

Corporate Governance Statement

September 2019

Jimmy Crow Limited (**Company**) is an NSX listed entity, which is required to meet the NSX Listed Issuers Corporate Governance Disclosure Obligations. This corporate government statement is reported against the NSX Practice Note 14 of the Corporate Governance Principles and Recommendations and has been approved by the board of directors (**Board**).

1 Lay solid foundations for management and oversight

1.1 A listed entity should disclose:

- (a) the respective roles and responsibilities of its board and management; and
- (b) those matters expressly reserved to the board and those delegated to management.

The Company's Board Charter sets out the specific responsibilities of the Board, matters expressly reserved to the Board and those delegated to management.

The Board Charter is available on the Company's website.

1.2 A listed entity should:

- (a) undertake appropriate checks before appointing a person, or putting forward to share holders a candidate for election, as a director; and
- (b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

Prior to appointing any new directors, the Company will undertake appropriate checks which may include assessments on the person's character, experience, education, criminal record and bankruptcy history.

A profile of each director is included in the annual report of the Company and on the Company's website. Any notice of meeting where a director is standing for election or re-election will include all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a director.

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| <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> <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> <p>1.5 A listed entity should:</p> <ul style="list-style-type: none">(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;(b) disclose that policy or a summary of it; and(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: | <p>The Company has written agreements with each director setting out the terms of their appointment. Any material variations to written agreements will be disclosed to the NSX.</p> <p>The Company Secretary has a direct line of communication with the Executive Chairman and all directors, and is responsible for supporting the proper functioning of the Board, which includes, but is not limited to, providing advice on governance and procedural issues, and the preparation of detailed Board papers and minutes.</p> <p>In view of the size of the Company and the nature of its activities, the Board has not established a diversity policy. However, the Company supports diversity and aims to employ both women and people from diverse cultural and ethnic backgrounds particularly in management roles. The Company will develop a diversity policy and measureable objectives when its size and activities warrant such a structure.</p> |
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- (i) 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
- (ii) 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.

1.6 A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Executive Chairman is responsible for evaluation of the performance of the Board, its committees (if applicable) and individual directors. The Executive Chairman and the Board regularly discuss the performance and composition of the Board, considering issues or concerns as they arise. This ongoing process will remain in-house and informal and be completed throughout the year, relying on regular discussions.

A formal performance review of the Executive Chairman will not be undertaken.

1.7 A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and

The Executive Chairman is responsible for evaluation of the performance of senior executives. This ongoing process will remain in-house and informal and be completed throughout the year, relying on regular discussions.

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- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

2 Structure the Board to add value**2.1 The board of a listed entity should:**

- (a) have a nomination committee which:
- (i) has at least three members, a majority of whom are independent directors; and
 - (ii) is chaired by an independent director;
- and disclose:
- (iii) the charter of the committee;
 - (iv) the members of the committee; and
 - (v) as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate skills, knowledge, experience, independence

The Board considers the selection and appointment of directors is an important task that should be the responsibility of the entire board to consider the nomination process. The current Board consists of only three directors, this is considered best practice at this stage in the Company's development.

The Board employ's the following processes to address board succession issues and to ensure that the board has the appropriate skill, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:

- The Board will periodically review and consider the structure and balance of the Board regarding appointments, retirements and terms of office of Directors.
- Where appropriate, the Board will engage independent consultants to identify possible new candidates for the Board.
- Board members will identify and recommend to the Board candidates for the Board after considering the necessary

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and diversity to enable it to discharge its duties and responsibilities effectively.

and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.

- The Board will assess and consider the time required to be committed by a non-executive Director to properly fulfil their duty to the Company and advise the Board.
- The Board will consider and recommend candidates for election or re-election to the Board at each annual shareholders' meeting.
- The Board will review directorships in other public companies held by or offered to Directors and senior executives of the Company.
- The Board will review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board.
- The Board will make recommendations on the appropriate size and composition of the Board.
- The Board will make recommendations on the terms and conditions of appointment to the Board.

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.

The Board has identified that the appropriate mix of skills and diversity required of its members on the Board to operate effectively and efficiently is achieved by personnel having a

Corporate Governance Statement**September 2019****2.3 A listed entity should disclose:**

- (a) the names of the directors considered by the board to be independent directors;
- (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

2.4 A majority of the board of a listed entity should be independent directors.

combination of skills and experience in one or more areas of business management and when available financial services or property business management, marketing, legal, finance and equity markets.

Details of the skills and experience of each existing Director are set out on the Company's website and in the annual report.

Details of the Company's independent directors, details of why a director is not considered independent and the length of service of each director on the Company's website.

At the date of this statement, one director of the Company is independent according to the Corporate Governance Council's discussion of independence.

Board meetings are also attended by the Executive Manager and Company Secretary (both of which are not Directors of the Board).

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| <p>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.</p> <p>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.</p> | <p>In view of the size of the Company and the nature of its activities, the Company consider that the current Board is a cost effective and practical method of directing and managing the Company. Once the scale of the company grows, the Board will call for nominations to appoint another independent director.</p> <p>At the date of this statement, the Executive Chairman of the Company is Elizabeth Hackett who is not considered independent under the Corporate Governance Council's discussion of independence. The Company is mindful of the costs and availability of an experienced non-executive independent chairman and is satisfied the current board structure is appropriate for the size of the Company and the scale and nature of its activities.</p> <p>The Board has an informal program for inducting new directors and will provide appropriate professional development opportunities to develop and maintain the skills and knowledge needed for the directors to perform their role effectively.</p> |
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3 Promote ethical and responsible decision making**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.

The Board has a code of conduct, which is disclosed on its website.

4 Safeguard integrity in financial reporting**4.1 The board of a listed entity should:**

- (a) have an audit committee which:
 - (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
 - (ii) is chaired by an independent director, who is not chair of the board,and disclose:
 - (iii) the charter of the committee;
 - (iv) the relevant qualifications and experience of the members of the committee; and
 - (v) in relation to each reporting period, the number of times the committee met throughout the

The role of the audit committee has been assumed by the Board. The size and nature of the Company's activities does not justify the establishment of such a committee at this time. The audit committee will be established as and when the need for such a committee arises and when established, will be structured in accordance with the Corporate Governance Recommendations and will have a formal charter.

To independently verify and safeguard the integrity of its corporate reporting the Board will:

- Manage the selection and appointment of the external auditor and for the rotation of external audit engagement partners through the Company's service contract obligations and in-house compliance program.

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period and the individual attendances of the members at those meetings; or

- (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.

- Review the appropriateness of the accounting principles adopted by management in the financial reports and the integrity of the Company's financial reporting.
- Oversee the financial reports and the results of the external audits of those reports.
- Assess whether external reporting is adequate for shareholder needs.
- Assess management processes supporting external reporting.
- Establish procedures for treatment of accounting complaints.
- Review the impact of any proposed changes in accounting policies on the financial statements.
- Review the quarterly, half-yearly and annual results.

- 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.

The Company's Executive Chairman and CFO will provide the Board with the appropriate assurances in relation to full year and half-year statutory financial reports.

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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 shareholders relevant to the audit.

The Company's external auditor is invited to attend each annual general meeting and will be available to answer questions from shareholders relevant to the audit.

5 Make timely and balanced disclosure

5.1 A listed entity should:

- (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and**
- (b) disclose that policy or a summary of it.**

The Company has a continuous disclosure policy to ensure compliance with Listing Rules disclosure requirements and the corporate governance standards applied by the Company in its market communications.

The continuous disclosure policy is available on the Company's website.

6 Respect the rights of shareholders

6.1 A listed entity should provide information about itself and its governance to investors via its website.

The Company's website provides information on the Company including its background, objectives, projects and contact details. The Corporate Governance page provides access to key policies, procedures and charters of the Company, securities trading policy and the latest Corporate Governance Statement.

NSX announcements, Company reports and presentations are uploaded to the website following release to the NSX and editorial content is updated as required.

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6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Board aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the directors. Information is communicated to shareholders through:

- the annual report which is distributed to those shareholders who request a copy;
- the annual general meeting and other meetings called to obtain approval for board action as appropriate;
- the appointment of a contact for shareholder liaison to respond to telephone and written shareholder enquiries; and
- the Company's website.

6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.

The Company maintains a strategy to promote communication with shareholders and encourage effective participation at general meetings on an issue-to-issue basis, which is considered appropriate to the size of the Company and the scale of its operations. This communication policy is available on the Company's website.

6.4 A listed entity should give shareholders the option to receive communications from, and send communications to, the entity and its share register electronically.

The Company gives shareholders the option to receive communications from, and send communications to, the Company and its share registry electronically.

Corporate Governance Statement**September 2019****7 Recognise and manage risk****7.1 The board of a listed entity should:**

- (a) **have a committee or committees to oversee risk, each of which:**
 - (i) **has at least three members, a majority of whom are independent directors; and**
 - (ii) **is chaired by an independent director;****and disclose:**
 - (iii) **the charter of the committee;**
 - (iv) **the members of the committee; and**
 - (v) **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**
- (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.**

In view of the size of the Company and the nature of its activities, the Board have considered that establishing a formally constituted risk oversight and management committee would contribute little to its effective management.

The Board considers the major risks affecting the business.

Major business risks have been identified as:

- quality of due diligence of investment opportunities;
- actions by competitors;
- currency and exchange rates;
- changes to government policy.

Procedures have been developed to minimise the effect of these risks wherever possible.

The Company has developed a risk management system to evaluate and control risks effectively to try within the limits of reasonably available resources to ensure opportunities are not lost, competitive advantage is enhanced, and management time is not spent unduly in reacting to issues or events. It is not intended to eliminate risk. This risk management system encompasses all financial, operational and compliance controls and risk management, and is subject to regular review.

Corporate Governance Statement**September 2019****7.2 The board or a committee of the board should:**

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

7.3 A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (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.

It is currently the responsibility of the Executive Chairman to create, maintain and implement risk management and internal control policies for the Company, subject to review by the Board.

The Executive Chairman must report to the Board on a half-yearly basis regarding the design, implementation and progress of the risk management policies and internal control systems.

The board will review its risk management system at least annually. It will disclose, in relation to each reporting period, whether such a review has taken place. A review was undertaken at the end of this reporting period.

The Company does not currently have a formal internal audit function, however, the Board oversees the effectiveness of risk management and internal control processes.

Management are responsible for resourcing, operating and monitoring the system of internal control, incorporating risk responses in the form of controls into its management systems, and reporting results on balanced assessments regarding the effectiveness of internal controls to the Board.

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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.

The material risks to which the Company is exposed are economic, environmental and social sustainability risk. The Company will manage these risks in accordance with its risk management policy, which is on the Company's website.

8 Remunerate fairly and responsibly

8.1 The board of a listed entity should:

- (a) have a remuneration committee which:
- (i) has at least three members, a majority of whom are independent directors; and
 - (ii) is chaired by an independent director;
- and disclose:
- (iii) the charter of the committee;
 - (iv) the members of the committee; and
 - (v) 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
- (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

The Board monitor and review the performance of the Executive Manager as well as the performance of other management. The Board receives regular updates of the performance of the Company as a whole. The Board also has responsibility for ensuring that the Company:

- has coherent remuneration policies and practices to attract and retain executives and directors who will create value to shareholders;
- observes those remuneration policies and practices; and
- fairly and responsibly rewards executives having regard to the performance of the Company, the performance of the executives and the general pay environment.

The Board employ's the following processes for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:

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senior executives and ensuring that such remuneration is appropriate and not excessive.

- No director is involved in setting their own remuneration (excluding directors' fees) or terms and conditions and in such a case relevant directors are required to be absent from the full Board discussion.
- The Board may receive external assistance and advice to assist it in determining appropriate levels of remuneration for the directors of the Company.
- The Company has structured its remuneration policy for the purpose of motivating senior executives to pursue the long-term growth and success of the Company; and demonstrate a clear relationship between senior executives' performance and remuneration.
- The Board will balance the Company's competing interests of attracting and retaining senior executives and directors, and not paying excessive remuneration.
- Executive directors' remuneration is structured to reflect short and long-term performance objectives appropriate to the Company's circumstances and goals.
- Executive directors' and senior executives' remuneration packages involves a balance between fixed and incentive-based pay, reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals. Non-executive directors' remuneration is formulated to the following guidelines, non-executive directors should normally be remunerated by way of fees, in the form of

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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.

cash, non-cash benefits, superannuation contributions or equity, usually without participating in schemes designed for the remuneration of executives; and non-executive directors are not provided with retirement benefits other than superannuation; except when approved by shareholders by resolutions in which any relevant director (in the context of this paragraph) does not vote.

Non-executive directors' remuneration should be formulated with regard to the following guidelines:

- non-executive directors should normally be remunerated by way of fees, in the form of cash, non-cash benefits, superannuation contributions or equity, usually without participating in schemes designed for the remuneration of executives; and
- non-executive directors should not be provided with retirement benefits other than superannuation.

Executive directors' and senior executives' remuneration packages should involve a balance between fixed and incentive-based pay, reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals.

Directors' fees will be paid separately to all directors. The different types of remuneration including fringe benefits,

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superannuation, consulting fees and director fees are clearly outlined in the annual report.

8.3 A listed entity which has an equity-based remuneration scheme should:

- (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**
- (b) disclose that policy or a summary of it.**

Jimmy Crow does not have an employee share scheme in operation.

The directors intend to seek approval for a scheme to be approved at the 2019 annual general meeting.