

ASX Announcement

22 August 2016

APPENDIX 4G AND 2016 CORPORATE GOVERNANCE STATEMENT

Unity Pacific Group (ASX: UPG) is pleased to provide in accordance with Listing Rules 4.7.3, 4.7.4 and 4.10.3 a copy of its 2016 Corporate Governance Statement and Appendix 4G.

For further information, contact:

Chris Morton
Managing Director
+61 7 3370 4800

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Unity Pacific Group comprising Unity Pacific Limited ABN 11 110 831 288 and Unity Pacific Stapled Trust ARSN 111 389 596 (TCQ)

ABN / ARBN:

Financial year ended:

30 June 2016

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

These pages of our annual report:

This URL on our website: <http://www.trinity.com.au/UPG 2016 CGS>

The Corporate Governance Statement is accurate and up to date as at 22 August 2016 and has been approved by the board.

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

Date: 22 August 2016

Name of Secretary authorising lodgement: Janita Robba

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: X in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): X at <i>[insert location]</i> UPG 2016 Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: X in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: X in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: X in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and, where applicable, the information referred to in paragraph (b): X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and the length of service of each director: X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	X an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: X in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
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, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p>X an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p>X in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance 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
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at UPG Continuous Disclosure Policy	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at UPG 2016 Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at UPG 2016 Corporate Governance Statement</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> Remuneration Report in the 2016 Financial Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<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 Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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	
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Unity Pacific Group

CORPORATE GOVERNANCE STATEMENT 2016

2016 Corporate Governance Statement

This Corporate Governance Statement is current as at 22 August 2016 and has been approved by the Boards of Directors of Unity Pacific Limited and Unity Pacific Investment Management Limited.

This statement is available on Unity Pacific Group's website at www.unitypacific.com.au under Corporate Governance.

Unity Pacific Group's Structure

The stapled securities of Unity Pacific Group are quoted on the Australian Securities Exchange ("ASX") under the code UPG and comprise of one unit in Unity Pacific Stapled Trust and one share in Unity Pacific Limited. The unit and the share are stapled together and cannot be traded separately. A Stapling Deed is in place between Unity Pacific Limited and Unity Pacific Stapled Trust.

Unity Pacific Stapled Trust is a managed investment scheme. Unity Pacific Investment Management Limited, a controlled entity of Unity Pacific Limited, was appointed the responsible entity for Unity Pacific Stapled Trust on 26 February 2010.

Unity Pacific Group's Approach to Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Unity Pacific Group support and adhere to the principles of corporate governance, and are committed to good corporate governance.

This report outlines the main corporate governance practices in place for Unity Pacific Group during the reporting period (the year ended 30 June 2016). Unity Pacific Group's corporate governance practices are broadly based on the eight central principles of the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("ASX Principles"), which were released in March 2014.

The ASX Listing Rules require listed entities to prepare a statement disclosing the extent to which it has followed the recommendations set out in the ASX Principles during the reporting period. Unity Pacific Group recognises that the ASX Principles are guidelines designed to facilitate best practice governance. The ASX Principles are not prescriptive and provides listed entities with the flexibility to adopt alternative governance practices if its board considers those to be more suitable in the particular circumstances. Due to the small size of Unity Pacific Group's Board and workforce, as well as the scale of its operations, Unity Pacific Group has adopted alternative practices in lieu of some recommendations. Where this is the case, reasons for not following the recommendations in the ASX Principles and details of the alternative practices are outlined.

Summary of Recommendations Not Followed in Full in Appendix 4G

Details of the ASX Principles and recommendations that were not followed in full during the reporting period by Unity Pacific Group are outlined in its Appendix 4G.

Principle 1 – Lay Solid Foundations for Management and Oversight

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.

Details of the Board

Role of the Board

The Board's primary role is the protection and enhancement of long term securityholder value.

To fulfil this role, the Board is responsible for the overall corporate governance of Unity Pacific Group including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration and establishing succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems.

It is also responsible for approving and monitoring financial and other reporting.

The Board delegates responsibility for the operation and administration of Unity Pacific Group to the Managing Director and executive management.

Boards of the Stapled Entity

The Boards of the stapled entity, comprising Unity Pacific Limited and Unity Pacific Investment Management Limited (the "Responsible Entity" of Unity Pacific Stapled Trust), currently have the same Directors.

The Responsible Entity is responsible for the operation of Unity Pacific Stapled Trust. The Responsible Entity must exercise its powers and perform its obligations under the Unity Pacific Stapled Trust Constitution and the Corporations Act 2001 in the best interests of securityholders to ensure that the activities of the trust are conducted in a proper manner. In particular, the Responsible Entity is responsible for the selection and management of investment properties, maintenance of accounting and statutory records for the trust, compliance with statutory requirements of managing the trust including communication with securityholders and management of the debt facilities and equity raisings of the trust.

A Compliance Committee comprised of a majority of external independent members monitors the extent to which the Responsible Entity complies with the managed investment scheme's compliance plan.

Details of Directors and Company Secretaries

Details of the directors and company secretaries, including their experience, qualifications, special responsibilities and other interests (as appropriate) are outlined in the Directors' Report in Unity Pacific Group's 2016 Financial Report.

Board Processes

The Board meets on at least a monthly basis, plus additional strategy meetings and any extraordinary meetings at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared by the Company Secretaries in conjunction with the Chairman and Managing Director as appropriate. Standing items include reports prepared by the Managing Director, Chief Financial Officers and Company Secretaries, financial reports, strategic matters, governance and compliance. Board meeting material is circulated in advance. Executives are regularly involved in Board discussions and Directors have other opportunities, including visits to business operations, for contact with a wider group of employees.

The Company Secretaries are accountable directly to the Board, through the Chairman, on matters related to the proper functioning of the Board.

Appointment of Board Members

Unity Pacific Group seeks to have a board comprising directors with an appropriate variety of skills, experience and industry or professional expertise to competently deal with issues of the business and the performance of management.

Unity Pacific Group has procedures for selection and appointment of new directors, which includes reference to Unity Pacific Group's diversity policy and appropriate background checks. Practices are also in place to ensure that securityholders receive all material information in relation to the election of new, and/or re-election of incumbent, directors.

Due to the small size of the Board a specific diversity target for the Board is not currently considered appropriate.

Director and Executive Employment Agreements

A written agreement is in place with each director setting out the terms of their appointment. Executive employees all have written employment contracts.

Diversity Policy

In accordance with the ASX Principles, Unity Pacific Group has established a Diversity Policy.

Unity Pacific Group's Diversity Policy focuses on:

- workplace diversity – where all individuals should be treated fairly and with respect, and should have equal access to work opportunities; and
- gender diversity – which requires the Board and senior management to take diversity into account during the recruitment process for all positions within the business, including Board positions.

The policy provides for the Unity Pacific Group Board to be responsible for:

- establishing measurable objectives for achieving gender diversity;
- assessing annually both the objectives and the progress in achieving them; and
- reporting annually on the above as far as practicable in accordance with the ASX Principles.

The proportion of women in Unity Pacific Group at 30 June 2016 was as follows:

- Board of directors – 0% (0/3);
- Other key management personnel – 100% (2/2); and
- Other employees – 100% (5/5).

All Unity Pacific Group employees, other than the executive directors, are female as at 30 June 2016. The Board is satisfied with current levels of female and male participation at different levels in the organisation as well as the business practices in place to promote diversity and equality in the workplace which includes providing flexible working arrangements and an inclusive workplace culture.

As a result, and given the small size of Unity Pacific Group's Board and workforce, as well as the scale of Unity Pacific Group's operations, the Board has not set measurable objectives for achieving gender diversity. Measurable objectives will be addressed if the business structure changes in the future.

Board Evaluation

The Chairman has conducted a review of the effectiveness of the Board, its committees and its members during the year. The review considered the role of the Board and its performance and executive management and their performance. In addition the review considered board processes, corporate governance and strategic planning.

Senior Management Evaluation

The performance of senior management (other than the Managing Director) is reviewed by the Managing Director. Performance reviews for senior management are undertaken on a regular basis.

The Managing Director's performance is regularly reviewed by the Board.

Independent Professional Advice and Access to Information

Each director has the right of access to all relevant information and to Unity Pacific Group's executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified adviser at Unity Pacific Group's expense. The Director must consult with an advisor suitably qualified in the relevant field, and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the Director is made available to all other members of the Board.

Principle 2 – Structure the Board to Add Value

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

The Unity Pacific Board currently has three directors, two Independent Non-Executive Directors and one Executive Director. Their biographical details are outlined in the Directors' Report in Unity Pacific Group's 2016 Financial Report.

The Board operated with support from two Board committees during the reporting period, as follows:

- Audit Committee – established 1 December 2009 to 22 October 2014; re-established 6 March 2015; and
- Compliance Committee – established 1 December 2009.

Details of these committees are outlined in this Statement.

Nomination Committee

Due to the composition of the Board, limited number of key management personnel and executives and small number of employees, Unity Pacific Group has not established a separate Nomination Committee. The Board takes responsibility for all matters which would otherwise have been a Nomination Committee responsibility, including:

- decisions regarding size and composition of the Board;
- processes for the appointment and re-appointment of directors to the Board;
- processes for monitoring and evaluating Board and committee performance;
- director engagement, commitment and professional development;
- board succession planning generally; and
- ensuring there are plans in place to manage the succession of the Managing Director and other senior executives.

Board Skills Matrix

The Board is focused on ensuring that the Board is comprised of directors that can competently deal with the business and industry issues relevant to Unity Pacific Group and add value to the business. The Board is satisfied that based on the current operations of, and strategy for, the business, this is being achieved. Due to the size of Unity Pacific Group, a formal process of documenting the mix of skills and diversity that the Board currently has or is looking to achieve has not been undertaken.

Independent Directors

For the full reporting period and up to the date of this statement, Brett Heading and Murray Boyte were the two independent directors on the Unity Pacific Group Board. Mr Heading was Chairman of the Board during this time.

The independent directors were appointed as follows:

Brett Heading	Independent Chairman	Appointed 21 August 2009
Murray Boyte	Independent Non-Executive Director	Appointed 6 March 2015

An Independent Director is a director who is not a member of management (a Non-Executive Director) and who:

- holds less than five percent of the voting securities of Unity Pacific Group and is not an officer of, or otherwise associated, directly or indirectly, with a securityholder of more than five percent of the voting securities of Unity Pacific Group;
- has not within the last three years been employed in an executive capacity by Unity Pacific Group or another group member, or been a director after ceasing to hold any such employment;
- has not within the last three years been a principal of a material professional adviser or a material consultant to Unity Pacific Group or another Group member, or an employee materially associated with the service provided;
- is not a material supplier or customer of Unity Pacific Group or another group member, or an officer of or otherwise associated, directly or indirectly, with a material supplier or customer;
- has no material contractual relationship with Unity Pacific Group or another group member other than as a director of Unity Pacific Group;
- has not served on the Board for a period which in the Board's opinion could, or could reasonably be perceived to, materially interfere with the Directors ability to act in the best interests of Unity Pacific Group; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Unity Pacific Group.

No materiality threshold has been set by the Board however materiality of services provided to Unity Pacific Group is regularly assessed by the Board.

Brett Heading is considered to be an independent director even though the two law firms of which Mr Heading was a partner at different times during the 30 June 2016 year has provided advisory services to Unity Pacific Group during the reporting period. Mr Heading has not been directly involved in the provision of any advice, or the commissioning and management of any legal matters. This responsibility rests with executive management.

Composition of the Board

From 1 July 2015 to 31 October 2015, the majority of the directors on the Board of Unity Pacific Group were not Independent Directors, detailed as follows:

Period	Board Composition	Majority Independent Directors?
1 July 2015 – 31 October 2015	Two independent directors and two executive directors	No
1 November 2015 – current	Two independent directors and one executive director	Yes

The change to the composition of the Board during the reporting period resulted from the resignation of Bevan Towing as an executive director of Unity Pacific Group on 31 October 2015.

Although the Board did not comprise a majority of independent directors until 1 November 2015, the directors considered the composition of the Board to be appropriate at all times during the reporting period. Each director is of the view that all directors bring an independent judgement to bear on Board decisions.

The composition of the Board is determined using the following principles:

- a minimum of three Directors, with a broad range of expertise in property, finance and funds management;
- a majority of the Board need not be Non-Executive Directors;
- a majority of Directors having extensive knowledge of the property and funds management industries, and those without such knowledge having extensive expertise in significant aspects of the law, or risk management of large companies;
- an Independent Non-Executive Director is normally to be appointed as Chairman;
- enough Directors to serve on various committees without overburdening the Directors or making it difficult for them to fully discharge their responsibilities; and
- Directors are subject to re-election at least every three years.

Chairman of the Board

The Chairman of the Board, Brett Heading, is a non-executive director and is considered to be an independent director. The Deputy Chairman and Managing Director is Chris Morton.

Director Education and Professional Development

Unity Pacific Group educates new Directors and senior executives about the nature of the business, current issues, the corporate strategy and the expectations of Unity Pacific Group concerning performance of Directors. Directors also have the opportunity to visit Unity Pacific Group's business premises and meet with management and employees to gain a better understanding of business operations. Unity Pacific Group encourages directors to pursue professional development opportunities that assist them in their roles.

Principle 3 – Act Ethically and Responsibly

A listed entity should act ethically and responsibly.

Ethical Standards

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of Unity Pacific Group. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment.

The Code of Conduct

Unity Pacific Group expects Directors, senior management and employees to act in accordance with the conduct requirements. The objectives of the conduct requirements are to:

- align the behaviour of the Board and management by maintaining appropriate core Group values and objectives;
- fulfil responsibilities to securityholders by delivering securityholder value;
- ensure the usefulness of financial information by maintaining appropriate accounting policies and practices and disclosure;
- fulfil responsibilities to clients, customers and tenants by maintaining high standards of product quality, service standards, commitments to fair value and safety;
- support employment practices such as occupational health and safety, employment opportunity, the level and structure of remuneration and conflict resolution;
- underpin responsibilities to the community, such as environmental protection policies, supporting community activities and sponsorships and donations;
- underpin responsibilities to the individual, such as privacy, use of privileged or confidential information and conflict resolution;
- ensure compliance with legislation;
- eliminate conflicts of interest;
- minimise corporate opportunities such as preventing Directors and key executives from taking advantage of proprietary information or position for personal gain;
- maintain confidentiality of corporate information;
- promote fair dealing;
- provide protection and proper use of Unity Pacific Group's assets; and
- encourage reporting of unethical behaviour.

Unity Pacific Group's Code of Conduct will be available on its website.

Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of Unity Pacific Group. The Board has developed procedures to assist Directors to disclose potential conflicts of interest. Where the Board believes that a significant conflict exists for a Director on a Board matter, the director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is considered.

Securities Trading Policy

The Board has adopted a Securities Trading Policy which restricts the ability of directors and employees to deal in Unity Pacific Group securities to Board approved trading windows. All employees are aware of the policy and training is provided annually.

A copy of the policy is available on Unity Pacific Group's website.

Principle 4 – Safeguard Integrity in Corporate Reporting

A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.

Audit Committee

Establishment of an Audit Committee

The Audit Committee was originally formed on 1 December 2009 after the former Compliance, Audit and Risk Management Committee was restructured. Due to a change in composition of the Board during the previous reporting period (year ended 30 June 2015), Unity Pacific Group did not have an Audit Committee in place from 23 October 2014 to 5 March 2015. During this time, the Unity Pacific Group Board assumed the responsibilities of the Audit Committee.

Following re-establishment of the Audit Committee in March 2015, it remained in place at all times during the reporting period. Details of the Audit Committee during the reporting period and up to the date of this statement are:

Period	Audit Committee In Place?	Number of Members	Names of Members
1 July 2015 – current	Yes	2	Murray Boyte (Chair), Brett Heading

Composition of the Audit Committee

The ASX Principles recommend that an Audit Committee has at least three members, all of whom are non-executive directors and a majority of whom are independent directors.

Unity Pacific Group's policy is that all members of the Audit Committee must be Non-Executive Directors with a majority being independent. The Committee may also from time to time have members who are not Directors of Unity Pacific Group but who hold skills and qualifications, which in the opinion of Directors, makes them suitable or desirable to be a member of the Committee.

Unity Pacific Group's Audit Committee comprised two Independent Non-Executive Directors during the reporting period and up to the date of this statement. At all times, the chairman of the Audit Committee was independent and was not the chairman of the Board.

The Unity Pacific Group Board considers having only two members of the Audit Committee to be appropriate given the small size of the Board, skills and expertise of the directors and the nature of Unity Pacific Group's structure and operations.

Audit Committee Charter

The Audit Committee Charter sets out the functions and responsibilities of the Audit Committee of Unity Pacific Group, and will be available on the Unity Pacific Group website.

Corporate Governance Statement

Members of the Audit Committee

The members of the Audit Committee during the reporting period and up to the date of this statement were:

Name	Audit Committee Membership	Qualifications
Murray Boyte	Committee Chairman appointed a member of the committee on 6 March 2015.	BCA CA MAICD IoDNZ
Brett Heading	Appointed a member of the committee on 1 December 2009. Resigned on 22 October 2014. Re-appointed a member of the committee on 6 March 2015.	BCom LLB(Hons) FAICD

Further details of the qualifications and experience of the members of the Audit Committee are outlined in the Directors' Report in Unity Pacific Group's 2016 Financial Report.

Audit Committee Meetings

The number of Audit Committee meetings held and the number of meetings attended by each member during the reporting period is outlined in the Directors' Report in Unity Pacific Group's 2016 Financial Report.

The external auditor met with the Audit Committee three times during the year.

The external auditors, other Directors, Managing Director, Chief Financial Officer and other senior management are invited to the Audit Committee meetings at the discretion of the Committee.

Financial Declaration to the Board

As part of achieving financial reporting accuracy and compliance with the financial reporting regulatory framework, financial forecasts are updated monthly based on actual results and are communicated to the Board.

Further, the Board requires the Managing Director and the Chief Financial Officers to declare in writing to the Board, each half year, that in their opinion:

- the financial records of Unity Pacific Group have been properly maintained;
- the financial reports for the relevant period comply with accounting standards and present a true and fair view of Unity Pacific Group's financial position and operational results; and
- that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Managing Director and the Chief Financial Officers have provided these declarations to the Board for the half year ended 31 December 2015 and the year ended 30 June 2016.

External Auditor Attendance at AGM

Unity Pacific Group's external auditor attends every Annual General Meeting as required by the Corporations Act, and securityholders are allowed a reasonable opportunity at the meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by Unity Pacific Group.

Principle 5 – Make Timely and Balanced Disclosure

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

Continuous Disclosure Policy

Matters which could be expected to have a material effect on the price or value of Unity Pacific Group securities must be disclosed in accordance with the *Corporations Act 2001* and the ASX Listing Rules.

Unity Pacific Group has in place a Continuous Disclosure Policy and processes to ensure that all material matters which may potentially require disclosure are promptly identified and reported to the Board. The Managing Director and the Company Secretaries, as appropriate, are responsible for interpreting Unity Pacific Group's policy and where necessary informing the Board of any relevant matters. All directors, senior executives, employees and senior consultants of Unity Pacific Group are provided with the Continuous Disclosure Policy and are aware of their obligations as set out therein. Training is provided on the Continuous Disclosure Policy annually.

In conjunction with the Board, the Managing Director and the Company Secretaries are primarily responsible for communications with the ASX and for ensuring that such information is not released to any person until the ASX has confirmed its release to the market.

Unity Pacific Group's Continuous Disclosure Policy is available on the Unity Pacific Group website.

Principle 6 – Respect the Rights of Securityholders

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

Information Available to Securityholders

The Board provides securityholders with information in accordance with Unity Pacific Group's Continuous Disclosure Policy which includes identifying matters that may have a material effect on the price or value of Unity Pacific Group securities and notifying them to the ASX in a timely manner. All information disclosed to the ASX is made available on Unity Pacific Group's website after it is released to the ASX.

Information relating to Unity Pacific Group's corporate governance practices (including copies of constitutions) is available to securityholders upon request and, together with other corporate information, is available on Unity Pacific Group's website.

Further, some information is provided to securityholders directly, if requested, such as annual reports and half year reports.

Communication with Securityholders

As a smaller listed entity, Unity Pacific Group primarily actively engages with securityholders at general meetings, including the annual general meeting. Unity Pacific responds to securityholder queries or their expressed views on matters of concern or interest to them. A meeting can be arranged upon request. All significant written and verbal matters raised by securityholders are reported to the Board.

The Board considers these practices to be sufficient, in light of Unity Pacific Group's size and operations, to facilitate effective two way communication with its securityholders.

Participation at Securityholder Meetings

Unity Pacific Group encourages securityholders to attend and participate at all securityholder meetings in the following ways:

- proposed major changes in Unity Pacific Group which may impact on security ownership rights are submitted to a vote of securityholders;
- the full texts of notices of meetings and associated explanatory material are distributed to all securityholders, released to the ASX and placed on Unity Pacific Group's website; and
- direct voting facilities are used to allow securityholders to vote in advance of the meeting without having to attend or appoint a proxy.

In particular, the Board encourages full participation of securityholders at Unity Pacific Group's annual general meeting to ensure a high level of accountability and identification with Unity Pacific Group's strategy and goals. Important issues are presented to the securityholders as single resolutions. The securityholders are requested to vote on items such as the appointment and aggregate remuneration of Directors, the granting of options and securities to Directors, the Remuneration report and changes to the Constitution.

Further, the external financial auditor attends the annual general meetings to answer questions from securityholders concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by Unity Pacific Group and the independence of the auditor in relation to the conduct of the audit.

Electronic Communication

Securityholders may elect to receive Unity Pacific Group communications electronically. Securityholders may also communicate with Unity Pacific Group and its registry provider using electronic means.

Principle 7 – Recognise and Manage Risk

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

The Board is committed to proper identification and effective management of risk and has responsibility for the establishment, implementation and annual review of Unity Pacific Group's risk management system. To this end, Unity Pacific Group has adopted a Risk Management Plan consistent with AS/NZS ISO 31000:2009. Unity Pacific Group's risk management systems are designed to ensure that decisions made enhance long term securityholder value.

Management has established and implemented the risk management system. Management is responsible for identifying relevant business risks, designing controls to manage those risks and ensuring those controls are appropriately implemented. The controls relating to the business risks, which include financial reporting, and operational and compliance risks, have been assessed and found to be operating efficiently and effectively and management has reported to the Board accordingly. The Managing Director and Chief Financial Officers have provided assurance in writing to the Board to that effect.

Management, through the Managing Director and/or Chief Financial Officers as appropriate, report to the Compliance Committee and Audit Committee, as well as the Board quarterly or more frequently if necessary on the company's key risks and how they are being managed.

Major risks arise from such matters as actions by competitors, government policy changes, the impact of interest rate movements, environment, occupational health and safety, property, financial reporting, and the purchase, development and use of information systems.

Other risk areas, such as treasury, are also considered by executive management and reported to the Board on a regular basis.

Corporate Governance Statement

A Compliance Committee assists the Unity Pacific Group Board in overseeing the risk management framework of the registered managed investment schemes for which Unity Pacific Group entities act as the responsible entity. The Compliance Committee monitors compliance with a scheme's compliance plan and its compliance framework. The Compliance Committee reports to the Board on at least a quarterly basis.

Internal controls are reviewed by the external auditors as part of Unity Pacific Group's reporting obligations.

Compliance Committee

Composition of the Compliance Committee

The Board is responsible for the appointment of the Compliance Committee members.

Unity Pacific Group policy requires there to be at least three Compliance Committee members at all times, of which the majority must be External Compliance Committee members. The Board may appoint a chair for the Compliance Committee indefinitely or for a term, and terminate that appointment at any time.

Compliance Committee members must be suitably qualified for the position. The skills required by the members of the Compliance Committee will vary depending on the other members. The following experience has been determined by the Board as valuable:

- (a) a legal background;
- (b) an accounting background;
- (c) a trustee background; or
- (d) a minimum of three years' experience in funds management.

The ASX Principles recommend that a Committee overseeing risk has at least three members, a majority of whom are independent directors.

At all times during the reporting period, the Compliance Committee comprised three members, the majority of which were independent directors and/or external members. The Committee Chair at all times was an external Compliance Committee member.

Any member of the Board, Australian Financial Services Licence ("AFSL") Responsible Manager, officer of the Responsible Entity, the scheme auditor, the compliance plan auditor and any invitee of Compliance Committee members may attend and speak at a Compliance Committee meeting.

Compliance Committee Charter

The Compliance Committee Charter sets out the functions and responsibilities of the Compliance Committee of Unity Pacific Group and will be available on the Unity Pacific Group website.

Members of the Compliance Committee

The members of the Compliance Committee during the reporting period and up to the date of this report are:

Name	Compliance Committee Membership	Qualifications
Alex Fraser	Independent Non-Executive Chairman, appointed 25 July 2012. Committee Member appointed 1 December 2009.	BEcon FCA G.Dip.App.Fin MAICD
Christopher Morton	Executive Committee Member, appointed 1 December 2009.	BCom LLB LLM MAICD
Valda Wheeler	Committee Member appointed 22 October 2014.	

Compliance Committee Meetings

Details of committee meetings held during the year and each committee member's attendance record are outlined in the Directors' Report in Unity Pacific Group's 2016 Financial Report. The external Compliance Plan auditor met with the Compliance Committee once during the year. The Compliance Officer attends all Compliance Committee meetings.

Role of the Compliance Committee

The Compliance Committee is responsible for monitoring and reviewing the function and effectiveness of the Compliance Plan and ensuring adherence to applicable laws and regulations, including the Responsible Entity's compliance with the terms and conditions of its AFSL.

Unity Pacific Group has a Compliance Plan for the management of Unity Pacific Stapled Trust which sets out the key processes, systems and measures that the Responsible Entity has in place to ensure compliance with its AFSL, the *Corporations Act 2001*, the Constitution, ASIC, Regulatory Guides and any Disclosure Documents.

The Compliance Plan sets out details of the obligations which must be met by the Responsible Entity, what measures or procedures are in place to comply with these obligations, how compliance with those measures and procedures will be monitored and how those measures are updated. The Compliance Plan also details the risks of not complying with these obligations and how breaches are to be reported and addressed. Compliance with the Compliance Plan is reported on a quarterly basis to the Compliance Committee and is reviewed annually by the external Compliance Plan auditor.

Risk Management Review

Unity Pacific Group's risk management framework is reviewed by the Board at least annually or as required to ensure that it remains relevant to the operations of Unity Pacific Group. The latest review was undertaken in August 2016.

Internal Audit Program

Unity Pacific Group does not have an internal financial audit program however it has established an internal compliance audit program. An external compliance officer carries out internal audit functions in relation to the Compliance Plan, which primarily addresses regulatory and legislative risks for Unity Pacific Group.

Economic, Environmental and Social Sustainability Risks

The Board does not believe Unity Pacific Group has any material exposure to economic, environmental and social sustainability risks at the present time.

Principle 8 – Remunerate Fairly and Responsibly

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

Remuneration Committee

Due to the composition of the Board, limited number of key management personnel and executives and small number of employees, Unity Pacific Group has not established a separate Remuneration Committee. The Board takes responsibility for all matters which would otherwise have been a Remuneration Committee responsibility, including:

- the remuneration framework for directors, including allocation of the approved pool of directors' fees;
- determining and reviewing the remuneration packages for directors, the Managing Director and senior executives;
- consideration to, and awards under, equity based remuneration plans for senior executives and employees; and
- any other remuneration related matters including but not limited to gender or other bias.

Unity Pacific Group's remuneration policy is to ensure that remuneration packages properly reflect an individual's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Remuneration of Directors and Senior Executives

Unity Pacific Group's policies and practices regarding remuneration of its directors and senior executives are outlined in the Remuneration Report (part of the Directors' Report) in Unity Pacific Group's 2016 Financial Report.

Equity Based Remuneration

Unity Pacific Group does not currently have any equity based remuneration schemes for directors, senior executives or staff. However, an executive director was granted security options, which immediately vested, during the year ended 30 June 2014.

Unity Pacific Group's Securities Trading Policy prohibits directors, officers and employees from entering into any financial products which operate to limit the economic risk of participation in unvested entitlements in equity based remuneration schemes. Disclosure is required of any financial products which operate to limit the economic risk of a vested holding in securities. A copy of the Securities Trading Policy is available on Unity Pacific Group's website.