

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Myer Holdings Limited

ABN / ARBN:

14 119 085 602

Financial year ended:

25 July 2015

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://www.myer.com.au/investor>

The Corporate Governance Statement is accurate and up to date as at 22 September 2015 and has been approved by the board.

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

Date: 12 October 2015

Print name: Richard Amos

Signature:



Director / Company Secretary

<sup>1</sup> 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.

<sup>2</sup> "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.

<sup>3</sup> 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.

## 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 ...
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.1)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... 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):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.1)</p> <p>AND</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Board Charter located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.2)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.3)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.4)</p> <p>OR</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</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 ...
		<input type="checkbox"/> at this location:	<input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.5)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Diversity policy located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p> <p>... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.5)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.5)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>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 ...
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 (See section 1.6)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.6)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>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 (See section 1.7)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 1.7)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
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>If the entity complies with paragraph (a):</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.1)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>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 ...
	<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>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>Nomination Committee Charter located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.1)</p> <p><b>OR AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>See Directors' Report, at page 24 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></p>	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.2)</p> <p><b>OR</b></p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p><b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.3)</p> <p><b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>... where applicable, the information referred to in paragraph (b):</p> <p>(Not applicable)</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><b>OR</b></p> <p><input type="checkbox"/> at this 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 ...
		... the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.3) <b>OR</b> <input type="checkbox"/> at this location:	
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.4) <b>OR</b> <input type="checkbox"/> at this location:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.5) <b>OR</b> <input type="checkbox"/> at this location:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 2.6) <b>OR</b> <input type="checkbox"/> at this location:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 3.1) <b>OR AND</b> <input checked="" type="checkbox"/> at this location: Code of Conduct located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	The board of a listed entity should: (a) have an audit committee which:	[If the entity complies with paragraph (a):]	<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 ...
	<p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 4.1)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>Audit, Finance and Risk Committee Charter located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 4.1)</p> <p><del>OR AND</del></p> <p><input checked="" type="checkbox"/> at this location: (qualifications of directors)</p> <p><b>See Directors' Report, at pages 21 and 24 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></p>	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 4.2)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 4.3)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting 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 ...
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 5.1) <b>OR AND</b> <input checked="" type="checkbox"/> at this location: Continuous Disclosure Policy located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
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 this location: See Corporate Governance Section of Myer's Investor centre website, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a>	<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 (See section 6.2) <b>OR</b> <input type="checkbox"/> at this location:	<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 (See section 6.3) <b>OR</b> <input type="checkbox"/> at this location:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 (See section 6.4) <b>OR</b> <input type="checkbox"/> at this location:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			

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 ...
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 (See section 7.1)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>Audit, Finance &amp; Risk Committee Charter located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 4.1)</p> <p>OR AND</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><b>See Directors' Report, at page 24 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></b></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 we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 7.2)</p> <p>OR</p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>If the entity complies with paragraph (a):</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 7.3)</p> <p>OR</p> <p><input type="checkbox"/> at this 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 ...
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 7.4)</p> <p><b>OR-AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Directors' Report, at pages 31 to 34 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>If the entity complies with paragraph (a):</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 8.1)</p> <p><b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Human Resources and Remuneration Committee Charter, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 8.1)</p> <p><b>OR AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Directors' Report, at page 24 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p><b>OR</b></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 ...
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (See section 8.2)</p> <p><b>OR AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Remuneration Report which forms part of the Directors' Report, at pages 28 to 63 of Myer's 2015 Annual Report, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p><b>OR</b></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 (See section 8.3)</p> <p><b>OR AND</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Guidelines for Dealing in Securities, located at <a href="https://www.myer.com.au/investor">https://www.myer.com.au/investor</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p><b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable</p> <p><b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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# CORPORATE GOVERNANCE STATEMENT

## INTRODUCTION

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The Board of the Company is committed to achieving the highest standards of corporate governance. The Board is concerned to ensure that the Group is properly managed to protect and enhance shareholder interests, and that the Company, its directors, officers and employees operate in an appropriate environment of corporate governance.

In FY2015 the Board adopted a corporate governance framework comprising principles that are consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) (**ASX Principles**).

This framework is designed to promote responsible management and assists the Board to discharge its corporate governance responsibilities on behalf of the Company's shareholders.

The Group regularly reviews its policies and charters to ensure they remain consistent with the Board's objectives, current laws and best practice.

The policies and charters referred to in this statement are available from the Corporate Governance section in the Investor Centre of Myer's website ([myer.com.au/investor](http://myer.com.au/investor)).

The Company has followed the recommendations set out in the ASX Principles during the reporting period.

This Corporate Governance Statement has been approved by the Board and is current as at 22 September 2015. It is structured to reflect the ASX Principles as follows:

- (1) Lay solid foundations for management and oversight
- (2) Structure the Board to add value
- (3) Act ethically and responsibly
- (4) Safeguard integrity in corporate reporting
- (5) Make timely and balanced disclosure
- (6) Respect the rights of security holders
- (7) Recognise and manage risk
- (8) Remunerate fairly and responsibly

## PRINCIPLE 1 — LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

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### 1.1 THE BOARD AND MANAGEMENT

The Board has ultimate responsibility for setting policy regarding the business and affairs of the Company for the benefit of shareholders and other stakeholders.

The role of the Board is to:

- > represent and serve the interests of shareholders by overseeing and appraising the Company's strategies, policies and performance;
- > protect and optimise Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution, and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- > set, review and ensure compliance with the Company's values and governance framework (including establishing and observing high ethical standards); and
- > ensure that shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.

The Board has adopted the Board Charter and Relationship with Management (**Board Charter**) to provide a framework for its effective operation. The Board Charter is available from the Corporate Governance section in the Investor Centre of Myer's website. The Board Charter outlines the manner in which the Board's constitutional powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance, best practice and applicable laws.

As set out in the Board Charter, the responsibilities and functions of the Board include:

- > selecting, appointing and evaluating the performance of, determining the remuneration of, and planning the succession of the Chief Executive Officer (**CEO**);
- > on recommendation of the CEO, selecting, appointing and reviewing the performance of the Chief Financial Officer (**CFO**) and other senior executives;
- > setting the remuneration policy for the Company, within which the CEO has authority to operate;
- > contributing to and approving management development of corporate strategy, including setting performance objectives and approving operating budgets;
- > reviewing, ratifying and monitoring systems of risk management and internal control and ethical and legal compliance;

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# CORPORATE GOVERNANCE STATEMENT

## *Continued*

- > monitoring corporate performance and implementation of strategy and policy;
- > approving major capital expenditure, acquisitions and divestments, and monitoring capital management;
- > monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- > developing and reviewing corporate governance principles and policies;
- > overseeing the Company's processes for making timely and balanced disclosure;
- > approving and reviewing the Company's ethical sourcing policy, and reviewing and monitoring ethical sourcing risks; and
- > approving and reviewing the Company's diversity policy, and establishing measurable objectives for achieving diversity across the Group, and annually assessing both the objectives and progress towards achieving them.

The roles of Chairman and CEO are separate, and the Board Charter sets out the responsibilities of each office. The roles of Chairman and CEO are not exercised by the same individual.

The Chairman's responsibilities include:

- > chairing meetings of the Board and shareholders, including the Annual General Meeting (**AGM**);
- > ensuring that the Board's decisions have been implemented;
- > ensuring that the Board fulfils its obligations under the Board Charter and relevant legislation;
- > providing leadership to the Board and the Company;
- > leading the Board to ensure that it operates efficiently and effectively; and
- > promoting constructive and respectful relationships between the Board and management.

The management of the Company is conducted by, or under the supervision of, the CEO as directed by the Board. The CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board. The Board approves corporate objectives for the CEO to satisfy and, jointly with the CEO, develops the duties and responsibilities of the CEO.

Management is accountable to the Board, and is required to provide the Board with information in a form, timeframe and quality that enables the Board to discharge its duties effectively. Directors are entitled to request additional information.

The number of meetings of the Board held during the period ended 25 July 2015, and the number of meetings attended by each director are set out in the Directors' Report, at page 24 of the Company's 2015 Annual Report.

The Board has established three Committees to streamline the discharge of its duties and responsibilities. The current Board Committees are:

- > the Audit, Finance and Risk Committee (**AFR Committee**);
- > the Human Resources and Remuneration Committee (**HR & Remuneration Committee**); and
- > the Nomination Committee (**Nomination Committee**).

Each Committee has a written Charter that sets out its role and responsibilities, composition and membership requirements, and the manner in which the Committee is to operate. The Charters for each Committee are available from the Corporate Governance section in the Investor Centre of Myer's website.

All directors are invited to attend Committee meetings. Most Committee meetings are attended by all directors. Non-committee members, including members of management, may also attend all or part of a meeting of the Committee at the invitation of the Committee Chairman.

## 1.2 APPOINTMENTS, ELECTION AND RE-ELECTION

The Company's policy and procedure for selection and appointment of new directors and re-election of directors is set out in the Nomination Committee Charter. When identifying potential candidates for Board appointment, factors that may be considered include:

- > the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- > the capability of the candidate to devote the necessary time and commitment to the role; and
- > potential conflicts of interest and independence.

Appropriate checks in relation to potential appointees, including via referees, are conducted. The identification of potential director candidates may be assisted by the use of external search organisations as appropriate. For the two most recent director appointments, an executive search firm was engaged to oversee a formal selection process.

All directors are consulted and provided with detailed information about potential new directors. Any new appointment is approved by the Board in accordance with the Company's Constitution. Any new directors appointed by the Board must retire at the next AGM after their appointment and offer themselves for election by the Company's shareholders.

In accordance with the ASX Listing Rules and the Company's Constitution, no director other than the CEO may hold office without re-election beyond the third AGM following their last election. Where eligible, a director may stand for re-election at the AGM. The CEO will not retire by rotation.

# CORPORATE GOVERNANCE STATEMENT

## *Continued*

Prior to each AGM, the Board determines whether to recommend to shareholders to vote in favour of the election or re-election of each director standing for election or re-election, or any other candidate standing for election, having regard to any matters that the Board considers relevant.

In August 2015, the Board adopted an amendment to its Charter such that, generally, the Board will not recommend a director standing for re-election for a further term where that director has already served a term totalling more than nine years on the Board.

Information about each director to be elected or re-elected is provided in the Notice of Meeting prior to the AGM. Announcements about new directors are disclosed to the ASX. In addition, the Corporate Governance section of the Investor Centre on Myer's website also sets out information about a new director's skills and experiences.

### 1.3 WRITTEN APPOINTMENTS

Directors and senior executives are provided with a letter of appointment setting out the Company's expectations, their responsibilities and rights and the terms and conditions of their tenure.

### 1.4 THE COMPANY SECRETARY

Marion Rodwell was Chief General Counsel and Company Secretary of the Company until 6 July 2015. Richard Amos was appointed Chief General Counsel and Company Secretary on and from 6 July 2015. Richard's experience and qualifications are set out on page 24 of the 2015 Annual Report.

The Company Secretary has an important role in supporting the effectiveness of the Board by monitoring that Board policy and procedures are followed. The Company Secretary is accountable to the Board, through the Chairman. All directors have direct access to the Company Secretary. The Company Secretary is responsible for coordination of all Board business, including agendas, Board papers and minutes. The Company Secretary is responsible for communication with regulatory bodies and the ASX, and all statutory and other filings.

### 1.5 DIVERSITY

The Company's Diversity Policy outlines our approach to creating and maintaining an inclusive and collaborative workplace culture. The Diversity Policy sets out the Company's diversity principles. In this context, diversity covers gender, age, ethnicity, cultural background, language and disability.

It also includes differences in backgrounds, education and life experiences.

Having a diverse range of employees better enables the Company to provide the best service to its customers. It enables it to foster greater innovation, stronger problem-solving capability, greater customer connection, increased morale, motivation and engagement.

The Company's diversity and inclusion framework has five core tenets – meritocracy, fairness and equality, contribution to commercial success, that it's everyone's business, and for Myer, it's a part of who we are.

#### Key principles

The Company's approach to diversity is underpinned by key principles including:

- > maintaining a safe and inclusive working environment that is respectful of individual differences and attributes (including family responsibilities);
- > eliminating artificial barriers to career progression by providing support and mentoring, and by developing flexible work practices to meet the differing needs of employees in the context of business requirements;
- > recruiting and retaining a skilled and diverse workforce;
- > employing a fair and effective process for appointment to roles based on relative ability, performance and potential; and,
- > fostering a culture, including through education and training, that rewards people for furthering diversity.

#### Diversity objectives

The Company's diversity objectives are to ensure that Myer:

- > has an inclusive workplace where every individual can shine regardless of gender, cultural identity, age, disability, work style or approach;
- > leverages the value of diversity for all our stakeholders to deliver the best customer experience, improved financial performance and a stronger corporate reputation; and,
- > continues to take a leadership position on diversity practices.

To achieve these objectives the Company:

- > has determined measurable objectives for achieving gender diversity. The Board has endorsed these objectives and both the objectives and progress in achieving them will be assessed annually;
- > will assess pay equity on an annual basis;
- > will encourage and support the application of workplace flexibility policy into practice across the business; and,
- > will meet our commitment to the Australian Employment Covenant to assist Indigenous Australians to access employment.

#### Female representation

At 25 July 2015, the proportion of women employed by the Company was as follows:

<b>Board of Directors</b>	<b>33.3%</b>
Leadership roles	65.1%
Total Myer workforce	79.0%

# CORPORATE GOVERNANCE STATEMENT

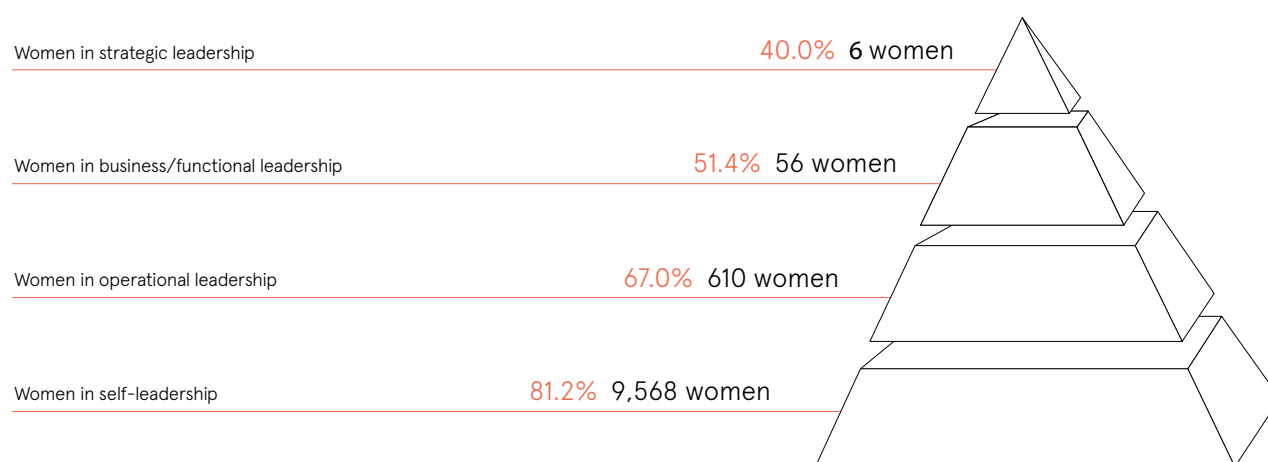
## *Continued*

The Leadership roles reflect a combination of operational, functional and strategic leadership roles, encompassing female representation in managerial roles from service managers in stores through to the CEO.

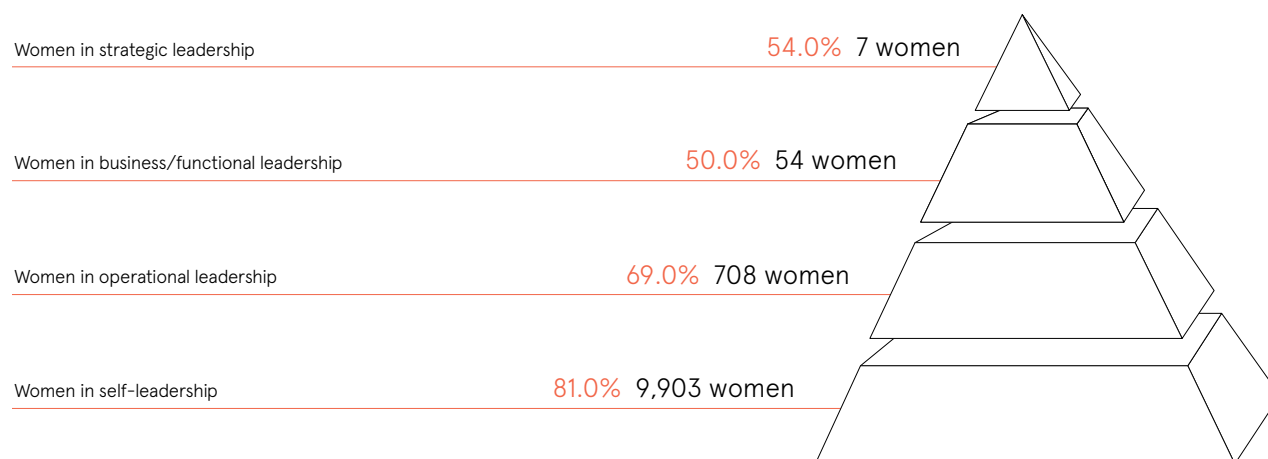
In May 2015 the Company lodged its Workforce Profile report with the Workplace Gender Equity Agency (WGEA). A copy of this report is available on the Company's Investor Centre on the Myer website.

The following charts outline female leadership representation across the Company.

### Women in leadership positions at Myer as at 25 July 2015



### Women in leadership positions at Myer as at 26 July 2014



# CORPORATE GOVERNANCE STATEMENT

## *Continued*

### Measurable Objectives

The Board has assessed the Company's performance against the measurable objectives for achieving diversity at all levels of the Company established by the Board in respect of FY2015. Details on the Company's progress in achieving those objectives, and the measurable objectives which have been set by the Board in respect of FY2016, are outlined below:

### FY2014 and FY2015 Measurable Objectives

Objective	Progress
The Company aims to maintain a 50% proportion of female candidates identified in succession plans. We aim to ensure that within each job grade level there are an equal number of senior women who are ready to move into leadership roles.	<p>The career development plans of all female middle management employees are assessed annually to ensure their appropriateness in developing and retaining the Company's female talent.</p> <ul style="list-style-type: none"> <li>&gt; The percentage of females represented in the Company's 'Top Talent Group' is 55.5%, up from 50% in FY2014.</li> <li>&gt; At store level females represent 59.6% of those identified as having potential for further leadership positions.</li> </ul>
The Company aims to maintain a return rate of more than 70% for team members returning from parental leave.	<p>The Company is committed to ensuring that any team member returning to work after a period of parental leave can do so under a graduated return program. Regardless of any other business need, returning team members have a minimum six month period of graduated return to enable their re-introduction to the work place.</p> <ul style="list-style-type: none"> <li>&gt; During the reporting period, 69.2% of the Company's Team Members who commenced parental leave returned from previous parental leave periods.</li> </ul>
The Company aims for senior managers to meet or formally contact women on parental leave at least quarterly.	<p>The Company has had a formal 'keeping in touch' program in place since 2010, which continues to apply. It aids both employees and managers with the transition to and back from parental leave, and specifically provides flexibility for women to determine the level of contact they wish to be maintained while on parental leave. This has meant women set contact levels they are comfortable with, which may mean greater or less than quarterly dependent upon their wishes.</p>
The Company aims to maintain 50/50 gender balance in its Managers in Training Programs to facilitate the creation of a pool of qualified female candidates for Manager role opportunities.	<p>The Management Development Program (MDP) and Graduate Development Program (GDP) continue to be our two main internal development programs for entry-level management positions. The programs are aimed at recognising and rewarding internal team members by supporting their career goals, as well as assisting, retaining and promoting entry-level female team members through comprehensive training and skills development.</p> <ul style="list-style-type: none"> <li>&gt; During the reporting period, 50.0% of participants in the MDP program were female.</li> <li>&gt; The RMIT intern program currently has 100% female representation.</li> <li>&gt; 72.7% of participants in the Graduate Program in FY2015 were female.</li> </ul> <p>Our Merchandise In-Training Program is our key middle management program, which has continued throughout the reporting period and is aimed at developing team members for senior roles within our Merchandise areas. During the reporting period, 88.2% of the participants in this program were female.</p>

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# CORPORATE GOVERNANCE STATEMENT

## *Continued*

### **Other Initiatives – our people strategy**

The Company continues to hold a view that having a workplace that values diversity and inclusion drives better outcomes for our team, our customers and our stakeholders.

Our commitment to diversity for our team members takes many forms, but we continue to focus upon workplace flexibility as a driver of achieving workplace diversity. Two key initiatives that we continue to focus upon include:

#### **Flexible Work Arrangements, Carers' Leave and Parental Leave Options**

These options allow team members the flexibility to balance work, life and family responsibilities, whilst establishing a long and fulfilling career at the Company. These policies provide a platform for further promotion of flexible work and career management and promote a practice of inclusion.

#### **Leadership Development**

We continue to invest in the up-skilling of leaders and have continued our commitment to rolling out the Interaction Management program. This program equips our leaders with coaching skills to empower their teams and embed a positive and consistent coaching culture across the Company.

The Company's plans in these areas are focused on continuing to connect with diverse customer base, contribute within the community in which we serve and be a place where a diverse range of people can be engaged and productive in delivering against the Company's strategy.

### **1.6 BOARD PERFORMANCE EVALUATION**

The Board recognises that regular reviews of its effectiveness and performance are key to the improvement of the governance of the Company. Accordingly, the Board has committed to reviewing and evaluating:

- > the performance of the Board, including against the requirements of the Board Charter;
- > the performance of the Board Committees; and
- > the performance of individual directors, on an annual basis against both measurable and qualitative indicators.

This year, the Board has engaged an external facilitator to assist with its review process. The Board and each Board Committee has conducted a review of their effectiveness and performance. The Board and each Board Committee have reviewed their respective Charters, and where appropriate, have incorporated amendments reflecting the results of those reviews.

The Chairman has conducted an annual review of individual directors in relation to the reporting period. Each director completed a Board review and assessment document, and met privately with the Chairman and the external facilitator to discuss

the assessment. In addition to the annual review, the Chairman regularly provides informal feedback to individual directors. The Deputy Chairman is responsible for the performance review of the Chairman. As with each other director, the Chairman also completed a Board review and assessment document. The Chairman met privately with the Deputy Chairman and the external facilitator to discuss the assessment.

The Nomination Committee assists the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors. It also assists in developing and implementing plans for identifying, assessing and enhancing director competencies.

The HR and Remuneration Committee assists in the review and recommendation of arrangements for directors, the CEO and executives in relation to remuneration and benefits, and reviews the performance of those individuals and the reward structure. The Committee also reviews all significant human resource issues, including development and succession planning.

### **1.7 SENIOR EXECUTIVE PERFORMANCE EVALUATION**

The HR and Remuneration Committee is responsible for the review of senior management assessment processes from time to time to ensure they remain consistent with the Board's overall objectives for the business.

All senior executives undergo a performance and development review on an annual basis. This review process involves the following:

- > each senior executive is assessed against a set of key performance criteria which include both financial and non-financial performance measures;
- > at the end of each financial year, all senior executives meet with their manager to discuss their performance over the previous year; and,
- > upon the completion of the performance appraisal meeting, each senior executive is provided with feedback on their performance, and a rating is determined based on that performance. As well as the review of performance, where appropriate, a development plan is also agreed to support the ongoing contribution of the executive to the needs of the business.

A performance evaluation for senior executives which is consistent with the process described above has taken place during this reporting period.

It is the role of the Board to review the performance of the CEO. On 2 March 2015, the Board announced the appointment of Richard Umbers to the role of CEO. The Board has undertaken an assessment of Mr Umbers' performance to date, reflecting on his first months in the role.

# CORPORATE GOVERNANCE STATEMENT

*Continued*

## PRINCIPLE 2 — STRUCTURE THE BOARD TO ADD VALUE

### 2.1 NOMINATION COMMITTEE

The current composition of the Nomination Committee is:

Chairman	Paul McClintock AO
Members	Anne Brennan Chris Froggatt Rupert Myer AO

The Charter of the Nomination Committee is available from the Corporate Governance section of the Investor Centre on Myer's website. The Chairman of the Nomination Committee is an independent non-executive director, and the three other members of the Committee are also independent non-executive directors.

The responsibilities of the Nomination Committee include:

- > to review and recommend to the Board the size and composition of the Board, including the succession of the Chairman and the CEO, and to review whether Board succession plans are in place to maintain an appropriate mix of skills, experience, expertise and diversity on the Board;
- > to review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members to maintain an appropriate mix of skills, experience, expertise and diversity on the Board;
- > to review and recommend to the Board membership of the Board, including recommendations for the appointment and re-election of directors, and where necessary to propose additional candidates for consideration by the Board;
- > to assist the Board in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies; and,
- > to ensure that an effective induction process is in place for any newly appointed director and regularly review its effectiveness.

The number of meetings of the Nomination Committee held during the period ended 25 July 2015, and the number of meetings attended by each committee member are set out in the Directors' Report, from page 24 of the Myer 2015 Annual Report.

### 2.2 BOARD SKILLS MATRIX

The Board, together with the Nomination Committee, determines the size and composition of the Board, subject to the Company's Constitution. The Company's Constitution states that the minimum number of directors is four and the maximum is fixed by the directors, but may not be more than 12.

The Board, together with the Nomination Committee, reviews the composition of the Board and the skills, experience, expertise and diversity represented by the directors on the Board, and determines whether the composition and mix of those skills remain appropriate for the Company's strategy.

The Board recognises that a Board comprising directors with a diverse range of backgrounds, skills and experience facilitates robust discussion and decision-making, and enables the Board to discharge its responsibilities effectively. It is intended that the Board will comprise a majority of independent non-executive directors and comprise directors with a broad range of skills, expertise and experience from a diverse range of backgrounds. This will ensure that the composition of the Board continues to reflect a range of expertise, experience and diversity appropriate to the Group's business and strategies.

Board Skills Matrix

		Number of non-executive directors
Skill, attribute or experience		
1	Executive leadership	6
2	Strategy and transformative change	6
3	Retail	5
4	Global experience	6
5	Governance and risk	6
6	Financial acumen	5
7	Marketing	4
8	Regulatory and public policy	6
9	Human resources, health and safety and sustainability	6
10	Mergers and acquisitions, capital raising and capital projects	6

Details of the skills, qualifications, experience, expertise and special responsibilities of each current director are set out in the Directors' Report on page 21 of the 2015 Annual Report.

# CORPORATE GOVERNANCE STATEMENT

*Continued*

## 2.3 INDEPENDENT DIRECTORS AND LENGTH OF SERVICE

As at the date of this Report, the Board comprises seven directors. The majority of the Board are independent non-executive directors.

Name	Position	Appointed	Approximate length of service
Paul McClintock AO	Chairman Independent non-executive Director	8 August 2012	3 years 1 month
Rupert Myer AO	Deputy Chairman Independent non-executive Director	12 July 2006	9 years 2 months
Richard Umers	CEO and Managing Director	2 March 2015	6 months
Anne Brennan	Independent non-executive Director	16 September 2009	6 years
Ian Cornell	Independent non-executive Director	6 February 2014	1 year 7 months
Chris Froggatt	Independent non-executive Director	9 December 2010	4 years 9 months
Bob Thorn	Independent non-executive Director	6 February 2014	1 year 7 months

## 2.4 MAJORITY OF INDEPENDENT DIRECTORS

Six of the seven directors on the board are non-executive directors. It is the Board's view that each of its non-executive directors was independent during the reporting period; and at the date of signing the Directors' Report, it is the Board's view that each of its non-executive directors remains independent. Directors did not participate in deliberations about or vote in relation to their own independence.

The Board Charter sets out guidelines and materiality thresholds that the Board has adopted to assist in determining the independence of directors, which are consistent with the ASX Principles. The Board only considers directors to be independent where they are independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the exercise of their unfettered and independent judgement.

In general, directors will be considered to be 'independent' if they are not members of management and they:

- > are not a substantial shareholder of the Company, or officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- > have not within the last three years been employed in an executive capacity by the Company or another group member;
- > have not within the last three years been a partner, director or senior employee of a material professional adviser or a material consultant to the Company or another group member;
- > are not a material supplier to, customer of or in any other material business relationship with the Company or other group member or an officer of or otherwise associated directly or indirectly with a material supplier or customer of the Company;

- > have no material contractual relationship with the Company or another group member, other than as a Director of the Company;
- > have no close family ties with any person who falls within any of the categories described above; and,
- > have not been a director of the Company or another group member for such a period that their independence has been compromised.

The Board considers thresholds of materiality for the purposes of assessing 'independence' on a case-by-case basis, having regard to both quantitative and qualitative principles. Without limiting the Board's discretion, the Board has adopted the following guidelines:

- > The Board will determine the appropriate base to apply (e.g. revenue, equity or expenses), in the context of each situation.
- > In general, the Board will consider an affiliation with a business that accounts for less than five percent of the relevant base to be immaterial for the purposes of determining independence. Where this threshold is exceeded, the Board will review the materiality of the particular circumstance with respect to the independence of the particular director.
- > The Board will review any holding of five percent or more of the Company's shares, and will generally consider a holding of 10 percent or more of the Company's shares to be material.
- > The Board will undertake a qualitative assessment of independence, which is an overriding requirement for independence. Specifically, the Board will consider whether there are any factors or considerations which may mean that the director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the director's ability to act in the best interests of the Company.

# CORPORATE GOVERNANCE STATEMENT

## *Continued*

The Board will also undertake a qualitative assessment of independence, which is an overriding requirement for independence. Specifically, the Board will consider whether there are any factors or considerations which may mean that the director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the director's ability to act in the best interests of the Company.

### 2.5 INDEPENDENT CHAIR

The Board Charter states that the Chairman should be an independent non-executive director. The Company's Chairman, Mr Paul McClintock AO, is an independent non-executive director.

### 2.6 INDUCTION AND PROFESSIONAL DEVELOPMENT PROGRAM

All new directors and senior executives participate in an induction program. New directors receive an induction appropriate to their experience to enable them to actively participate in decision-making as soon as possible, including familiarisation with the operation of the Board and its Committees and the Company's financial, strategic, operations and risk management issues. In addition, the Company arranges continuing education and training for the directors, as well as store visits and engaging retail experts as Board consultants.

The Nomination Committee is responsible for ensuring that an effective induction process is in place for any newly appointed director, and for regularly reviewing its effectiveness.

## PRINCIPLE 3 — ACT ETHICALLY AND RESPONSIBLY

### 3.1 CODE OF BUSINESS CONDUCT

The Company is committed to the highest level of integrity and ethical standards in all business practices. All Group employees, directors and contractors must comply with the Company's Code of Conduct (**Code**). The Code applies to all business activities and dealings with employees, customers, suppliers, shareholders and other external stakeholders. The Code is available from the Corporate Governance section in the Investor Centre on Myer's website.

The objectives of the Code are to:

- > provide clear guidance on and benchmarks for appropriate professional and ethical behaviour;
- > reinforce the requirement for compliance with Company policies and legal requirements;
- > support Myer's business reputation through the behaviour of its people; and,
- > make directors and employees aware of their responsibilities and consequences if they breach the Code.

The Code outlines how the Group expects its directors and employees to behave and conduct business in a range of circumstances, including actual or potential conflicts of interest. The Code requires awareness of, and compliance with, laws and regulations relating to the Group's operations, including fair trading, occupational health and safety, equal opportunity and anti-discrimination, privacy, and securities trading.

The Code encourages employees to report unethical practices, or breaches of the Code, Company policies or the law. The Company has whistleblower protections for those who report unacceptable behaviour in good faith.

The Company regularly reviews the Code. Team members are required to undertake training and acknowledge acceptance of the Code on an annual basis.

## PRINCIPLE 4 — SAFEGUARD INTEGRITY IN CORPORATE REPORTING

### 4.1 AFR COMMITTEE

The current composition of the AFR Committee is:

Chairman	Anne Brennan
Members	Rupert Myer AO Bob Thorn

All Committee members are financially literate and have an appropriate understanding of the industries in which the Group operates. Details of the skills, qualifications, experience, expertise and special responsibilities of the members of the AFR Committee are set out in the Directors' Report on page 21 of the 2015 Annual Report. The Chairman of the Committee is an independent non-executive director, and is not the Chairman of the Board; the two other members of the Committee are independent non-executive directors.

The Charter of the AFR Committee is available from the Corporate Governance section in the Investor Centre on Myer's website.

The Committee's key responsibilities and functions are to:

- > oversee the Company's relationship with the external auditor and the external audit function generally;
- > oversee the Company's relationship with the internal auditor and the internal audit function generally;
- > oversee the preparation of financial statements and reports;
- > oversee the Company's financial controls and systems; and,
- > manage the process of identification and management of risk.

The number of meetings of the AFR Committee held during the period ended 25 July 2015, and the number of meetings attended by each committee member are set out in the Directors' Report, at page 24 of the 2015 Annual Report.

# CORPORATE GOVERNANCE STATEMENT

## *Continued*

Further information about the Company's risk management framework, external auditor, internal audit and Board assurances on financial reporting risks is set out in section 7 below.

### 4.2 CEO AND CFO DECLARATIONS

In connection with our financial statements for the financial year ended 25 July 2015, the CEO and the CFO made declarations to the Board (among other things) to the following effect, that:

- > in their opinion, the financial records of the Company have been properly maintained;
- > in their opinion, the Group's financial statements and notes for the financial year comply with appropriate accounting standards and give a true and fair view of the financial position and the performance of the Company and the Group; and,
- > that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

### 4.3 EXTERNAL AUDITOR ATTENDANCE AT AGM

The external auditor, PricewaterhouseCoopers (PwC), will attend the AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

## PRINCIPLE 5 — TIMELY AND BALANCED DISCLOSURE

### 5.1 CONTINUOUS DISCLOSURE POLICY

The Company's policy is to strictly comply with its obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities. The Company discharges these obligations by releasing information in ASX announcements and by disclosure of other relevant documents to the ASX and to shareholders (e.g. Annual Reports).

The Company's Continuous Disclosure Policy is designed to ensure the timely release of material price-sensitive information to the market. This policy establishes procedures to ensure that directors and management are aware of the Company's disclosure obligations and procedures, and have accountability for the Company's compliance with those obligations. The Continuous Disclosure Policy is available from the Corporate Governance section in the Investor Centre on Myer's website.

The Company provides continuous disclosure training to all directors and senior management. It is a standing agenda item at all Board meetings, Board Committee meetings and senior management meetings to consider whether any matters reported to or discussed at the meeting should be disclosed to the market pursuant to the Company's continuous disclosure obligations.

All general managers and divisional heads are required to have appropriate procedures in place within their areas of responsibility to ensure that all relevant information is reported to them immediately to be considered in accordance with the Continuous Disclosure Policy.

The Company has established a Continuous Disclosure Committee, which is comprised of the CEO, the CFO, and the General Counsel and Company Secretary.

The role of the Continuous Disclosure Committee is to:

- > review all potentially material price-sensitive information of which management or the Board become aware;
- > determine whether any of that information is required to be disclosed to the ASX;
- > co-ordinate the actual form of disclosure with the relevant members of management; and,
- > review and respond to any infringement notice or written statement of reasons issued to the Company by ASIC.

All deliberations of the Committee are shared without delay with the Chairman or, in the Chairman's absence, the Chairman of the AFR Committee. The Company has nominated the Company Secretary as the person with the primary responsibility for all communication with the ASX. The Board regularly reviews the Continuous Disclosure Policy.

## PRINCIPLE 6 — RESPECT THE RIGHTS OF SECURITY HOLDERS

### 6.1 INVESTOR CENTRE

The Company has established an Investor Centre on its website to provide key information about its strategy, operations and its governance processes and policies.

The Investor Centre includes information about the Company relevant to shareholders, including:

- > all announcements lodged with the ASX within the last three years, including annual and half year financial results (including analyst and investor presentations and webcasts);
- > biographies and photographs of Board members and the management team;
- > the Company's Constitution;
- > the Board and Board Committee Charters, and key corporate governance policies;
- > the Company's Annual Reports and sustainability reports;
- > an event calendar with important dates for shareholders;
- > information about the Company's AGM (including the Notice of Meeting, and a webcast of the meeting); and,
- > current and historical financial and share price information about the Company.

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# CORPORATE GOVERNANCE STATEMENT

*Continued*

## 6.2 INVESTOR RELATIONS PROGRAM

As set out in the Company's Shareholder Communication Strategy (available from the Corporate Governance section in the Investor Centre of Myer's website), the Company aims to ensure that shareholders are kept informed of all major developments affecting the state of affairs of the Company. The Company aims to promote communication with shareholders and to encourage participation at general meetings. In addition, the Company recognises that potential investors and other interested stakeholders, including potential employees, may wish to obtain information about the Company.

To achieve this, the Company communicates information to shareholders and other stakeholders through a range of forums and publications. The Myer website and the Investor Centre are key communications tools. The sites enable shareholders to direct inquiries to the Company and elect how they receive Company information.

The Investor Centre provides contact details for Myer's Investor Relations and Corporate Communications team, as well as Company information and all ASX releases and official reports.

The Company also provides a telephone helpline facility and an online email enquiry service to assist shareholders with any queries. Information is communicated to shareholders via periodic mail-outs and email to those who have chosen this method of communication.

Further, when necessary, ad-hoc briefings are scheduled with institutional and large private investors, as well as financial media, usually in the context of providing explanatory information regarding trading performance or strategy. In some instances this can involve site visits to stores or distribution centres.

## 6.3 SHAREHOLDER PARTICIPATION AT MEETINGS

With each Notice of Meeting (whether electronic or hard copy), shareholders are provided the opportunity to put questions to the Board, or to the Company's external auditor. The Company's Investor Relations team's details are also made available for direct shareholder contact.

For shareholders who are unable to attend the AGM or results presentations, live webcasts of the meetings are available on the Investor Centre. The webcasts, and investor presentations remain accessible on the website after the events.

## 6.4 ELECTRONIC SHAREHOLDER COMMUNICATIONS

Myer's share registry provider allows shareholder communications to be sent and received electronically. Shareholders also have the ability to electronically participate in voting as required.

## PRINCIPLE 7 — RECOGNISE AND MANAGE RISK

### 7.1 RISK COMMITTEE

The Company recognises risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives.

The Board is ultimately responsible for identifying and assessing internal and external risks that may impact the Company in achieving its strategic objectives. The Board is responsible for overseeing the development and implementation of the risk management framework and maintaining an adequate monitoring and reporting mechanism.

The Board has delegated coordination of risk oversight to the AFR Committee.

The AFR Committee's risk management responsibilities are to review and report to the Board as to whether:

- > the Company's ongoing risk management program effectively identifies all areas of potential risk;
- > adequate policies and procedures have been designed and implemented to manage identified risks;
- > a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies; and,
- > proper remedial action is undertaken to redress areas of weakness.

The Company has adopted a Risk Management Policy that applies to all Group employees, and to contractors, suppliers and consultants working on behalf of the Group. Management monitors and reports on material risks identified through the internal and external audit process. The Risk Management Policy is available from the Corporate Governance section in the Investor Centre on Myer's website.

The Company has adopted an enterprise-wide framework that incorporates a system of risk oversight, risk management and internal control designed to identify, assess, monitor and manage risks consistent with the standard AS/NZS ISO 31000 for Risk Management and Committee of Sponsoring Organizations (COSO) and provides Myer management with a consistent approach to recognising and managing risks. The Company applies risk management in a well-defined, integrated framework that promotes awareness of risks and an understanding of the Company's risk tolerances. This enables a systematic approach to risk identification and leverage of any opportunities, and provides treatment strategies to manage, transfer and avoid risks.

# CORPORATE GOVERNANCE STATEMENT

## *Continued*

The AFR Committee is responsible for overseeing the Company's External Audit Policy. The Committee has the responsibility and authority for the appointment, removal or re appointment and remuneration of the external auditor, as well as evaluating its effectiveness and independence.

The Committee reviews the appointment of the external auditor annually. In addition, the Committee reviews and assesses the independence of the external auditor, including any relationships with the Company or any other entity that may impair, or appear to impair, the external auditor's independent judgement or independence in respect of the Company.

The external audit engagement partner is required to rotate at least once every five years. PwC was reappointed as the external auditor in 2012.

### 7.2 RISK MANAGEMENT FRAMEWORK REVIEW

The Board reviews and approves the risk management framework and risk appetite on an annual basis to determine whether there have been any changes in material business risks. This review was undertaken for the reporting period. Economic, environmental and social sustainability risks have been considered and controls appropriately applied.

### 7.3 INTERNAL AUDIT FUNCTION

A separate internal audit division has been established and is overseen by a National Assurance Manager who reports to the CFO and liaises directly with the AFR Committee.

The internal audit division carries out regular systematic monitoring of control activities and reports to relevant business unit management and the AFR Committee.

The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors. Whilst the internal audit function reports to the CFO, it is acknowledged that the internal auditors also report directly to the Committee.

### 7.4 RISKS AND RISK MANAGEMENT

Key material risks for the Company, as well as how the Company manages those risks are set out on pages 31 to 32 of the Directors' Report within the 2015 Annual Report.

## PRINCIPLE 8 — REMUNERATE FAIRLY AND RESPONSIBLY

### 8.1 REMUNERATION COMMITTEE

The current composition of the HR and Remuneration Committee is:

Chairman	Chris Froggatt
Members	Rupert Myer AO Anne Brennan Ian Cornell

The Charter of the HR and Remuneration Committee is available from the Corporate Governance section in the Investor Centre of Myer's website. The Chair of the HR and Remuneration Committee is an independent director, and its three other members are all independent directors.

The responsibilities of the Committee include:

- > in relation to human resources policies:
  - to review the Company's policies and performance to assess the effectiveness of the policies and their compliance with relevant legislative, regulatory and governance requirements;
  - to review and report to the Board on the diversity-related measurable objectives for the Company and the Company's progress against objectives;
- > in relation to organisational effectiveness and capability, to undertake an annual review of how the human resources strategy is supporting the business strategy;
- > in relation to superannuation, to review and recommend to the Board superannuation arrangements for the Company, having regard to matters of compliance and legislative change;
- > in relation to remuneration and incentives:
  - to review and recommend to the Board remuneration arrangements for the CEO, executives reporting to the CEO, and senior management;
  - to review major changes and developments in the Company's remuneration framework, recruitment, retention and termination policies and procedures for senior management, remuneration policies, superannuation arrangements, human resource practices and employee relations strategies for the Group;
  - to review performance assessment processes for the CEO and his direct reports, and the annual results of those assessments;
  - to review and recommend to the Board in respect of the Company's employee equity incentive plans;

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# CORPORATE GOVERNANCE STATEMENT

## *Continued*

- to review and recommend to the Board the remuneration arrangements for the Chairman and the non-executive directors;
- to review and recommend the Remuneration Report to the Board;
- to review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices;
- at least annually, to review and report on the relative proportion of women and men in the workforce at all levels of Myer; and,
- to review remuneration by gender and consider whether, as a result of gender difference, any recommendations to the Board should be made in relation to gender based reward.

In discharging its responsibilities, the Committee must have regard to the following policy objectives:

- > to ensure that the Company's remuneration structures are equitable and aligned with the long term interests of the Company and its shareholders;
- > to attract and retain skilled executives;
- > to structure short and long term incentives that are challenging and linked to the creation of sustainable shareholder returns; and,
- > to ensure that any termination benefits are justified and appropriate.

The number of meetings of the Remuneration Committee held during the period ended 25 July 2015, and the number of meetings attended by each committee member are set out in the Directors' Report, at page 24 of the 2015 Annual Report.

### **8.2 DIRECTOR AND EXECUTIVE REMUNERATION**

The remuneration of each director is set out in the Remuneration Report, which forms part of the Directors' Report and is presented on pages 38 to 63 of the 2015 Annual Report.

The Company distinguishes the structure of non-executive directors' remuneration from that of executive directors and senior executives. The Company does not have any schemes for retirement benefits for non-executive directors.

Please refer to the Remuneration Report in Myer's Annual Report 2015 for further information.

### **8.3 HEDGING IN EQUITY INCENTIVE SCHEMES**

The Company has Guidelines for Dealing in Securities which provides that Directors, senior executive and their closely related parties must not enter into hedging arrangements with respect to securities in the Company (including any shares, options and rights).

The Guidelines for Dealing in Securities are available from the Corporate Governance section in the Investor Centre section of Myer's website.