

Appendix 4G

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

Name of entity:

AUTOSPORTS GROUP LIMITED

ABN / ARBN:

54 614 505 261

Financial year ended:

30 June 2018

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

These pages of our annual report:

This URL on our website: <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 27 August 2018 and has been approved by the board.

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

Date: 27 August 2018

Name of Director or Secretary authorising lodgement: **Caroline Raw, Company Secretary**

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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

1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
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PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE

2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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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.	<p>... our board skills matrix:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <p>... and, where applicable, the information referred to in paragraph (b):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <p>... and the length of service of each director:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	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>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

3.1	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>... our code of conduct or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at</p> <p>http://investors.autosportsgroup.com.au/investors/?page=corpo_governance</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
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PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non- executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at</p> <p>http://investors.autosportsgroup.com.au/investors/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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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 fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...⁴
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at http://investors.autosportsgroup.com.au/investors/?page=corporate-governance</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Autosports Group Limited

CORPORATE GOVERNANCE STATEMENT

2018

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Overview

The Board is committed to conducting the business of Autosports Group Limited (**Autosports Group, Group or Company**) in accordance with high standards of corporate governance and with a view to creating and delivering value for Autosports Group's shareholders. To this end, the Board has adopted a system of risk management processes and corporate governance policies and practices which are designed to support and promote the responsible management and conduct of Autosports Group.

This Corporate Governance Statement sets out the key features of Autosports Group's governance framework and reports against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council (**ASX Principles and Recommendations**).

In accordance with the ASX Principles and Recommendations, Autosports Group's policies and charters referred to in this statement are available on the corporate governance section of Autosports Group's website: <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

This Corporate Governance Statement is current as at 27 August 2018 and has been approved by the Board of Autosports Group.

1. The Board and management

1.1 The role of the Board and management

The Board is responsible for overseeing the governance of Autosports Group. Its role is to:

- represent and serve the interests of shareholders by overseeing and appraising the Company's strategies, policies and operational performance;
- protect and optimise Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution;
- set and monitor compliance with the Company's governance framework;
- ensure shareholders and other stakeholders are kept informed of the Company's performance and major developments;
- select, appoint and evaluate the performance of the Chief Executive Officer (**CEO**);
- review the performance of the CEO, Company Secretary and Key Management Personnel (**KMP**);
- oversee capital management including dividend and distribution payments; and
- consider Board succession planning and monitor Board performance.

The Company maintains a Delegation of Authority Policy which:

- defines authorities delegated by the Board to the Audit and Risk Committee, the People and Remuneration Committee and to management, in order to make binding decisions on behalf of Autosports Group; and
- clarifies the powers that are reserved to the Board.

The Board has adopted a Board Charter which provides an overview of:

- the Board's structure, composition and responsibilities, and
- the relationship and interaction between the Board, Board Committees and management.

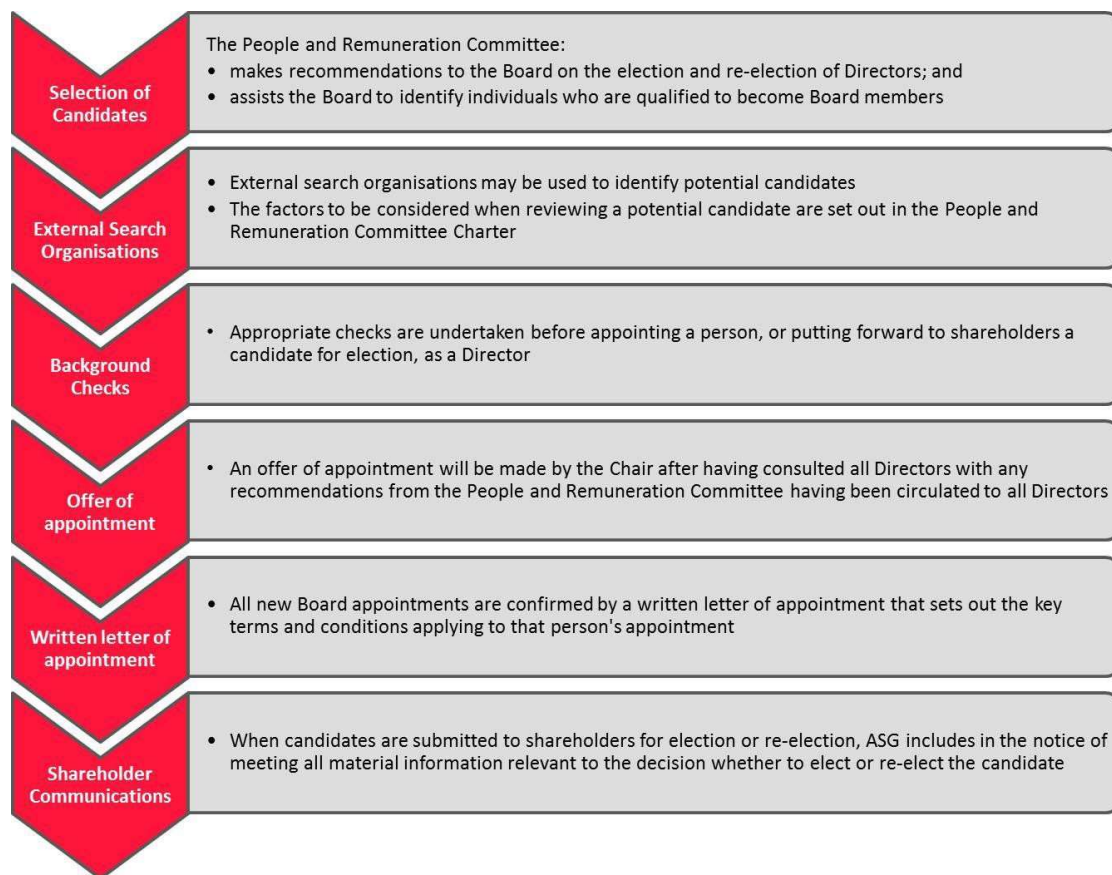
The diagram below summarises Autosports Group's governance framework.



1.2 Director selection and succession planning

The Board seeks to ensure that it is comprised of directors with a broad range of skills, expertise, experience and backgrounds. The Board, with the assistance of the People and Remuneration Committee, regularly reviews its membership.

A brief overview of the process for the selection and appointment of directors is set out below.



1.3 Agreements with Board and senior executives

Each non-executive director has signed a letter of appointment in relation their appointment to the Board. The Company has entered into employment agreements with Nick Pagent and Ian Pagent who are employed in an executive capacity. The Company also has written employment agreements with each of its senior executives.

1.4 Director independence

The Board has adopted the guidelines set out in the Board Charter which are used to guide independence assessments. These guidelines are based on the definition of independence listed in the ASX Principles and Recommendations.

Director	Position	Appointed	Independent
Tom Pockett	Chairman and Independent Non-Executive Director	29 August 2016	Yes
Nick Pagent	Managing Director and Chief Executive Officer	29 August 2016	No. Nick Pagent is employed in an executive capacity and is a substantial shareholder.
Ian Pagent	Executive Director	29 August 2016	No. Ian Pagent is employed in an executive capacity and is a substantial shareholder.
Robert Quant	Independent Non-Executive Director	29 August 2016	Yes
Marina Go	Independent Non-Executive Director	28 October 2016	Yes
Malcolm Tilbrook*	Independent Non-Executive Director	29 August 2016 – 3 July 2017	Yes

* Resigned 3 July 2017

1.5 Induction and professional development

Upon appointment, each Director receives a letter of appointment and is provided with the Company's core corporate governance policies. Directors are also given opportunities to meet with senior executives and managers and tour Company sites and facilities. Management briefs the Board on relevant industry, regulatory and legal developments at each Board meeting and is available for additional support where required. Directors are also able to attend ongoing professional development and training programs to enable them to develop and maintain their skills and knowledge.

1.6 Company secretary

The Company Secretary is accountable to the Board on all matters to do with the proper functioning of the Board. All Directors have direct access to the Company Secretary and vice versa. A decision to appoint or remove the Company Secretary requires Board approval.

2. People & Remuneration

2.1 People and Remuneration Committee

The Board has established a People and Remuneration Committee. The table below sets out the composition and key responsibilities of the People and Remuneration Committee.

Composition	Members	Responsibilities
<ul style="list-style-type: none"> • Only Non-Executive Directors • A majority of independent Directors • An independent Chair • A minimum of 3 members 	<ul style="list-style-type: none"> • Marina Go (Chair) • Tom Pockett • Robert Quant <p><i>*Note, Malcolm Tilbrook was Chair of the Committee until his retirement.</i></p>	<p>The Committee's key responsibilities include overseeing Autosports Group's:</p> <ul style="list-style-type: none"> • remuneration framework; • succession planning for the Board and key management personnel; and • people and culture strategies.

The Board has adopted a People and Remuneration Committee Charter. A copy of the charter is available at <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

The People and Remuneration Committee met six times during the financial year. All members of the Committee attended each meeting other than Malcolm Tilbrook who resigned before the first meeting of the financial year.

2.2 Diversity

Diversity Policy

The Board knows that gender diversity is an essential component of the Company's ability to attract, retain, motivate and develop the best talent, create an engaged workforce, deliver the highest quality service to its customers, and continue to grow the business profitably.

The Board has approved a Diversity Policy which sets out the Company's commitment to gender diversity by:

- setting measurable objectives to achieve gender diversity;
- broadening the field of potential candidates for senior management and Board appointments;
- increasing the transparency of the Board appointment process; and
- embedding the extent to which the Board has achieved the objective of the Diversity Policy in the evaluation criteria for the annual Board performance evaluation.

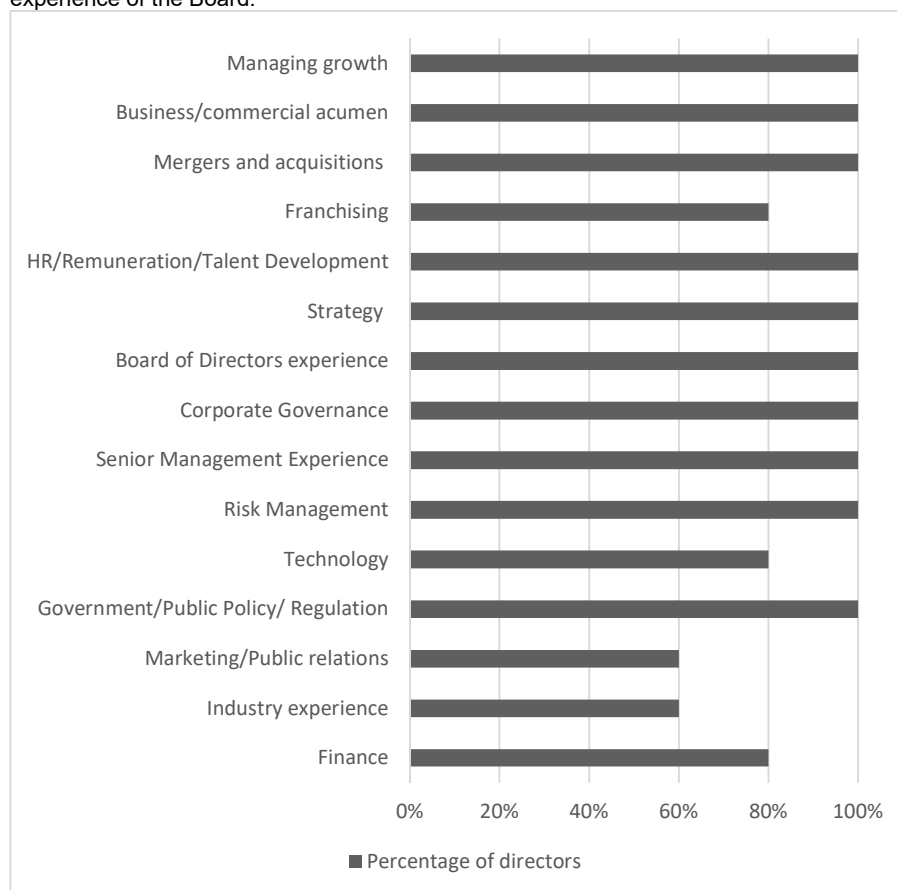
The Policy specifically provides that each year the Board will set measurable objectives with a view to achieving gender diversity and the People and Remuneration Committee will assess annually both the objectives and the Company's progress in achieving them. During the Financial Year the Group conducted a gender diversity survey and five think tanks on improving gender diversity at Autosports Group. The Company also delivered training to all line managers on unconscious bias.

Workplace Agenda Equality Agency (WGEA) Report

Autosports Group voluntarily submitted its first Workplace Agenda Equality Agency (WGEA) Report. According to the WGEA Report, Autosports Group's gender composition was 18.6% females and 81.4% males. 58.3% of employees awarded promotions were women and 41.7% were men. Of this, 53.3% of all manager promotions were awarded to women and 66.7% of all non-manager promotions were awarded to women. The full WGEA Report is available on our website at <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

2.3 Board skills matrix

The People and Remuneration Committee developed a board skills matrix setting out the mix of skills, expertise, experience and diversity that the Board currently has and to identify any potential gaps in the skills and experience of the Board.



2.4 Remuneration of non-executive directors

Autosports Group's remuneration policy for non-executive directors aims to ensure that Autosports Group can attract and retain suitably qualified and experienced Directors having regard to:

- the level of fees paid to non-executive directors of other major Australian companies;
- the size and complexity of Autosports Group's operations; and
- the responsibilities and work requirements of Board members.

Non-executive directors receive a fixed amount of fees for their services.

2.5 Remuneration of executive directors

On listing, the Board adopted a remuneration framework for the Company appropriate for the listed environment that aligns with the Company's strategy. The Company's remuneration framework for the executive team comprises the following three key components:

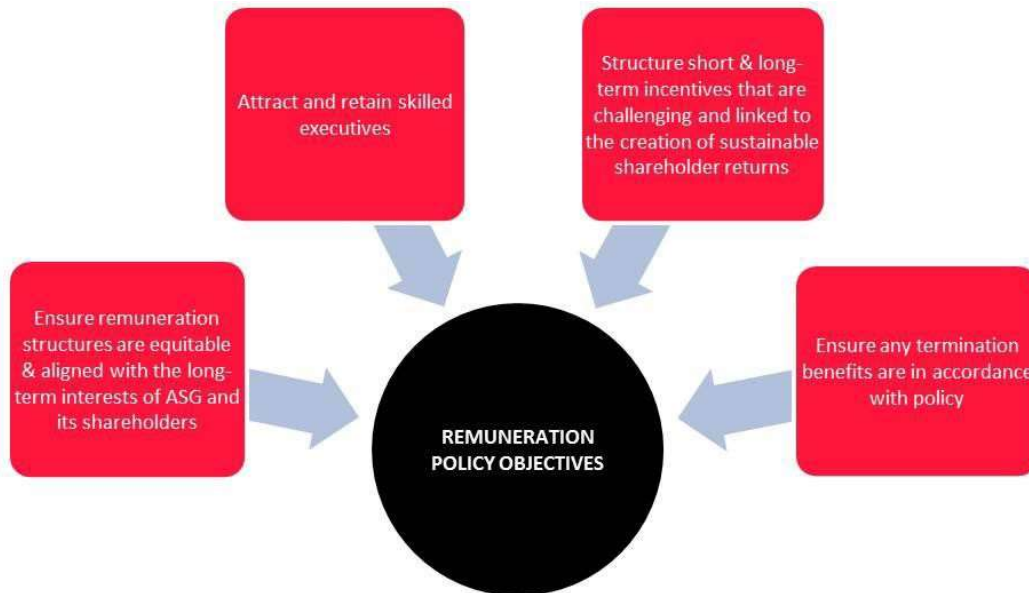
- **fixed remuneration** - comprising base salary, superannuation contributions and other benefits;
- **short term incentive (STI)** – an 'at risk' component of remuneration where, if individual and Group performance measures are met, senior executives are awarded performance rights which are deferred for one year and are subject to performance hurdles; and
- **long term incentive (LTI)** - an 'at risk' component of remuneration where senior executives are awarded performance rights which are subject to an earnings per share (EPS) performance condition and a service condition.

Further information about the Company's remuneration framework is included in the Remuneration Report on page 12-23 of the 2018 Financial Report.

In accordance with section 206J of the Corporations Act, the key management personnel are not permitted to enter into transactions designed to limit the economic risk of participating in the Group's equity incentive scheme.

2.6 Remuneration of senior executives

In considering executive remuneration, the Board and the People and Remuneration Committee are guided by the following policy objectives:



These objectives ensure that the level and composition of remuneration is appropriate, and also that there is a clear link between pay and performance. The remuneration structure includes both cash and equity components to align the interests of senior executives with those of shareholders.

2.7 Minimum shareholding policy

During the financial year the Company adopted a Minimum Shareholding Policy. The purpose of the policy is to align the interests of non-executive directors, executive directors and senior management with the interests of the Company's shareholders. The policy requires the non-executive directors, executive directors and the executive team to build a minimum shareholding in the Company and maintain that shareholding during their tenure.

2.8 Board performance evaluation process

Under the Board Charter, the Directors undertake performance evaluations of the Board, its Committees and individual Directors. The Company has established the following performance evaluation processes for the Board, Committees and individual Directors:

- the Chairman undertakes a continuous review of the performance and contribution of individual Directors;
- on an annual basis, Directors provide feedback in relation to the performance of the Board, its Committees and individual Directors;
- each Committee provides feedback in terms of a review of its own performance;
- where appropriate to facilitate the review process, assistance may be obtained from third party advisers;

- in the case of the Chair of the Board's performance, feedback will be collected by the Chair of the Audit and Risk Committee; and
- the CEO will also provide feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review.

During the financial year the Board conducted an evaluation of board performance in accordance with the process.

2.9 Senior executive performance evaluation process

The CEO's key performance indicators (**KPIs**) are reviewed and set annually by the Board at the commencement of the financial year. The Board then carefully evaluates the CEO's performance against those KPIs.

The performance of the senior executive team is done in a similar manner with KPIs recommended by the CEO and endorsed by the Board. At the end of each financial year, the CEO conducts performance reviews with each senior executive and measures performance against KPIs and makes recommendations to the Board in relation to each executive's performance accordingly.

A performance evaluation for all senior executives, including the CEO, took place during the financial year in accordance with this process.

3. Audit & Risk

3.1 Audit & Risk Committee

The Board has established an Audit and Risk Committee. The table below sets out the composition and key responsibilities of the Audit and Risk Committee.

Composition	Members	Responsibilities
<ul style="list-style-type: none"> Only non-executive directors A majority of independent directors An independent Chair who is not Chair of the Board A minimum of 3 members 	<ul style="list-style-type: none"> Robert Quant (Chair) Marina Go Tom Pockett <p><i>*Note, Malcolm Tilbrook was a member of the Committee until his retirement.</i></p>	<p>The Committee's key responsibilities include overseeing Autosports Group's:</p> <ul style="list-style-type: none"> financial reporting process; relationship with the external auditor and the external audit function generally; relationship with the internal audit function (if any, recognising that the internal audit function may be provided by an internal or external provider); financial controls and systems; processes for monitoring compliance with laws and regulations; and processes for identifying and managing risk.

Non-Committee members, including members of management and the external auditor, may attend meetings of the Committee by invitation of the Committee Chair. The Committee has rights of access to management and auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.

The qualifications and experience of each member of the Audit & Risk Committee are set on page 8 – 10 of the 2018 Financial Report. The Audit and Risk Committee met seven times during the financial year, and all committee members were present at those meetings.

The Audit & Risk Committee has adopted an Audit and Risk Charter, a copy of which is available at <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

3.2 Risk Management Framework

During the financial year, the Group formalised and adopted its Risk Management and Compliance Framework. Autosports Group recognises that risk management is an essential element in the framework of good corporate governance. The Group adopted a risk appetite statement setting the Group's attitude towards risk taking in different areas of the business.

The risks relevant to the Group were recorded on a risk register with the corresponding internal control strategies to mitigate each risk. These controls will be implemented through a series of actionable tasks carried out periodically throughout the year.

Senior management and the Board regularly review the Group's risk profile.

3.3 Internal audit

The Group has approved the implementation of a phased approach to internal audit which will be initially externally sourced moving to a co-sourced model with a view to taking the internal audit function internally in approximately three years. The internal audit function will report to the Audit and Risk Committee.

3.4 Economic, environmental and social sustainability

The Group does not have any material exposure to environmental or social sustainability risks. The Group has some exposure to the carbon emission regulations affecting European manufacturers which is likely to affect the supply of diesel vehicles in some brands. This decrease in supply is expected to be overcome by an increase in demand for petrol, hybrid and electric vehicles.

The Group's key risk areas and controls it adopts to mitigate the risks are set out below:

- **OEM risk** - Autosports Group's supportive and collaborative approach to its relationships with OEMs has cultivated the Group's excellent reputation amongst OEMs.
- **Work Health and Safety** - Autosports Group has a zero-risk tolerance for death and total and permanent disablement of its staff and customers. During the year the Group introduced Safety Navigator to centralise the dissemination of safety information and reporting across all Dealerships and business units in each State. Autosports Group will continue its focus on WHS in the 2019 financial year.
- **Reliance on key personnel** - The Group has implemented a succession plan and training initiatives to progress selected employees across the business.
- **Credit risk** –The Group will continue to ensure it adheres to the terms of the financier's floorplan payout terms and meet the requirements of financier floorplan audits as well monitor interest rate fluctuations.
- **Regulatory compliance** –The Group is prepared for the introduction of flex commission reforms and does not expect the changed model to have a significant impact on revenue streams for point of sale finance products. The Group has implemented procedures under the Takata airbag recall and works closely with its OEMs in this regard.
- **Changes to market trends** – The Group continues to monitor market trends to prepare for changes to consumer preferences and new technologies.

3.5 Chief Executive Officer and Chief Financial Officer declaration

The CEO and CFO have provided a written certificate to the Board in respect of the half year and full year statutory accounts of the Company that:

- in their opinion, the financial records of the Company have been properly maintained and the statutory accounts comply with the relevant accounting standards and other mandatory reporting requirements and give a true and fair view of the financial position and performance of the Company; and
- their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Since 30 June 2018, nothing has come to the attention of the CEO or CFO that would indicate any material change to any of the statements made above.

Whilst these statements are comprehensive in nature, they provide a reasonable but not absolute level of assurance about risk management, internal compliance and control systems.

4. Governance policies

4.1 Disclosure Policy

Autosports Group is committed to complying with its disclosure obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of information which may have a material effect on the price or value of Autosports Group's securities.

The Company has adopted a Disclosure Policy which establishes procedures to ensure that the Company fulfils its obligations in relation to the timely disclosure of material price-sensitive information. A copy of the Disclosure Policy is available at <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

Under the Disclosure Policy, the Company has established a Disclosure Committee consisting of the CEO, CFO and Company Secretary. All potentially material information must be reported to the Disclosure Committee, even if management is of the view that it is not 'material'. The Disclosure Committee will determine whether information is material and requires disclosure.

Board approval and input will only be required in respect of matters that are clearly within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to the Company. The Company has adopted a rapid response process to ensure the timely disclosure of price sensitive announcement that would ordinarily require board approval.

4.2 Privacy Policy and Data Breach Response Plan

Autosports Group maintains a Privacy Policy and adopted a Data Breach Response Plan in response to the *Privacy Amendment (Notifiable Data Breaches) Act 2017*(Cth).

4.3 Code of Conduct

The Company is committed to a high level of integrity and ethical standards in all business practices. Employees must conduct themselves in a manner consistent with current community and Company standards and in compliance with all relevant legislation.

The Board has adopted a formal Code of Conduct which is designed to:

- provide a benchmark for professional behaviour throughout the Company;
- support the Company's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences if they breach the Policy.

A copy of the Code of Conduct is available at <http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

4.4 Whistleblower policy

During the financial year the Group adopted a Whistleblower Policy. The purpose of this is to:

- uphold the commitment of the Group to a culture of corporate compliance and high ethical behaviour;
- encourage employees and stakeholders (which include the Company's securityholders, customers, suppliers, external business partners and the community) (collectively Stakeholders) to raise concerns over any alleged improper conduct they encounter;
- provide protection for employees (including but not limited to non-executive directors, permanent, casual and fixed term employees and temporary workers) who report allegations or concerns; and
- provide a secure means by which allegations or concerns can be thoroughly investigated and acted up where necessary.

A copy of the Whistleblower Policy is available at:

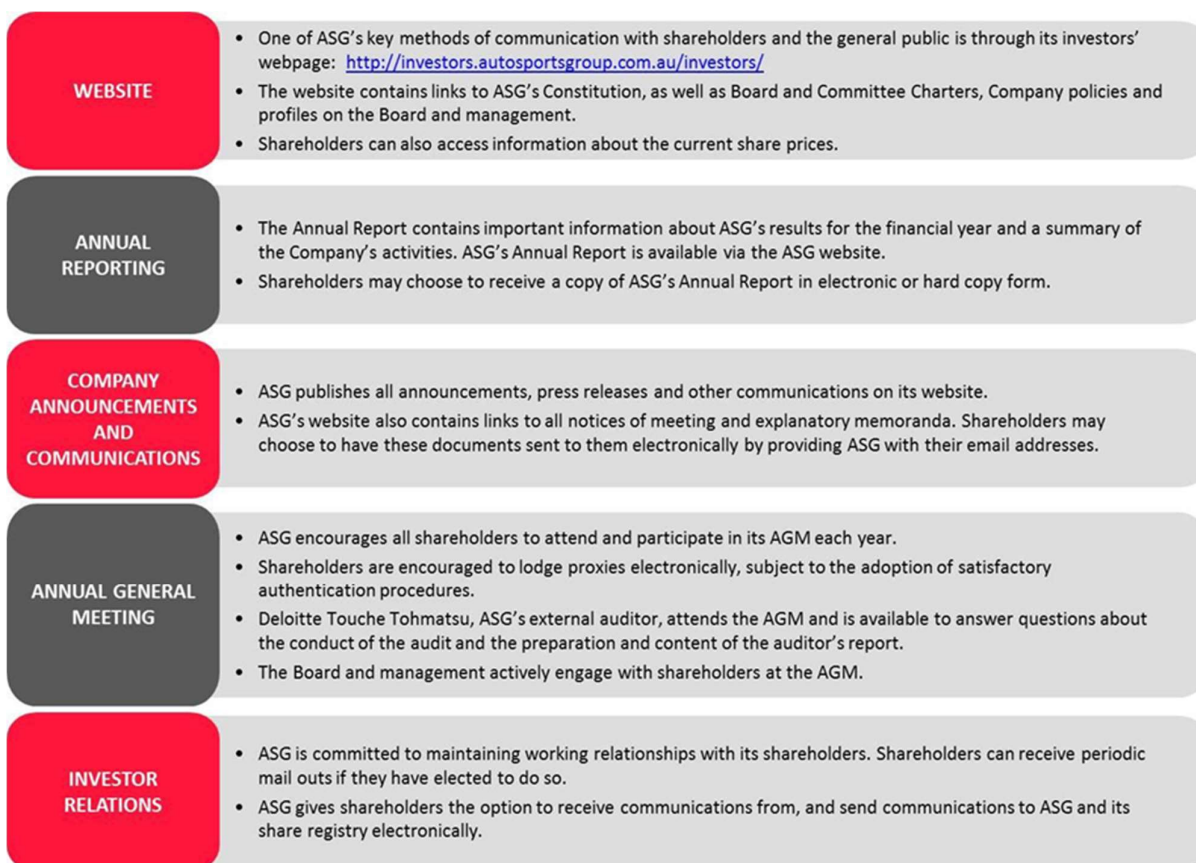
<http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>.

5. Communication with shareholders

The Company communicates information regularly to shareholders and other stakeholders through a range of forums and publications. One of the Company's key communication tools is its website. Communications Standards

Autosports Group has adopted Communication Standards which set out Autosports Group's commitment to:

- communicating openly and in a timely manner with its shareholders;
- keeping shareholders informed of all major developments affecting the state of affairs of the Company; and
- providing the market and other interested stakeholders with access to information about the Company from time to time.



The Company communicates information regularly through a range of platforms and publications. The diagram above contains more detailed information regarding some of the key platforms and publications. A copy of Autosports Group's Communication Standards is available at:

<http://investors.autosportsgroup.com.au/investors/?page=corporate-governance>