



# Corporate Governance Statement

## - Lynch Group Holdings Limited -

The directors and management of Lynch Group Holdings Limited (the **Company**) and its controlled entities (collectively, the **Group**) recognise the importance of strong corporate governance and are committed to high standards of governance and compliance. Since its listing on the Australian Securities Exchange (**ASX**) on 6 April 2021 until the end of its financial year on 27 June 2021 (**Reporting Period**), the Group has substantially complied with the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) (Recommendations)* to the extent appropriate to the size, context and nature of the Group's operations.

The Group has prepared this statement which sets out the Recommendations which the Group has complied with in the Reporting Period. This statement also identifies any Recommendations that the Group has not fully complied with in the Reporting Period, and provides reasons for not following such Recommendations. Since its ASX listing on 6 April 2021, the Group has adopted the policies and put in place the governance frameworks necessary to support it to be more fully compliant across all the Recommendations in the 2022 financial year (**FY22**).

This Corporate Governance Statement is current as at 21 October 2021 and has been approved by the Board.

The Group's corporate governance policies and charters, and the Group's annual report for the financial year ending 27 June 2021 (**FY21**) (**Annual Report**), are available on the Group's website, <https://lynchgroup.com.au/investor-centre> (**Website**).

Corporate Governance Council Recommendation	Reference / Comment
<p style="text-align: center;"><b>Principle 1 – Lay solid foundations for management and oversight</b></p> <p style="text-align: center;"><i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance</i></p>	
<p><b>1.1</b></p>	<p><b>Board charter and board delegations</b></p> <p>Responsibility for corporate governance and the internal workings of the Group rests with the Board.</p> <p>The Board has adopted a Board Charter to provide a framework for the effective operation of the Board which sets out the directors' functions and matters to be delegated to Board Committees or to management (<b>Management</b>), having regard to the Recommendations. In particular, the Board Charter sets out:</p> <ul style="list-style-type: none"> <li>the roles and responsibilities of the Board, including to provide overall strategic guidance, financial management and controls for the Group, to approve the Group's statement of values and code of conduct to underpin the</li> </ul>

		<p>desired culture within the entity, oversight of risk management and reporting, effective oversight of Management, monitoring of Board and Management performance and oversight of governance;</p> <ul style="list-style-type: none"> <li>• the roles and responsibilities of the Chair and Company Secretary;</li> <li>• the membership of the Board, including in relation to the Board’s composition and size and the process of selection and re-election of directors of the Group, terms of appointment of directors, independence of directors and conduct of individual directors;</li> <li>• the delegations of authority of the Board to committees of the Board and to the chief executive officer (<b>CEO</b>) and other Management of the Group; and</li> <li>• Board process, including how and when the Board meets and what documentation is provided to the directors in advance of a Board meeting.</li> </ul> <p>The Board Charter is available on the Website.</p>
<p><b>1.2</b></p>	<p><b>Background checks</b></p>	<p>The Board has established a Remuneration and Nomination Committee which functions and powers are set out in a Remuneration and Nomination Committee Charter. The Remuneration and Nomination Committee Charter sets out the process for selecting and appointing new directors or senior executives, including:</p> <ul style="list-style-type: none"> <li>• setting out the factors to be considered when reviewing a potential candidate for appointment as a director or a senior executive;</li> <li>• a requirement to provide all directors with detailed background information of a potential candidate; and</li> <li>• a requirement that appropriate checks are to be undertaken before appointing a potential candidate or putting forward a candidate to shareholders for approval, which should include checks as to the person’s character, experience, education, criminal record and bankruptcy history.</li> </ul> <p>Each director on the Board has undergone appropriate background checks (including character, experience, education, criminal records and insolvency).</p> <p>The Group will provide information to shareholders about directors seeking re-election at a general meeting to enable them to make an informed decision on whether or not to re-elect the director, including the term of office served by the director, independence status, other material directorships and a recommendation by the Board.</p> <p>The Group will, in the case of a candidate standing for election as a director for the first time, provide information to shareholders about the candidate to enable them to make an informed decision on whether or not to elect the candidate, including their relevant qualifications, experiences, skills, other material directorships, material adverse information revealed by the background checks, details of any matter which may impact independence and a recommendation by the Board.</p>

<p><b>1.3</b></p>	<p><b>Appointment letters</b></p>	<p>In addition to having undergone appropriate background checks, each independent / non-executive director of the Group has received a letter of appointment which outlines the director's duties, obligations, remuneration, expected time commitments and the Group's policies. This letter includes all of the recommended matters in the recommendations. Each director has also entered into required agreements regarding insurance, access to records and disclosure of any trading in the Group's securities under the ASX Listing Rules.</p> <p>All executive directors and senior executives have entered into written agreements with the Group. Senior executives, including the CEO and CFO, have a formal job description and services agreement or employment agreement with the Group describing their term of office, duties, rights and responsibilities, and entitlements. Any material changes to the CEO's employment agreement will be notified to the ASX in accordance with the ASX Listing Rules. The Group has procedures in place to ensure that the senior executives properly perform their duties, including conducting regular performance assessments of senior executives and providing access to continuing development to update and enhance their skills and knowledge.</p> <p>The Remuneration and Nomination Committee Charter requires a written agreement be entered into for each director and senior executive setting out the terms of their appointment.</p>
<p><b>1.4</b></p>	<p><b>Company Secretary reports to the Board</b></p>	<p>The Company Secretary is responsible for the day-to-day operations of the Company Secretary's office, including the administration of the Board and committee meetings, overseeing the Group's relationship with its share registrar and lodgements with the ASX and other regulators. The Company Secretary is also responsible for communications with the ASX about listing rule matters, including making disclosures to the ASX.</p> <p>The Company Secretary supports the effectiveness of the Board and the committees by monitoring compliance with Board policies and procedures and coordinating the timely completion and dispatch of Board and committee papers.</p> <p>The Company Secretary is accountable to the Board, and all directors have access to the Company Secretary. The decision to appoint or remove the Company Secretary is made or approved by the Board.</p>
<p><b>1.5</b></p>	<p><b>Diversity policy</b></p>	<p>The Group respects and values diversity on its Board and workforce at all levels and the Board has adopted a written Diversity Policy to ensure a work environment where people are treated fairly and with respect notwithstanding their gender, ethnicity, disability, age or educational experience. The Diversity Policy is available on the Website.</p> <p>The Board has included in the Annual Report a summary of the Group's current gender diversity levels among Non-Executive Directors and all staff. As the Company listed in April 2021, the Board did not formally adopt measurable objectives regarding gender diversity in the Reporting Period for the Board, senior executives and all staff levels. The Remuneration and Nomination Committee is in the process of developing measurable targets to achieve gender diversity to apply in FY22 consistent with this Recommendation.</p>

<p><b>1.6</b></p>	<p><b>Board performance evaluation</b></p>	<p>In accordance with the Remuneration and Nomination Committee Charter, to ensure that the directors are properly performing their duties, the Remuneration and Nomination Committee is required to:</p> <ul style="list-style-type: none"> <li>• develop and implement processes and procedures for the evaluation of the performance of the Board, its Committees and individual executive and non-executive directors and regularly review those processes;</li> <li>• review the performance of the Chair and report results of the evaluation to the Board, excluding the involvement of the Chair if they are a member of the Committee;</li> <li>• review the membership and performance of other Board committees and make recommendations to the Board; and</li> <li>• review and report to the Board on the performance of executive and senior directors.</li> </ul> <p>As the Company listed in April 2021, no formal Board performance evaluation was undertaken in the Reporting Period. The Remuneration and Nomination Committee is currently developing the formal Board performance evaluation process to be undertaken in FY22 consistent with this Recommendation.</p>
<p><b>1.7</b></p>	<p><b>Senior executive performance evaluation</b></p>	<p>An annual performance evaluation is an integral part of the remuneration review for senior executives. As noted at 1.6 above, the Remuneration and Nomination Committee is required to review and report to the Board on the performance of executive directors and senior executives at least once every reporting period.</p> <p>Senior executive performance evaluation was conducted in June 2021. The Group has also adopted an employee incentive plan, the details of which are included in the Remuneration Report in the Annual Report. These schemes are intended to provide an incentive for the executive directors and other participants to ensure that the Group continues to perform.</p>



## Principle 2 – Structure the Board to be effective and 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*

Directors with a range of experience, qualifications and expertise have been appointed to the Board to enable it to effectively discharge its duties and to add value to the Board's deliberations. Profiles of the directors of the Group can be found on the Website. In accordance with Recommendation 2.3, the names, independence status and length of service of each Director is set out below:

Director Name	Position	Classification	Appointment Date
Patrick Elliott	Chair (non-executive)	Not Independent	1 October 2015
Peter Arkell	Director (non-executive)	Independent	16 February 2021
Peter Clare	Director (non-executive)	Independent	16 February 2021
Elizabeth Hallett	Director (non-executive)	Independent	16 February 2021
Hugh Toll	Director (executive)	Not independent	16 February 2021
<b>2.1</b>	<b>Nomination committee</b>	<p>Since listing on the ASX, the Group has appointed a Remuneration and Nomination Committee to review the board composition, succession planning and remuneration matters. The Remuneration and Nomination Committee comprises the following independent, non-executive directors:</p> <ul style="list-style-type: none"> <li>• Elizabeth Hallett (Remuneration and Nomination Committee chair);</li> <li>• Peter Arkell; and</li> <li>• Peter Clare.</li> </ul> <p>The Board has adopted a Remuneration and Nomination Committee Charter which is available on the Website.</p> <p>The Group has disclosed in its Annual Report the frequency of Remuneration and Nomination Committee meetings and the individual attendances of the members at those meetings for FY21.</p>	
<b>2.2</b>	<b>Board skills matrix</b>	<p>As stated in the Board Charter, it is intended that the Board will comprise a mix of executive and non-executive directors with a broad range of skills, expertise and experience. This was the focus of and underpinned the appointment of the directors in preparation for the Company's listing the ASX in April 2021, although no formal board skills matrix was adopted in the Reporting Period. The skills, experience and expertise relevant to the position of director held by each director as at the end of FY21 is available on the Website. The Group currently has a diverse</p>	



		<p>range of skills amongst its directors which, as a group, enable the Board to effectively discharge its obligations, challenge management and contribute to the Group’s strategic debate. Every director has had exposure to current corporate governance practices and all directors possess financial acumen.</p> <p>In order to identify any gaps in the collective skills of the Board, the Remuneration and Nomination Committee is working to establish a skills matrix setting out the mix of skills the Board has or is looking to achieve. The Group will regularly consider and update the skills matrix to identify any particular competency or perspective that will best increase the Board’s effectiveness.</p>
<p><b>2.3</b></p>	<p><b>Board composition</b></p>	<p>The Group has 5 directors: Patrick Elliott, Peter Arkell, Peter Clare, Elizabeth Hallett and Hugh Toll.</p> <p>The Board considers the selection of appropriately experienced independent directors as an important contribution to the Group’s performance. From an investor viewpoint, the Group has a majority of independent directors. As noted, the Board Charter requires the Board to comprise of directors with a broad range of skills, expertise and experience.</p> <p><b>Independence</b></p> <p>Peter Arkell, Peter Clare and Elizabeth Hallett are considered by the Board to be independent directors on the basis that they are free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence the independent exercise of their judgement.</p> <p>Patrick Elliott and Hugh Toll are currently considered by the Board not to be independent for the purpose of the Recommendations.</p> <p>Hugh Toll is currently the CEO of the Group and is therefore not considered to be independent. Patrick Elliott is currently a Partner at Next Capital. Next Capital advises funds which collectively hold 17.4% of the Shares of the Group. Accordingly, Patrick Elliott is not considered by the Board to be independent for the purpose of the Recommendations.</p> <p>Although Hugh Toll and Patrick Elliott are not considered to be independent (for the purpose of the Recommendations), the Board considers that they both add significant value to deliberations with their considerable experience, expertise and skills to the Group.</p> <p>The directors believe that they are able to objectively analyse the issues before them in the best interests of all shareholders and in accordance with their duties as directors. The length of service of each Director is set out in the table above under the heading “Principle 2: Structure the Board to be effective and add value”.</p>
<p><b>2.4</b></p>	<p><b>Board independence</b></p>	<p>Independence of directors determined by objective criteria is acknowledged as being desirable to protect investor interests and to optimise the financial performance of the Group and returns to investors. Moreover, it is desirable for a majority of directors to be independent.</p> <p>As noted, the Board is comprised of five directors consisting of a non-executive Chair (Patrick Elliott), one executive</p>

		<p>director (Hugh Toll) and three independent non-executive directors (Peter Arkell, Peter Clare and Elizabeth Hallett). Therefore, the majority of the Board are independent directors. In the case of prospective independent directors, actual or perceived independence from the Group will be considered.</p>
<b>2.5</b>	<b>The chair of the board should be an independent director and should not be the same person as the CEO</b>	<p>Patrick Elliott has been appointed as Chair of the Group.</p> <p>Patrick Elliott is not considered by the Board to be independent (for the purpose of assessing the independence of directors under the Recommendations) given that he is a Partner of Next Capital (a substantial shareholder of the Group). Despite this, the Board believes that Patrick Elliott is the most appropriate person to lead the Board as its non-executive Chair given his expertise as a professional investor with experience in investing in various sectors, including the retail and consumer goods sector and experience in various roles across these investments. The Board considers that Patrick adds significant value to its deliberations and expects that he will continue to bring objective and expert judgement to the Board's deliberations.</p> <p>The Chair does not exercise the role of CEO - this role is performed by Hugh Toll.</p>
<b>2.6</b>	<b>Director induction and ongoing training programs</b>	<p>All directors appointed at the time the Group was publicly listed undertook an induction program to ensure they are familiar with the Company and industry and to position them to discharge their responsibilities effectively and to add value.</p> <p>The Remuneration and Nomination Committee is responsible for advising the Board on induction and continuing professional development programs for directors. The Committee is required to:</p> <ul style="list-style-type: none"> <li>• establish and facilitate an induction program for new directors with all such information and advice which may be considered necessary or desirable for the director to commence their appointment to the Board, including information and advice regarding: <ul style="list-style-type: none"> <li>• the Group's financial, strategic, operational and risk management position;</li> <li>• the rights, duties and responsibilities of the directors;</li> <li>• the roles and responsibilities of senior executives; and</li> <li>• the role of Board committees; and</li> </ul> </li> <li>• develop and periodically review continuous professional development programs for directors in order to enhance director competencies and develop and enhance directors' skills and knowledge on key developments effecting the Group and the industry in which it operates.</li> </ul> <p>The Remuneration and Nomination Committee has not formally established an induction program for new directors since the Company listed on the ASX in April 2021. The Remuneration and Nomination Committee is currently developing an induction program for new directors to apply in FY22 consistent with this Recommendation.</p>

**Principle 3 – Instil a culture of acting lawfully, ethically and responsibly**

*A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly*

<b>3.1</b>	<b>Articulate and disclose values</b>	The Group's values are articulated in its Code of Conduct, which is disclosed on the Website.
<b>3.2</b>	<b>Code of conduct</b>	<p>The Board is committed to observing the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct which will be periodically reviewed and endorsed by the Board. A copy of the Code of Conduct is available on the Website.</p> <p>The Code of Conduct sets out the way in which the Group and its controlled entities seek to conduct business, namely in an honest and fair manner, in compliance with laws and in a way which reflects well on the Group. The Code of Conduct articulates the values and acceptable business behaviours which the Group is dedicated to adhering to. The Group also seeks to ensure that advisers, consultants and contractors are aware of the Group's expectations as set out in its Code of Conduct. Under the Code of Conduct, the Board or a committee of the Board must be informed of any material breaches of the Group's Code of Conduct.</p>
<b>3.3</b>	<b>Whistleblower policy</b>	The Group has adopted a Whistleblower Policy to encourage its staff members and others to report any concerns that they have about unethical, illegal, fraudulent or undesirable conduct involving the Group's businesses, without fear of intimidation, disadvantage or reprisal. The policy sets out the Group's commitment to investigating all matters reported in an objective and fair manner as soon as possible after the matter has been reported. In particular, the Board or a committee of the Board must be informed of any material incidents reported under the Whistleblower Policy. A copy of the Whistle-blower Policy is available on the Website. The Group has also established a whistleblower service. There were no reports to the whistleblower service in the Reporting Period.
<b>3.4</b>	<b>Anti-bribery and corruption policy</b>	The Group is committed to operating in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to anti-bribery and corruption. Accordingly, the Board has adopted an Anti-Bribery and Corruption Policy which sets out the responsibilities of the Group and its staff members in observing and upholding the prohibition on bribery and related improper conduct, and provides information and guidance on how to recognise and deal with instances of bribery and corruption. In particular, the Board or a committee of the Board must be informed of any material breaches of the Anti-Bribery and Corruption Policy. A copy of the Anti-Bribery and Corruption Policy is available on the Website.

**Principle 4 – Safeguard the integrity of corporate reports**

*A listed entity should have appropriate processes to verify the integrity of its corporate reports*

<p><b>4.1</b></p>	<p><b>Audit Committee</b></p>	<p><b>Audit and Risk Committee members</b></p> <p>Since listing on the ASX, the Board has established an Audit and Risk Committee of the Group which comprises the following independent, non-executive directors:</p> <ul style="list-style-type: none"> <li>• Peter Clare (Audit and Risk Committee chair);</li> <li>• Elizabeth Hallett; and</li> <li>• Peter Arkell.</li> </ul> <p><b>The role of the Audit and Risk Committee</b></p> <p>The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibility for ensuring the integrity of the Group's financial reporting and the implementation of a sound system of risk management and internal control by monitoring, reviewing and advising or reporting to the Board on matters including: (a) the reliability and integrity of the Group's financial reporting systems and processes; (b) the implementation and effectiveness of the Group's risk management and internal control policies and practices; and (c) the implementation and effectiveness of the Group's systems and processes for ensuring compliance with all applicable laws, regulations and Group policies.</p> <p>The Group has disclosed in its Annual Report the number of times the Audit and Risk Committee met in FY21 and the individual attendances of the members at those meetings.</p> <p><b>Audit and Risk Committee Charter</b></p> <p>The Audit and Risk Committee Charter is available on the Website, along with the biographies of the members of the Audit and Risk Committee.</p>
<p><b>4.2</b></p>	<p><b>CEO and CFO declarations</b></p>	<p>The directors are committed to the preparation of financial statements that present a balanced and clear assessment of the Group and its controlled entities' financial position and prospects.</p> <p>The Board has obtained from the Group's 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><b>4.3</b></p>	<p><b>Integrity of</b></p>	<p>Where a periodic corporate report is released by the Group to ASX which has not been audited or reviewed by an</p>

	<b>corporate reports</b>	external auditor, the Group will also disclose as part of that report the process that it has undertaken to verify the integrity and contents of the report. No report of this nature has been released in FY21.
<p><b>Principle 5 – Make timely and balanced disclosure</b></p> <p><i>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</i></p>		
5.1	<b>Continuous disclosure policy</b>	<p>It is the Group’s policy to provide timely, open and accurate information to all stakeholders, including investors, regulators and the wider investment community.</p> <p><b>Continuous Disclosure Policy</b></p> <p>The Board has adopted a Continuous Disclosure Policy to ensure that it complies with its disclosure obligations under the Corporations Act and the ASX Listing Rules. The Continuous Disclosure Policy is available on the Website.</p> <p>The Continuous Disclosure Policy sets out the following: the roles and responsibilities of directors, officers and staff members in complying with the Group’s disclosure obligations; safeguarding confidentiality of corporate information to avoid premature disclosure; how the Group engages with media; external communications such as analyst briefings and responses to shareholder questions; and measures for responding to or avoiding the emergence of a false market in the Group’s shares.</p> <p><b>Disclosure Committee</b></p> <p>A Disclosure Committee comprising the Chair of the Board, the CEO and the Company Secretary has been established to manage the Group’s compliance with its disclosure obligations and the Continuous Disclosure Policy. The Disclosure Committee is responsible for, among other things, seeking to ensure that announcements are made in a timely manner, are not misleading, do not omit material information and are presented in a clear, balanced and objective way.</p> <p>The Board approves announcements that relate to matters within the reserved powers of the Board which have not been delegated to management or which are of particular significance to the Group. The Chair of the Group is the authorised spokesperson for the Group. The Company Secretary of the Group acts as the ASX liaison person for the Group. The Continuous Disclosure Policy and this process was followed in respect of any announcements to the market in FY21.</p>
5.2	<b>Copies of market announcements to the Board</b>	To ensure that the Board has timely visibility of the nature and quality of the information being disclosed to the market and the frequency of such disclosures, copies of all material market announcements in the Reporting Period were promptly provided to the Board after being made.

<b>5.3</b>	<b>Investor or analyst presentation</b>	The Continuous Disclosure Policy provides that, ahead of a new and substantive investor or analyst presentation, the Group will release a copy of the presentation materials on the ASX ahead of the presentation. The Continuous Disclosure Policy and this process was followed in respect of any investor or analyst presentations in FY21.
<p><b>Principle 6 – Respect the rights of security holders</b></p> <p><i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively</i></p>		
<b>6.1</b>	<b>Corporate and governance information available on website</b>	<p>In addition to the Group’s continuous disclosure obligations, the Group has adopted a separate Shareholder Communications Policy to ensure shareholders are informed in a timely and readily accessible manner of all major developments affecting the Group. The Group has a dedicated, up-to-date page for investor information on its Website.</p> <p>All ASX announcements made to the market, including annual and half year financial results, are posted on the Website as soon as practicable following their release by the ASX. Copies of all investor presentations made to analysts and media briefings will also be posted on the Website before the presentation is made.</p> <p>The Group informs shareholders of all major developments affecting the Group’s state of affairs as follows:</p> <ul style="list-style-type: none"> <li>• placing all relevant announcements made to the market on the Website after they have been released to ASX;</li> <li>• publishing all corporate governance policies and charters adopted by the Board on the Website;</li> <li>• releasing information provided to analysts or media during briefings to ASX and placing such information on the Website before the being is delivered; and</li> <li>• placing the full text of notices of meeting and explanatory material on the Website.</li> </ul>
<b>6.2</b>	<b>Investor relations program</b>	<p>The Group communicates with its shareholders and investors by posting information on the Website and by encouraging attendance and participation of shareholders at general meetings. Investors are able to provide feedback and seek further information about the Group via the Website.</p> <p>Investors are provided with annual reports and financial statements of the Group by either accessing the Website or specifically requesting a hard copy which keeps the investors informed of the Group’s performance and operations.</p> <p>Management or directors may meet with shareholders from time to time upon request and respond to any enquiries they may make.</p>
<b>6.3</b>	<b>Participation at shareholder</b>	As the Group listed in April 2021, no public shareholder meetings were held during FY21. Moving forward, shareholder meetings will be convened at least once a year. The first shareholder meeting in respect of FY21 is scheduled for 26

	<b>meetings</b>	<p>November 2021. Shareholders are encouraged to attend the Group’s general meetings and notice of such meetings in respect of FY21 have been given in accordance with the Group’s Constitution, the Corporations Act, and the ASX Listing Rules.</p> <p>The Group’s annual general meeting in particular is an opportunity for shareholders to receive updates from the CEO and Chair on the Group’s performance, ask questions of the Board and vote on the various resolutions affecting the Group’s business. Shareholders will be given an opportunity to ask questions of the Group’s auditor regarding the conduct of the audit, and the preparation and content of the auditor’s report.</p> <p>Unless specifically stated in the notice of meeting, all holders of fully paid securities are eligible to vote on all resolutions.</p> <p>The date, time and location of the Group’s general meetings will be provided in the notices of meeting and on the Website. Whilst shareholders are encouraged to attend meetings personally (either physically or virtually), in the event that they are unable to do so, they may participate in the meeting by appointing a proxy, attorney or representative to vote on their behalf.</p>
6.4	<b>Votes should be decided by a poll rather than by a show of hands</b>	<p>The Group will ensure all substantive resolutions (as opposed to procedural resolutions) at a meeting of shareholders of the Group will be decided by a poll rather than by a show of hands.</p>
6.5	<b>Electronic communication</b>	<p>Investors are able to communicate with the Group electronically via the Website and with the Group’s registry electronically by emailing the registry or via the registry’s website.</p>
<p><b>Principle 7 – Recognise and manage risk</b></p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework</i></p>		
7.1	<b>Risk committee</b>	<p>Since listing on the ASX, the Board has established an Audit and Risk Committee of the Group which comprises the following independent, non-executive directors:</p> <ul style="list-style-type: none"> <li>• Peter Clare (Audit and Risk Committee chair);</li> <li>• Elizabeth Hallett; and</li> <li>• Peter Arkell.</li> </ul> <p>The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibility for ensuring the integrity of the Group's financial reporting and the implementation of a sound system of risk management and internal control</p>

		<p>by monitoring, reviewing and advising or reporting to the Board on matters including the:</p> <ul style="list-style-type: none"> <li>• reliability and integrity of the Group's financial reporting systems and processes;</li> <li>• implementation and effectiveness of the Group's risk management and internal control policies and practices; and</li> <li>• implementation and effectiveness of the Group's systems and processes for ensuring compliance with all applicable laws, regulations and Group policies.</li> </ul> <p>The Group has disclosed in its Annual Report the number of times the Audit and Risk Committee met throughout FY21 and the individual attendances of the members at those meetings.</p> <p>The Board has adopted an Audit and Risk Committee Charter which is available on the Website, along with the biographies of the members of the Audit and Risk Committee.</p>
<b>7.2</b>	<b>Risk management framework</b>	<p>Under the Audit and Risk Committee Charter, the Audit and Risk Committee is required, among other things, to review and report to the Board (at least annually) on the effectiveness of the Group's risk management and internal control policies and practices. As disclosed in the Group's Annual Report, the first meeting of the Audit and Risk Committee was held on 11 June 2021.</p> <p>As the Company listed in April 2021, no formal review was undertaken on the Group's risk management framework in the Reporting Period. The Audit and Risk Committee is currently developing the review process for the Group's risk management framework to apply in FY22 consistent with this Recommendation.</p>
<b>7.3</b>	<b>Internal audit</b>	<p>The Board has adopted the Audit and Risk Committee Charter, which sets out responsibilities of the Audit and Risk Committee to review and manage any internal audit function established by the Board. The Group does not currently have a formal internal audit function. As the Company listed in April 2021, no formal process has been adopted in the Reporting Period to evaluate and continually improve its governance, risk management and internal control processes, however the Audit and Risk Committee is currently developing such a process to apply in FY22 consistent with this Recommendation.</p>
<b>7.4</b>	<b>Environmental and social responsibility management</b>	<p>The Group believes that many environmental and social benefits arise from responsible private sector development. It is the Group's policy to ensure that it and each of its businesses are compliant with the relevant regulatory frameworks.</p> <p>The Board does not believe it has any material exposure to environmental and social risks.</p> <p>The key risks currently affecting the Group are disclosed in the Annual Report.</p>

**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 security holders and with the entity's values and risk appetite*

<p><b>8.1</b></p>	<p><b>Remuneration committee</b></p>	<p>Since listing on the ASX, a Remuneration and Nomination Committee has been appointed by the Board. The members of the Remuneration and Nomination Committee are noted above at Recommendation 2.1. Its responsibilities include providing advice and recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>• independent director and senior executive remuneration and the Group's overall remuneration policy;</li> <li>• incentive, retention and termination policies;</li> <li>• superannuation arrangements;</li> <li>• recruitment, succession and development programs; and</li> <li>• performance review procedures.</li> </ul> <p>The Group has disclosed in its Annual Report the number of times the Remuneration and Nomination Committee met throughout FY21 and the individual attendances of the members at those meetings.</p> <p>The Board has adopted a Remuneration and Nomination Committee Charter which is available on the Website, along with the biographies of the members of the Remuneration and Nomination Committee.</p>
<p><b>8.2</b></p>	<p><b>Remuneration practices</b></p>	<p>Details of director's and key senior executive's remuneration are set out in the Remuneration Report in the Annual Report.</p> <p>The Group has disclosed its policies and practices regarding remuneration of non-executive directors, and the remuneration of executive directors and senior executives for FY21 is set out in the Annual Report.</p>
<p><b>8.3</b></p>	<p><b>Disclosures regarding equity-based remuneration</b></p>	<p>The Group has established an Employee Incentive Plan (<b>EIP</b>) to assist in the motivation, reward and retention of executive directors and other selected staff members.</p> <p>Participants of the EIP are subject to the Group's Securities Trading Policy, which restricts their ability to deal in securities of the Company to certain permitted trading windows. Clause 3 of the Group's Securities Trading Policy allows directors and senior management to engage in trading in financial products that limit the economic risk of security holdings with prior Board approval. The Group's Securities Trading Policy is available on the Website.</p>