

HFA Holdings Limited

Corporate Governance Statement

30 June 2016



The HFA Group recognises the value of good corporate governance. The board believes that effective governance processes and procedures add to the performance of the HFA Group and engenders the confidence of the investment community.

This statement sets out the principle features of HFA's corporate governance framework and main governance practices in place throughout the year and discloses the extent to which the Company has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition (CGPR 3ed) during the reporting period, comprising the year ended 30 June 2016.

The Corporate Governance section of the Group's website (<http://www.hfaholdings.com.au/corporate-governance>) contains the charters, codes and policies which are referred to in this statement (or a summary of them). These documents are periodically reviewed and enhanced where necessary to take account of changes in the law and governance practices. The Group's governance systems meet the requirements of the Corporations Act 2001 (Act) and the Listing Rules of the Australian Securities Exchange (ASX Listing Rules and ASX respectively). Consideration has been given to the applicability of recommendations given the size of the business and policies have been tailored accordingly.

This statement was approved by the Board of HFA Holdings on 18 August 2016.

The Corporate Governance section of HFA's website (www.hfhaholdings.com.au) contains:

The following documents:

- Board charter
- Audit and Risk Committee Charter
- Remuneration and Nominations Committee Charter
- Directors' and employee codes of conduct
- Trading policy
- Continuous disclosure policy
- Shareholder communication policy

Summary information on the following:

- External auditor policy
- Risk management policy
- Diversity policy

This Corporate Governance Statement has been structured to follow the CCPR 3ed as follows:

Principle 1: Lay solid foundations for management and oversight

How HFA has established the respective roles and responsibilities of its Board and management, and how their performance is monitored and evaluated.

Principle 2: Structure the board to add value

How HFA has determined the size, composition, skills and commitment for its Board to enable it to discharge its duties effectively.

Principle 3: Act ethically and responsibly

How HFA promotes ethical and responsible behavior throughout the organisation.

Principle 4: Safeguard integrity in corporate reporting

The processes which HFA has in place to independently verify and safeguard the integrity of its corporate reporting.

Principle 5: Make timely and balanced disclosure

How HFA manages its obligations to 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

Principle 6: Respect the Rights of Security Holders

How HFA respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.

Principle 7: Recognise and manage risk

HFA's risk management framework, and the effectiveness of that framework is reviewed periodically.

Principle 8: Remunerate fairly and responsibly

How HFA structures director remuneration sufficient to attract and retain high quality directors, and designs 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.

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 1: Lay solid foundations for management and oversight		
<p>1.1 A listed entity should disclose:</p> <p>a) the respective roles and responsibilities of its board and management; and</p> <p>b) those matters expressly reserved to the board and those delegated to management.</p>	<p>✓</p> <p>The board's roles and responsibilities are set out in the Board Charter.</p> <p>Management must consult with the Board on matters that are sensitive, extraordinary, of a strategic nature or are otherwise outside their delegated authority limits. Management is specifically responsible for:</p> <ul style="list-style-type: none"> ▪ leading, in conjunction with the Board, the development and implementation of strategy; ▪ assessing principal risks and ensuring that these risk are being monitored and managed; ▪ ensuring effective internal controls and management information systems are in place; ▪ acting as a liaison between management and the Board; ▪ communicating effectively with shareholders, employees, other stakeholders and the public; and ▪ ensuring that Directors are properly informed. <p>✓</p> <p>Matters reserved to the board and those delegated to committees and management are set out in the Board Charter and the Delegated Authority Policy. See also 1.1a).</p>	<p>Board Charter</p> <p>Board Charter Delegated Authority Policy</p>
<p>1.2 A listed entity should:</p> <p>a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>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>	<p>✓</p> <p>The Remuneration and Nominations Committee oversees the process of identifying potential candidates. Candidates are assessed through interviews, meetings and background or reference checks (which may be conducted both by external consultants and by directors) as appropriate. The assistance of an external recruitment or consulting company is utilised where appropriate to ensure a broad range of qualified candidates is identified for the selection process.</p> <p>✓</p> <p>All material information in the Group's possession that is relevant to the decision as to whether or not to elect or re-elect a director is provided to shareholders in the explanatory notes accompanying the notice of meeting for the annual general meeting at which the election or re-election is to be considered.</p>	<p>RNC Charter</p> <p>AGM Notice of Meeting</p>
<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>✓</p> <p>Terms of appointment and related agreements are set out in the Board Charter.</p> <p>Executive Directors and Senior Executives are additionally subject to a written position description and service contract.</p>	<p>Board Charter</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>✓</p> <p>The role of the Company Secretary is outline in the Board Charter.</p>	<p>Board Charter</p>

ASX Recommendation	Complied?		Relevant Policies and Charters
1.5 A listed entity should:	✓	The Remuneration and Nominations Committee is responsible for overseeing the Company's strategies on diversity, including annual monitoring of the Company's achievements against diversity objectives, including the representation of women at all levels of the organisation.	RNC Charter
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;	✓	The Diversity Policy is summarised on the Company website.	Diversity Policy
b) disclose that policy or a summary of it; and	✓	The Diversity Policy is summarised on the Company website.	Diversity Policy
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 following measurable objectives relating to gender diversity were adopted by the board for the 2016 financial year:</p> <ul style="list-style-type: none"> ▪ Have an appropriately diverse and skilled workforce and Board, appointed on merit, which will support the Group's achievement of its business objectives; ▪ Foster a corporate culture characterised by inclusive practices and behaviours for the benefit of all employees and directors; and ▪ Support a work environment that values contributions of employees and directors with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workplace diversity. <p>The Remuneration and Nominations Committee has assessed these objectives and confirms that, where applicable, these objectives have been achieved.</p> <p>The Group's US subsidiaries are required to comply with US employment law. Where possible and practicable, Lighthouse has sought to achieve the objectives and operate in accordance with the spirit of the Group's diversity policy.</p>	

ASX Recommendation	Complied?		Relevant Policies and Charters																				
<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>✓</p>	<p><i>Gender diversity within the Group</i></p> <table border="1" data-bbox="862 284 1675 459"> <thead> <tr> <th>As at 30 June 2016</th> <th>Male</th> <th>Female</th> <th>Total</th> <th>% Female</th> </tr> </thead> <tbody> <tr> <td>Total Employees⁽¹⁾</td> <td>56</td> <td>21</td> <td>77</td> <td>27%</td> </tr> <tr> <td>Senior Executive⁽¹⁾</td> <td>4</td> <td>1</td> <td>5</td> <td>20%</td> </tr> <tr> <td>Board⁽²⁾</td> <td>5</td> <td>-</td> <td>5</td> <td>0%</td> </tr> </tbody> </table> <p>⁽¹⁾ Total includes Sean McGould as an executive director but excludes HFA non-executive directors. ⁽²⁾ Includes directors of HFA Holdings Limited.</p> <p>For the current reporting period, "senior executive" means all members of the Group's leadership team, including Sean McGould (CEO) as an executive director.</p> <p>Not applicable.</p>	As at 30 June 2016	Male	Female	Total	% Female	Total Employees ⁽¹⁾	56	21	77	27%	Senior Executive ⁽¹⁾	4	1	5	20%	Board ⁽²⁾	5	-	5	0%	
As at 30 June 2016	Male	Female	Total	% Female																			
Total Employees ⁽¹⁾	56	21	77	27%																			
Senior Executive ⁽¹⁾	4	1	5	20%																			
Board ⁽²⁾	5	-	5	0%																			
<p>1.6 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>✓</p>	<p>As outlined in the RNC charter, the RNC is responsible for evaluating the performance of the board, board committees and individual directors.</p>	<p>RNC Charter</p>																				

ASX Recommendation	Complied?	Relevant Policies and Charters
<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>✓</p>	<p>In July 2015 the RNC undertook a review in accordance with this process. This review was facilitated by the Chairman. In undertaking this review, the RNC considered the following performance criteria:</p> <ul style="list-style-type: none"> ▪ Role clarity ▪ Strategy ▪ CEO/Senior Management team oversight ▪ Monitoring ▪ Risk management ▪ Compliance ▪ Policy framework ▪ Networking ▪ Stakeholder communication ▪ Decision making ▪ Effective governance ▪ Board dynamics ▪ Meeting processes ▪ Committee structure <p>It was assessed that, on balance the board, committees and individual directors performed satisfactorily during the reporting period in all of these areas.</p>
<p>1.7 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>✓</p> <p>✓</p>	<p>Performance appraisals are conducted at least annually for employees, including management.</p> <p>The relevant criteria against which the performance of the CEO and the other senior executives is assessed includes:</p> <ul style="list-style-type: none"> ▪ financial criteria relevant to the individual's responsibilities and influence; and ▪ assessment of contribution to operating results, business functionality and strategic goals. <p>The performance and remuneration of the CEO and the other senior executives were reviewed during the reporting period as follows:</p> <ul style="list-style-type: none"> ▪ Amber Stoney's (CFO and Company Secretary) performance was reviewed by Michael Shepherd, Chairman of HFA Holdings Limited. ▪ Sean McGould's performance was not formally reviewed, however, as an executive director, Sean McGould regularly participated in board meetings, exchanged information with other directors and received informal feedback.

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 2: Structure the board to add value		
2.1 The board of a listed entity should: <ul style="list-style-type: none"> a) have a nomination committee which: 	✓ The role of the Remuneration and Nominations Committee is to advise the board on matters relating to the remuneration of the directors, the subsidiary CEOs and other senior executives of the Company and on matters relating to the composition and performance of the board.	RNC Charter
<ul style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 	✓ Currently the members of this Committee are Michael Shepherd (Chairman), Fernando Esteban and Randall Yanker. Their qualifications and experience are set out in the Company's Annual Report.	Annual Reports
<ul style="list-style-type: none"> 2) is chaired by an independent director, and disclose:	✓ Michael Shepherd (Chairman) is an independent director.	
<ul style="list-style-type: none"> 3) the charter of the committee; 	✓ The RNC Charter is available on the Company's website.	RNC Charter
<ul style="list-style-type: none"> 4) the members of the committee; and 	✓ See 2.1a.1) above	
<ul style="list-style-type: none"> 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 	✓ The number of times the committee met throughout the period and the individual attendances of the members at those meetings is set out on in the Company's Annual Report.	Annual Reports
<ul style="list-style-type: none"> 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. 	Not applicable.	

ASX Recommendation	Complied?		Relevant Policies and Charters
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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.

✓

Board Skills Matrix

A summary of the directors' skills and experience as at the end of the reporting period is set out below:

Skills and experience	Out of 5 directors
Leadership and governance	
Leadership	5
Strategy	5
Corporate governance	2
Industry/operations	
Investment management	5
Hedge funds	5
Product distribution and marketing	4
Finance and risk	
Accounting	4
Finance	3
Mergers and acquisitions	3
Risk management	4
Technology and data	
Information technology	1

ASX Recommendation	Complied?		Relevant Policies and Charters																		
<p>2.3 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>✓</p> <p>✓</p> <p>✓</p>	<p><i>Board Composition</i></p> <p>The board is currently comprised of five directors as follows:</p> <table border="1" data-bbox="884 319 1691 598"> <thead> <tr> <th>Name</th> <th>Position</th> <th>Independent</th> </tr> </thead> <tbody> <tr> <td>Michael Shepherd</td> <td>Chairman and Non-executive Director</td> <td>✓</td> </tr> <tr> <td>Fernando Esteban</td> <td>Non-executive Director</td> <td>✓</td> </tr> <tr> <td>Randall Yanker</td> <td>Non-executive Director</td> <td>✓</td> </tr> <tr> <td>Andrew Bluhm¹</td> <td>Non-executive Director</td> <td>X</td> </tr> <tr> <td>Sean McGould²</td> <td>CEO and Executive Director</td> <td>X</td> </tr> </tbody> </table> <p>¹ Mr Andrew Bluhm is not considered to be independent as a result of his director-related entity shareholdings in the Group.</p> <p>See 2.3a.</p> <p>Details of the directors of the Company in office at the date of this report, including their qualifications, experience and date of appointment are set out in the Company's Annual Report.</p>	Name	Position	Independent	Michael Shepherd	Chairman and Non-executive Director	✓	Fernando Esteban	Non-executive Director	✓	Randall Yanker	Non-executive Director	✓	Andrew Bluhm ¹	Non-executive Director	X	Sean McGould ²	CEO and Executive Director	X	<p>Annual Reports</p> <p>Annual Reports</p>
Name	Position	Independent																			
Michael Shepherd	Chairman and Non-executive Director	✓																			
Fernando Esteban	Non-executive Director	✓																			
Randall Yanker	Non-executive Director	✓																			
Andrew Bluhm ¹	Non-executive Director	X																			
Sean McGould ²	CEO and Executive Director	X																			
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>✓</p>	<p>See 2.3a for current composition of board.</p>																			
<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>✓</p>	<p>Michael Shepherd (independent non-executive director) is Chairman of the HFA Board.</p>																			

ASX Recommendation	Complied?	Relevant Policies and Charters
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.	✓ Induction of new directors is set out in the Board Charter. Directors are encouraged to interact with management to gain a better understanding of business operations, and are encouraged to undertake continuing education in relation to the Group and the industry in which it operates to update and enhance their skills and knowledge.	Board Charter

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 3: Act ethically and responsibly		
3.1 A listed entity should:	✓	The Group has adopted both Directors' and Employees' Code of Conduct to be followed by all Group employees and officers.
(a) have a code of conduct for its directors, senior executives and employees; and		
(b) disclose that code or a summary of it.	✓	The codes of conduct are available on the Company's website. Codes of Conduct

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 4: Safeguard integrity in corporate reporting		
4.1 The board of a listed entity should: <ul style="list-style-type: none"> a) have an audit committee which: 	✓ The Audit and Risk Committee assists the board in discharging its oversight responsibilities in relation to the integrity of the Company's financial reporting and the Company's risk management systems.	ARC Charter
<ul style="list-style-type: none"> 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 	✓ Currently the members of this Committee are Fernando Esteban (Chairman), Michael Shepherd and Andrew Bluhm. Their qualifications and experience are set out in the Company's Annual Report.	Annual Reports
<ul style="list-style-type: none"> 2) is chaired by an independent director, who is not the chair of the board, and disclose:	✓ Fernando Esteban (Chairman) is an independent director who is not the chair of the board.	
<ul style="list-style-type: none"> 3) the charter of the committee; 	✓ The ARC Charter is available on the Company's website.	ARC Charter
<ul style="list-style-type: none"> 4) the relevant qualifications and experience of the members of the committee; and 	✓ Their qualifications and experience of the ARC members is set out in the Company's Annual Report.	Annual Reports
<ul style="list-style-type: none"> 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 	✓ The number of times the committee met throughout the period and the individual attendances of the members at those meetings is set out on in the Company's Annual Report.	Annual Reports
<ul style="list-style-type: none"> 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. 	✓ Not applicable.	

ASX Recommendation	Complied?		Relevant Policies and Charters
<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>	<p>✓</p>	<p>The Group's financial report preparation process involves the subsidiary CEO and the Group CFO providing a declaration to the Board that, to the best of their knowledge:</p> <ul style="list-style-type: none"> ▪ The financial records have been properly maintained; ▪ The financial statements and associated notes: <ul style="list-style-type: none"> - comply in all material respects with the Accounting Standards; - give a true and fair view, in all material respects, of the Group's financial position and performance; <p>In making the above declaration the subsidiary CEO and Group CFO have satisfied themselves that:</p> <ul style="list-style-type: none"> ▪ HFA has a sound system of risk management and internal compliance and control, and that the risk that management, internal compliance and control systems operate effectively in all material respects. 	
<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>	<p>✓</p>	<p>The Company's external auditor attends the Annual General Meeting and is available to answer questions from security holders relevant to the audit.</p>	<p>External Auditor Policy</p>

ASX Recommendation	Complied?	Relevant Policies and Charters
<p>Principle 5: Make timely and balanced disclosure</p>		
<p>5.1 A listed entity should:</p>	<p>✓</p>	
<p>a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p>	<p>The Company has a Continuous Disclosure and Shareholder Communications Policy.</p>	
<p>b) disclose that policy or a summary of it.</p>	<p>✓</p>	<p>Continuous Disclosure Policy</p>
	<p>A summary of the Continuous Disclosure Policy and Shareholder Communications Policy is available on the Company's website.</p>	<p>Shareholder Communications Policy</p>

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 6: Respect the Rights of Security Holders		
6.1 A listed entity should provide information about itself and its governance to investors via its website.	✓ The Company has 'About Us' and 'Corporate Governance' sections of its website.	About Us Corporate Governance
6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	✓ The Company has an 'Investor Centre' on its website. Communication with investors is outlined in the Shareholder Communication Policy. The board encourages two-way communication between the Company and its shareholders via: <ul style="list-style-type: none"> ▪ Annual General Meetings; ▪ investor meetings and presentations; and ▪ response to specific shareholder queries. Results of shareholder meetings, presentations or other information updates are released to the market via the ASX if they contain information that may be price sensitive and is not already publicly available.	Share Price Information Shareholder Communications Policy
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.	✓ Participation at meetings is outlined in the Shareholder Communication Policy.	Shareholder Communications Policy
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.	✓ Electronic communication is encouraged with both the Company and its share registry, and the Company's policy is outlined in the Shareholder Communication Policy.	Shareholder Communications Policy

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 7: Recognise and manage risk		
<p>7.1 The board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 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>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>✓ The Audit and Risk Committee assists the board in discharging its oversight responsibilities in relation to the integrity of the Company's financial reporting and the Company's risk management systems.</p> <p>✓ Currently the members of this Committee are Fernando Esteban (Chairman), Michael Shepherd and Andrew Bluhm. Their qualifications and experience are set out in the Company's Annual Report.</p> <p>✓ Fernando Esteban (Chairman) is an independent director who is not the chair of the board.</p> <p>✓ The ARC Charter is available on the Company's website.</p> <p>✓ Their qualifications and experience of the ARC members is set out in the Company's Annual Report.</p> <p>✓ The number of times the committee met throughout the period and the individual attendances of the members at those meetings is set out on in the Company's Annual Report.</p> <p>Not applicable.</p>	<p>ARC Charter</p> <p>Annual Reports</p> <p>ARC Charter</p> <p>Annual Reports</p> <p>Annual Reports</p>
<p>7.2 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 Company's risk management framework is outlined in its Risk Management Policy, a summary of which is available on the Company's website. The ARC has been delegated the responsibility for reviewing the Group's risk framework annually to satisfy themselves that it remains effective and that it continues to be relevant. Any material changes to the identified risks, or processes for managing these risks, are reported to the board.</p> <p>✓ The Risk Management Policy and risk register was reviewed and approved by the board 7 July 2016.</p>	<p>Risk Management</p>

ASX Recommendation	Complied?	Relevant Policies and Charters								
<p>7.3 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>The Company does not have an internal audit function.</p> <p>✓ HFA does not have an internal audit function and therefore relies on the processes as outlined in its Risk Management Policy to ensure continual improvement of its risk management and internal control processes.</p>	<p>Risk Management</p>								
<p>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>	<p>✓ <i>Risk Exposures</i></p> <p>The table below identifies material risk exposures, some of which fall in more than one category.</p>	<p>Risk Management</p>								
<table border="1"> <thead> <tr> <th data-bbox="884 651 1108 683">Risk Type</th> <th data-bbox="1108 651 1691 683">Identified Risk</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 683 1108 986">Economic</td> <td data-bbox="1108 683 1691 986"> Share price risk Product investment performance Dependency on key personnel Competition Regulatory risk Client concentration risk Operational risk Material litigation Share liquidity/price Accounting standards </td> </tr> <tr> <td data-bbox="884 986 1108 1018">Environmental</td> <td data-bbox="1108 986 1691 1018">Nil</td> </tr> <tr> <td data-bbox="884 1018 1108 1085">Social</td> <td data-bbox="1108 1018 1691 1085"> Reputational risk Material litigation </td> </tr> </tbody> </table>			Risk Type	Identified Risk	Economic	Share price risk Product investment performance Dependency on key personnel Competition Regulatory risk Client concentration risk Operational risk Material litigation Share liquidity/price Accounting standards	Environmental	Nil	Social	Reputational risk Material litigation
Risk Type	Identified Risk									
Economic	Share price risk Product investment performance Dependency on key personnel Competition Regulatory risk Client concentration risk Operational risk Material litigation Share liquidity/price Accounting standards									
Environmental	Nil									
Social	Reputational risk Material litigation									
<p>The Company manages the above risks as per its Risk Management Policy.</p>										

ASX Recommendation	Complied?	Relevant Policies and Charters
Principle 8: Remunerate fairly and responsibly		
<p>8.1 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,</p> <p>and disclose:</p> <p>3) the charter of the committee;</p> <p>4) the members of the committee; and</p> <p>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) if it does not have a 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>✓</p> <p>The role of the Remuneration and Nominations Committee is to advise the board on matters relating to the remuneration of the directors, the subsidiary CEOs and other senior executives of the Company and on matters relating to the composition and performance of the board.</p> <p>✓</p> <p>Currently the members of this Committee are Michael Shepherd (Chairman), Fernando Esteban and Randall Yanker. Their qualifications and experience are set out in the Company's Annual Report.</p> <p>✓</p> <p>Michael Shepherd (Chairman) is an independent director.</p> <p>✓</p> <p>The RNC Charter is available on the Company's website.</p> <p>✓</p> <p>See 8.1a.1.</p> <p>✓</p> <p>The number of times the committee met throughout the period and the individual attendances of the members at those meetings is set out on in the Company's Annual Report.</p> <p>Not applicable.</p>	<p>RNC Charter</p> <p>Annual Reports</p> <p>RNC Charter</p> <p>Annual Reports</p>
<p>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>	<p>✓</p> <p>Policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives is included in the 'Remuneration Report' section of the Company's Annual Financial Report.</p>	<p>Annual Reports</p>

ASX Recommendation	Complied?	Relevant Policies and Charters
<p>8.3 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>✓</p> <p>The Company does not currently have any equity-based remuneration schemes in place.</p> <p>The Company has a Trading Policy which includes a prohibition on directors and employees entering into transactions which limit the economic risk of participating in an equity-based remuneration scheme should there be such a scheme in place.</p> <p>The Trading Policy has been lodged with the ASX and is available on the Company's website.</p> <p>✓</p> <p>The Trading Policy is available on the Company's website.</p>	<p></p> <p>Trading Policy</p>