevant expertise of each Director, please refer to Section 2.8 of the PDS.</p> <p>Please refer to the Audit and Financial Risk Committee charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>
4.2	<p><b>ASX Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements</p>	Yes	<p>A decision by the Board to approve the Company's financial statements for a financial period, is subject to receipt, from its Chief Executive Officer and Chief Financial Officer, a declaration equivalent to that which is required by section 295A of the Corporations</p>

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	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.		Act and ASX Recommendation 4.2.  Please refer to the risk management policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
4.3	<b>ASX Recommendation 4.3</b>  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.	Will comply	Please refer to the shareholder communications policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
<b>5. Principle 5 – Make timely and balanced disclosure</b>			
	A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1	<b>ASX Recommendation 5.1</b>  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.	Yes to all	The Company has adopted a continuous disclosure policy which establishes processes and procedures designed to ensure that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information. Under the disclosure policy, the Board will be responsible for managing the Company's compliance with its continuous disclosure obligations.  Please refer to the Company's continuous disclosure policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
5.2	<b>ASX Recommendation 5.2</b>  Companies should provide the information indicated in the guide to reporting on Principle 5.	Will comply	The Company intends to disclose the matters contemplated by ASX Recommendation 5.2 in future annual reports.



	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
<b>6.</b>	<b>Principle 6 – Respect the rights of security holders</b>		
	A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.		
6.1	<b>ASX Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company has established a shareholder communications policy which supports its commitment to effective communication with Shareholders. Information about the Company and its governance framework is available on the 'Investor Centre' section of the Company's website.
6.2	<b>ASX Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes / will comply	Refer to the Company's shareholder communications policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
6.3	<b>ASX Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Refer to the Company's shareholder communications policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
6.4	<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Refer to the Company's shareholder communications policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.
<b>7.</b>	<b>Principle 7 – Recognise and manage risk</b>		
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
7.1	<b>ASX Recommendation 7.1</b> The board of a listed entity should: <ol style="list-style-type: none"> <li>a. have a committee or committees to oversee risk, each of which: <ol style="list-style-type: none"> <li>1. has at least three members, a</li> </ol> </li> </ol>	a) Yes 1) Yes 2) Yes 3) Yes	As noted above in ASX Recommendation 4.1. In addition, refer to the Company's risk management policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a> ) for further detail.

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	<p>majority of whom are independent directors; and</p> <p>2. is chaired by an independent director,</p> <p>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>4) Yes</p> <p>5) Will comply</p> <p>b) N/A</p>	
7.2	<p><b>ASX Recommendation 7.2</b></p> <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>a. Yes</p> <p>b. Yes</p>	<p>The Company will regularly undertake (and disclose that it has undertaken) reviews of its risk management framework to establish an effective and efficient system for identifying, assessing, monitoring and managing risk.</p> <p>The Company intends to disclose the matters contemplated by ASX Recommendation 7.2 in future annual reports.</p> <p>Refer to the Company's risk management policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
7.3	<b>Recommendation 7.3</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>a. if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>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.</li> </ul>	a. Yes b. N/A	<p>The Company has an internal audit function. The Company's Audit and Financial Risk Committee charter sets out the function and role of internal audit.</p> <p>Refer to the Company's risk management policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>
7.4	<b>ASX Recommendation 7.4</b> 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.	Will comply	<p>If the Company has any material exposure to economic, environmental and social sustainability risk, it will disclose any such exposure and how it manages or intends to manage those risks, in the relevant annual report.</p>
<b>8.</b>	<b>Principle 8 – Remunerate fairly and responsibly</b>		
	A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.		
8.1	<b>ASX Recommendation 8.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>a. have a remuneration committee which: <ul style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ul> </li> </ul>	a. Yes 1. Yes 2. Yes 3. Yes 4. Yes 5. Will comply b. N/A	<p>The Company has established the Governance and Remuneration Committee for the purpose to assist the Board to fairly and responsibly remunerate Directors and executives, evaluate the performance of Directors and executives and attract and retain suitable candidates for senior positions within the business.</p> <p>The Governance and Remuneration Committee is comprised of two non-executive Directors and one executive director being Sir John Wells (Chair), Alistair Hutchison and Peter Harris. The Board considers Sir John Wells and Alistair Hutchison to be independent having regard to the indicia in Box 2.3 in the ASX Recommendations.</p> <p>Please refer to the Company's Governance and Remuneration Committee charter (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>

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	<p>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>		
8.2	<p><b>ASX Recommendation 8.2</b></p> <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>	Yes / will comply	<p>Separate disclosure regarding the remuneration of the Company's Directors (executive and non-executive) and CEO is provided in Section 2.10 of the PDS.</p> <p>The Company intends to disclose the matters contemplated by ASX Recommendation 8.2 in future annual reports.</p>
8.3	<p><b>ASX Recommendation 8.3</b></p> <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</p>	Yes to all	<p>Under the Company's securities trading policy, and subject to certain exceptions, including severe financial hardship, the Securities Trading Policy defines certain "trading windows" during which trading in Shares by Directors, officers and certain senior executives is permitted.</p> <p>Refer to the Company's securities trading policy (available from Listing at <a href="http://www.cblcorporation.co.nz">www.cblcorporation.co.nz</a>) for further detail.</p>

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	<p>risk of participating in the scheme; and</p> <p>b. disclose that policy or a summary of it.</p>		