



Navigator
GLOBAL INVESTMENTS

Corporate Governance
Statement
30 June 2022



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

This statement sets out the principal features of Navigator Global Investments Limited's ('Navigator') 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 4th Edition (CGPR 4th) during the reporting period, comprising the year ended 30 June 2022.

The Corporate Governance section of the Group's website (<http://www.navigatorglobal.com.au/site/about/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* (Cth) (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 Navigator on 25 August 2022.

This Corporate Governance Statement has been structured to follow the 8 Principles as outlined in CGPR 4th:

- 1** **Principle 1: Lay solid foundations for management and oversight**
Navigator has established the respective roles and responsibilities of its Board and management, and how their performance is monitored and evaluated.
- 2** **Structure the Board to be effective and add value**
How Navigator has determined the size, composition and skills for its Board to enable it to discharge its duties effectively and add value.
- 3** **Principle 3: Act ethically and responsibly**
How Navigator promotes ethical and responsible behavior throughout the organisation.
- 4** **Principle 4: Safeguard integrity in corporate reporting**
The processes which Navigator has in place to independently verify and safeguard the integrity of its corporate reporting.
- 5** **Principle 5: Make timely and balanced disclosure**
How Navigator manages its obligations to make timely and balanced disclosure of all matters that a reasonable person would expect to have a material effect on the price or value of its securities.
- 6** **Principle 6: Respect the rights of Security Holders**
How Navigator respects the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise their rights effectively.
- 7** **Principle 7: Recognise and manage risk**
Navigator’s risk management framework and the effectiveness of that framework is reviewed periodically.
- 8** **Principle 8: Remunerate fairly and responsibly**
How Navigator 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 and with the entity’s values and risk appetite.

References to the relevant CGPR 4th Principles are identified throughout the Corporate Governance Statement by this circle:



Principle 1: Lay solid foundations for management and oversight

1.1

Board and management roles and responsibilities

The Board is accountable to shareholders for Navigator's strategic direction, business operations and performance. The role and responsibilities of the Board are set out in the **Board Charter**.

Matters reserved to the Board and those delegated to Committees and management are set out in the Board Charter, the relevant Board Committee Charters and the Delegated Authority Policy. The Board has retained all authority required by the law. The powers specifically reserved for the Board include:

- approving the strategic direction and significant corporate initiatives of the Group;
- approving the annual budget, annual and interim financial reports;
- monitoring the effectiveness of risk management and compliance arrangements, including ensuring appropriate internal controls are in place and are operating effectively;
- setting capital management policies, including determining dividends to be paid;
- appointing and removing the Chair, Chief Executive Officer ('CEO') and Company Secretary;
- establishing Committees of the Board; and
- assessing Board composition, performance and remuneration.

The Board has delegated the responsibility for the day to day operation and administration of the Group to the CEO and other officers and executives of the Group (collectively "management").

Management is specifically responsible for:

- leading, in conjunction with the Board, the development and implementation of strategy;
- assessing principal risks and ensuring that these risks are being monitored and managed;
- instilling and reinforcing the Group's values, all while operating within the values, code of conduct, budget and risk appetite set by the Board;
- ensuring effective internal controls and management information systems are in place;
- communicating effectively with shareholders, employees, other stakeholders and the public; and
- ensuring that Directors are properly informed.

Management must consult with the Board on matters that are sensitive, extraordinary, of a strategic nature or are otherwise outside their delegated authority limits.

1.2

Appointment, election and re-election of Board members

The Remuneration and Nominations Committee oversees the process of identifying potential Board candidates.

In the event the Company is seeking to appoint a new Director, the Remuneration and Nominations Committee may obtain the assistance of a specialist recruitment consultant to assist in identifying suitably qualified candidates, and to ensure a broad range of qualified candidates is identified for the selection process.

Once identified, candidates are assessed through interviews and checks conducted with the assistance of a consultant, where applicable. The candidate's character, experience, education, criminal record and bankruptcy history are investigated and considered before they are appointed as a Director.

In accordance with the requirements of the Company's Constitution, a specified number of Directors are required to retire each year, and may nominate themselves for re-election. As the Board currently has six members, and the CEO as Managing Director is exempt from the re-election requirement, each of the remaining Directors retires and is re-elected at the Annual General Meeting every two years.

In putting forward a Director for election or re-election the Company will provide shareholders with all material information in its possession that is relevant to the decision as to whether or not to elect or re-elect a Director in the explanatory notes accompanying the notice of meeting for the relevant Annual General Meeting. Along with any other material information which is considered relevant to the Director's election or re-election, the information provided to shareholders includes:

- biographical details, including their relevant qualifications, experience and skills;
- whether the Director is considered to be an independent Director;
- details of any interest, position, association or relationship that may influence or be perceived to influence the independence or ability to act in the best interests of the Company of that Director;
- the date of appointment of the Director; and
- a statement by the Board explaining their support or otherwise of the election or re-election of the Director.

1.3

Terms and conditions of the appointment for each Non-Executive Director is set out in a letter of appointment.

The CEO, as an Executive Director, and other senior executives are subject to a service contract which outlines the terms of their employment, including roles and responsibilities.

1.4

The Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The role of the Company Secretary is to:

- advise the Board and its Committees on governance matters;
- monitor that the Board and Committee policy and procedures are followed;
- coordinate the agenda and distribution of Board and Committee papers in a timely manner prior to each meeting;
- draft the minutes of the meetings to ensure that the business of the Board and Committee meetings is accurately captured, and distribute to the Board for approval;
- coordinate the induction and professional development of Directors; and
- maintain the Board's secretariat files.

1.6

Evaluating Board performance

The Board Charter requires that the Board should review its own performance, the performance of its standing Committees, and the performance of individual Directors every year. The Board has delegated responsibility for these reviews to the Remuneration and Nominations Committee, which has the discretion to engage an external consultant to facilitate this review every three years.

In August 2022, a performance assessment of the Board, Committees and individual Directors was conducted and the following performance criteria was considered:

- | | |
|--|-----------------------------|
| ▪ Role Clarity | ▪ Networking |
| ▪ Strategy | ▪ Stakeholder Communication |
| ▪ CEO/Senior Management Team Oversight | ▪ Decision Making |
| ▪ Monitoring | ▪ Effective Governance |
| ▪ Risk Management | ▪ Board Dynamics |
| ▪ Compliance | ▪ Meeting Processes |
| ▪ Policy Framework | ▪ Committee Structure |

1.5

Diversity

The Group recognises the value of attracting and retaining employees with different backgrounds, knowledge, experience and abilities. A summary of the Group's Diversity Policy is available on the Company's website.

The Remuneration and Nominations Committee is responsible for overseeing the Company's strategies on diversity, including annual monitoring of the Company's achievements against measurable diversity objectives.

The Board set the following measurable objectives for the 2022 financial year:

- Appoint an additional female Director to the NGI Board by the end of the 2023 financial year;
- 30% Senior executives are female
- 40% of total employees are female

The Company achieved its objective of appointing 1 additional female director with the appointment of Ms Cathy Hales as a Director in March 2022. The Group has seen significant growth in its staffing numbers, particularly within its subsidiaries during the year and although the female executive objective was not achieved, female representation at this level has improved. More flexible work arrangements are being explored post the COVID peak, to achieve greater work life balance which creates a more inclusive work environment. Additionally, annual staff training increased awareness of and promoted inclusive leadership. This year's internship program proved effective in building a gender diverse talent pipeline for the future. Although the percentage of female employees across the Group decreased slightly during the year, the Group remains focused on moving towards the 40% target.

The Company is not a 'relevant employer' under the *Workplace Gender Equality Act 2012* (Cth). The Group's US subsidiaries which includes Lighthouse 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.

Gender diversity within the Group

As at 30 June 2022	Male	Female	Total	% Female	2021 % Female
Total Employees ⁽¹⁾	133	61	194	31%	33%
Senior Executive ⁽¹⁾	9	3	12	25%	20%
Board ⁽²⁾	4	2	6	33%	20%

⁽¹⁾ Total includes Sean McGould as an Executive Director but excludes Navigator Non-Executive Directors.

⁽²⁾ Includes Directors of Navigator Global Investments Limited.

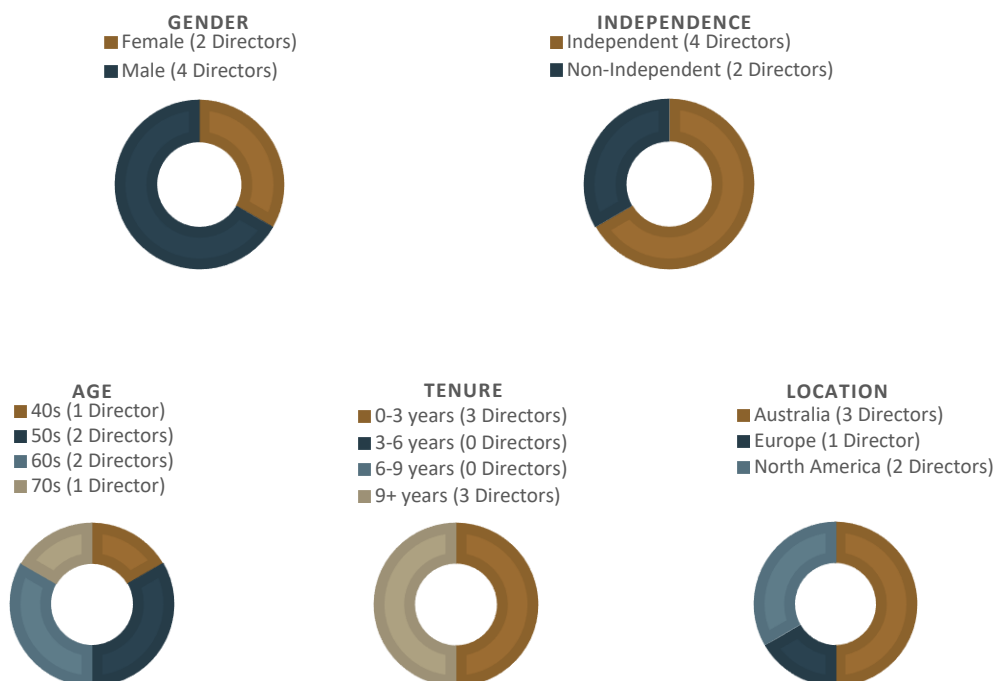
Senior executives are those individuals who have been identified as key management personnel and who have authority and responsibility for planning, directing and controlling the core activities of the Navigator Group.

The Board approved the following objectives for the 2023 financial year:

- 30% Board Members are female - is maintained
- 30% Senior executives are female
- 40% of total employees are female

The Board was pleased to welcome Ms Cathy Hale as a Director in March 2022. The appointment of Ms Cathy Hales increased the Board from its existing size of 5 members to 6 members. With the appointment of Ms Cathy Hales in March 2022, the Board's gender composition is now 33% female / 67% male. This is an important step by the Company in meeting the objective of the gender composition of the Board at least 30% of each gender. The Company originally aimed to meet this gender composition target by the end of the 2023 financial year by appointing an additional female Director within the next 1 year, however, the Company met this target before the end of the 2022 financial year.

Diversity in the Board’s composition extended beyond gender, to include independence, age, tenure and location.



1.7

Senior executive performance

Performance appraisals are conducted at least annually for employees, including senior executives. The performance of the CEO is assessed on his contribution to operating results, business functionality and strategic goals.

The performance and remuneration of the CEO and the other senior executives were reviewed during the reporting period as follows:

- 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, particularly through regular communication with the Chair outside of Board meetings.
- Amber Stoney’s (Chief Financial Officer (‘CFO’) and Company Secretary) performance was reviewed by Michael Shepherd, Chair of Navigator.
- Other executives participate in an annual performance appraisal process conducted by the CEO.

Key corporate governance charters, policies and documents

Charters	Policies	Other documents
Board Charter	Delegated Authority Policy	AGM Notice of Meeting
Remuneration and Nominations Committee Charter	Diversity Policy	Annual Reports
Audit and Risk Committee Charter		

Principle 2: Structure the Board to add value

Board composition

The Company's Constitution provides that there must be a minimum of four and a maximum of nine directors. The Board currently comprises of six Directors, four of whom are independent Non-Executive Directors, one of whom is a Non-Executive Director and one of whom is the CEO and Executive Director.

The Board seeks to maintain a balance of skills, diversity, knowledge and experience to direct and oversee the activities of the Group. Each Director's background, date of appointment and attendance at Board and Committee meetings is set out in the Director's Report which forms part of the Annual Report. Annual Reports are available at <http://www.navigatorglobal.com.au/site/company-updates-reports/financial-reports>.

2.3

Board independence

The Board is currently comprised of six Directors, a majority of whom are independent:

2.4

2.5

Name	Position	Independent	Date of appointment	Length of service
Michael Shepherd ¹	Chair and Non-Executive Director	✓	16 December 2009	12.5 years
Nicola Meaden Grenham	Non-Executive Director	✓	8 October 2020	1.7 years
Suvan de Soya	Non-Executive Director	✓	22 September 2021	9 months
Cathy Hales	Non-Executive Director	✓	22 March 2022	3 months
Andrew Bluhm ²	Non-Executive Director	X	17 October 2012	9.7 years
Sean McGould ³	CEO and Executive Director	X	3 January 2008	14.4 years

¹ Whilst Mr Shepherd is a Director of long tenure, after taking into account the specific circumstances of his appointment and service, he is considered independent as he does not have any personal relationships, associations or business dealings with any members of management or the Group which impair him from exercising independent and unbiased judgement in discharging his duties and responsibilities to the Group.












² Mr Bluhm is not considered to be independent as a result of his Director-related entity significant shareholdings in the Group.

³ Mr McGould is not considered to be independent as he is an executive of the Group and a significant shareholder.

2.2

Board skills matrix

The following table sets out the key skill areas of the Directors that the Board considers to be most relevant to the needs of the Group and the extent to which they are represented on the Board and Committees. A summary of the Directors' skills and experience as at the end of the reporting period is set out below:

<p>Leadership</p> <p>Success at a senior executive level during their career</p>	<p>Board – 6/6</p>  <p>ARC – 3/3</p>  <p>RNC – 3/3</p> 	<p>Financial Services industry experience</p> <p>Senior executive experience in financial services, in particular investment management, alternative asset classes and global product distribution</p>	<p>Board – 6/6</p>  <p>ARC – 3/3</p>  <p>RNC – 3/3</p> 
<p>Governance</p> <p>A commitment to operating with high standards of governance and integrity throughout the Group.</p>	<p>Board – 4/6</p>  <p>ARC – 2/3</p>  <p>RNC – 3/3</p> 	<p>Finance</p> <p>Senior executive or equivalent experience in financial accounting and reporting, capital structure, funding and internal financial controls</p>	<p>Board – 5/6</p>  <p>ARC – 3/3</p>  <p>RNC – 2/3</p> 
<p>Strategy</p> <p>Ability to critically assess strategic opportunities and threats to the Group, and to develop strategies in the context of business objectives and regulatory requirements.</p>	<p>Board – 6/6</p>  <p>ARC – 3/3</p>  <p>RNC – 3/3</p> 	<p>Human resources</p> <p>An understanding of the importance of organisational culture, experience in establishing or evaluating remuneration frameworks and policies for promoting appropriate behaviour and results.</p>	<p>Board – 3/6</p>  <p>ARC – 1/3</p>  <p>RNC – 2/3</p> 
<p>Risk and compliance</p> <p>A knowledge of legal and regulatory requirements impacting the Group, and an ability to identify and assess business risks, and to monitor the effectiveness of risk management functions.</p>	<p>Board – 4/6</p>  <p>ARC – 2/3</p>  <p>RNC – 2/3</p> 		

2.1

Remuneration and Nominations Committee

The Board has established a Remuneration and Nominations Committee whose role is to advise the Board on matters relating to the remuneration of the Directors, the CEO and other senior executives of the Company and on matters relating to the composition and performance of the Board. The Remuneration and Nominations Committee Charter is available on the Company's website.

The members of the Remuneration and Nominations Committee are:

- Michael Shepherd (Chair),
- Nicola Grenham; and
- Cathy Hales.¹

¹ Ms Cathy Hales replaced Mr Fernando Esteban following his retirement at the 2021 AGM on 28 January 2022.

The Chair of the Remuneration and Nominations Committee is Michael Shepherd, who is also Chair of the Board of Directors.

All of the members of the Remuneration and Nominations Committee are independent.

The qualifications and experience of each member of the Remuneration and Nominations Committee are set out in the Company's Annual Report.

The number of times the Remuneration and Nominations Committee met throughout the year and the individual attendances of the members at those meetings is also set out in the Company's Annual Report.

2.6

Induction of new Directors

The Company undertakes an induction process for new Directors, which includes educating Directors in relation to the Navigator Group's operations, personnel, strategy, regulatory responsibilities and corporate governance policies and requirements.

New Director appointments occur on a relatively infrequent basis, and as such the relevant induction materials are reviewed and updated at the time of appointment before being presented to the new Director.

Directors are encouraged to interact with management to gain a better understanding of business operations. They are expected to maintain their skills and knowledge required to discharge their obligations in relation to the Group. The Company will facilitate appropriate professional development opportunities if and when required.

Key corporate governance charters, policies and documents

Charters

Board Charter
Remuneration and Nominations
Committee Charter

Policies

Other documents

Annual Reports
New Director induction materials

Principle 3: Act ethically and responsibly

3.1

Core values

The Board formally adopted the following core values for the Group in August 2022:



Integrity

Hold ourselves and others to the highest standards of ethical and responsible behaviour.



Partnership

Collaborate and work as a team for the success of both internal and external stakeholders. Treat everyone with respect and professionalism.



Excellence

Be committed to delivering excellence. Go the extra mile and own the results of what you do.



Evolution

Adapt, change and grow. Be responsive, open-minded and act on opportunities to improve.

3.2

Codes of Conduct

The Group is committed to ensuring that the highest standards of honesty, integrity, ethics and legality are upheld and enforced.

The Group has adopted both a Director and an Employee Code of Conduct to be followed by all Group employees and officers. Failure to comply with the Codes is considered a serious matter.

The objective of the Director and Employee Codes of Conduct is to provide Directors and employees with guidelines to be followed in performing their duties, to ensure the achievement of the highest possible standards in the discharge of their obligations, and ensure officers and employees have a clear understanding of best practice in corporate governance. The Codes of Conduct aim to:

- communicate the expected standards of behaviour to ensure confidence is maintained in the Group's integrity;
- communicate Directors' and employees' responsibilities to shareholders, clients, fellow employees and other relevant stakeholders; and
- protect the interests of shareholders, employees and other relevant stakeholders.

The Codes of Conduct are available on the Company's website.

Conflicts of interest

Directors have a duty to avoid conflicts of interest between the best interests of the Company and their own personal or commercial interests. Every Director must be aware of both actual and potential conflicts of interest.

Directors are required to declare any events or circumstances that may create a conflict between their personal interests and those of the Company, or which may affect (or be perceived to affect) their ability to exercise independent judgement.

If a conflict or perceived conflict arises, a Director is required to leave the meeting and take no part in any discussion or decision-making regarding the matter unless in accordance with the Act.

Trading Policy

The Group has a trading policy that sets out the circumstances in which the Group's Directors and employees may trade in the Group's securities.

The Trading Policy sets out the processes which Directors and employees are required to follow if they wish to trade in the Group's securities, including the imposition of trading windows, restrictions, pre-approval and notification requirements. The Trading Policy prohibits any dealing when in possession of price-sensitive information that is not generally available to the market.

The Trading Policy has been lodged with the ASX and is available on the Company's website.

3.3

Whistleblower Policy

The Group has a Whistleblower Policy which encourages employees to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously, be appropriately investigated in a timely manner, and that their confidentiality will be respected.

The Whistleblower Policy also assures employees that they can report genuine concerns knowing that they will be protected, supported and need not fear reprisal, even if they turn out to be mistaken. It also sets out the procedures that employees should follow should they suspect any wrongdoing, including who they should report to.

The Whistleblower Policy is available on the Company’s website.

3.4

Anti-bribery and Corruption Policy

The Group has an Anti-bribery and Corruption Policy which provides information and guidance on how to recognise and deal with bribery and corruption issues. The policy defines bribery and corruption and provides examples of the types of activities which may be relevant to the Group. It also sets out the process for reporting and of investigating potential incidents.

The Anti-bribery and Corruption Policy is available on the Company’s website.

Key corporate governance charters, policies and documents		
Charters	Policies	Other documents
	Director Code of Conduct	Employee Handbooks
	Employee Code of Conduct	
	Trading Policy	
	Whistleblower Policy	
	Anti-bribery & Corruption Policy	

Principle 4: Safeguard integrity in corporate reporting

4.1

Audit and Risk Committee

The Board has established an Audit and Risk Committee whose role is to assist 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. The Audit and Risk Committee Charter is available on the Company's website.

The Audit and Risk Committee has three members, all of whom are Non-Executive Directors and a majority of whom are independent Directors.

The members of Audit and Risk Committee are:

- Suvan de Soysa (Chair) – independent Non-Executive Director¹;
- Michael Shepherd – independent Non-Executive Director;
- Andrew Bluhm – Non-Executive Director.

¹ Mr Suvan de Soysa replaced Mr Fernando Esteban upon his retirement at the 2021 AGM on 28 January 2022.

Suvan de Soysa is the Chair of the Audit and Risk Committee, and is an independent Director who is not the Chair of the Board.

The qualifications and experience of the Audit and Risk Committee members, the number of times the Audit and Risk Committee met throughout the year and the individual attendances of the members at those meetings is set out in the Company's Annual Report.

External auditor

The Audit and Risk Committee is responsible for recommending to the Board the appointment and removal of the external auditor. The independence and effectiveness of the external auditor is reviewed regularly, including ensuring that external audit partners are rotated in accordance with relevant statutory requirements.

The external auditors are invited to attend Audit and Risk Committee meetings when the Group's financial reports are being considered or where relevant items are on the meeting agenda.

4.2

Group financial report preparation processes

Before approving the annual and interim financial statements, the Board receives the following declarations from the CEO and CFO:

- the financial records have been properly maintained;
- the financial statements and associated notes:
 - 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; and
- the CEO and CFO have satisfied themselves that the Group has a sound system of risk management and internal compliance and control, and that the risk management, internal compliance and control systems operate effectively and efficiently in all material respects.

4.3

Integrity of periodic corporate reports

The Company releases periodic reports which are not audited or reviewed by an external auditor. These reports include, but are not limited to:

- The Chair and CEO report contained in the Annual Report
- Quarterly updates regarding the Group's assets under management
- The Company's Modern Slavery Statement
- The Company's Corporate Governance Statement

The Company Secretary is responsible for verifying the integrity of these periodic reports to ensure that they are accurate and present information fairly. This includes either the Company Secretary or her nominated delegate ensuring that:

- information disclosed in the report has been obtained from appropriate sources and has been verified by supporting evidence or documents; and
- the report is circulated to other appropriate senior management for review and/or approval, prior to its release.

Key corporate governance charters, policies and documents

Charters

Audit and Risk Committee Charter

Policies

Shareholder Communication Policy

External Auditor Policy

Other documents

Annual Reports

Principle 5: Make timely and balanced disclosure

5.1

Continuous disclosure

The Company is committed to complying with its continuous disclosure obligations pursuant to the Act and the ASX Listing Rules. In this regard, the Company has a Continuous Disclosure Policy which sets out the procedures for:

- identifying material price sensitive information;
- reporting such information to the Company Secretary for review;
- complying with continuous disclosure obligations under the Act and ASX Listing Rules;
- identifying the Company Secretary as the senior officer nominated by the Board to have responsibility for ensuring the Company complies with continuous disclosure requirements; and
- oversight of and monitoring disclosure of information to the ASX, analysts, brokers, shareholders, investors, the media and the public.

The Continuous Disclosure Policy applies to every Director, officer and employee.

The Group's policy is to:

- provide equal and timely access to price sensitive information,
- adopt practices to prevent selective disclosure of materially price sensitive information; and
- treat all stakeholders on an equal and fair basis.

5.3

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.

We encourage shareholders to receive information electronically as this provides for a timelier dissemination of information, as well as being more cost effective and better for the environment.

The Company's Continuous Disclosure Policy and Shareholder Communications Policy are available on the Company's website.

Key corporate governance charters, policies and documents

Charters	Policies	Other documents
	Continuous Disclosure Policy	Annual Reports
	Shareholder Communication Policy	ASX Announcements

Principle 6: Respect the Rights of Security Holders

6.1

Provision of information to shareholders

Providing shareholders with balanced and understandable information about the Group’s business and performance is an important priority. The Company recognises that shareholders, potential shareholders and other interested stakeholders may wish to obtain information about the Company from time to time. We support open communications with shareholders as this provides access to information to make informed assessments of the Group’s performance and future prospects.

Information is regularly communicated to shareholders through:

- announcements to the ASX in accordance with our continuous disclosure obligations;
financial results and results briefings;
the annual and interim financial reports;
the Annual General Meeting;
briefings and presentations to institutional shareholders and analysts; and
the Company website at www.navigatorglobal.com.au, which includes an FAQ section to help shareholders with common questions around their shareholding, dividends and financial information.

6.2

Investor relations

The Group encourages effective two-way communication with investors. As an entity with a relatively small number of shareholders on our register, we facilitate this through scheduled briefings, including the interim and annual results briefings, as well as Annual General Meetings.

The Company Secretary also oversees contact with investors via phone, email or mail, and co-ordinates meeting requests and responses to enquiries. Contact details for Investor Relations queries are published on the Company’s website.

6.3

Shareholder participation at meetings

The Group recognises the importance of shareholder interaction and supports the principle of participation. The Group holds interim and annual results briefings and interested stakeholders are encouraged to participate either in person or by teleconference. A copy of briefing materials is disclosed on the ASX prior to the meeting, and those participating in the briefing have an opportunity to ask questions.

The Notice of Annual General Meeting is posted on the Group’s website and either emailed or mailed to shareholders. In addition, shareholders are invited to submit questions about or make comments on, the management and performance of the Group. The Board encourages shareholders to attend the Annual General Meeting or to appoint a proxy to vote on their behalf if they are unable to attend. Prior to commencement of the Annual General Meeting, the formal address by the Chair, and where applicable the CEO, are lodged with the ASX.

6.4

Voting in relation to all resolutions at shareholder meetings of the Company are conducted by poll, and not by a show of hands.

6.5

Electronic communications

Electronic communication is encouraged by both the Company and its share registry. Shareholders may elect to receive the following information electronically from the share registry:

- Annual Reports;
dividend statements;
notices of meetings and proxy forms (including the ability to submit votes online); and
other general communications.

Shareholders can access information about their shareholding via the share registry website (www.linkmarketservices.com.au) and can make or request changes to their account.

Table with 3 columns: Charters, Policies, Other documents. Row 1: Charters, Policies, Other documents. Row 2: Shareholder Communication Policy, Company Website, Notice of Annual General Meeting, Share Registry Website.

Principle 7: Recognise and manage risk

7.2

Risk Management Framework

The Company's approach to risk management is outlined in the Risk Management Policy, a summary of which is available on the Company's website. The policy sets out how the Company develops, implements and continuously improves a risk management framework which is integrated into the Groups overall governance, strategy, management and reporting processes, and which supports its values and culture.

The Audit and Risk Committee has been delegated the responsibility for reviewing the Group's risk policy and framework to satisfy themselves that:

- it remains effective
- is operating with due regard to the risk appetite set by the Board; and
- that it continues to be relevant.

Any material changes to identified risks, or processes for managing these risks, are reported to the Board.

Review of the risk management policy and framework conducted

August 2022

7.4

Material economic, environmental and social sustainability risks

The Group operates in global financial markets, and therefore has an inherent material economic risk exposure to global market volatility. Market risks impact the Group both directly, through potential adverse impacts on the Group's earnings and balance sheet, as well as indirectly through investment losses to clients which may have adverse consequences on the Group's Assets Under Management.

The table below identifies what the Board considers to be the Group's material risk exposures. Reputational risk is considered to be an overarching risk where the Group could sustain damage to its reputation from adverse consequences arising from one or more of the below risks.

Risk	Description	Management
Economic		
Strategic execution	Adverse impact to revenue and profitability from making poor strategic decisions or failure to effectively implement strategic objectives.	<ul style="list-style-type: none"> ▪ Annual strategy process, supported by annual budget approved by the Board ▪ Thorough due diligence on potential transactions and projects ▪ Regular monitoring and reporting mechanisms
Investment performance	Sustained failure to meet client performance expectations, leading to loss of clients and inability to attract new clients.	<ul style="list-style-type: none"> ▪ Talent hiring and retention, as well as training and succession planning ▪ Client approved investment strategies and guidelines, which are monitored and reported against ▪ Regular investment performance reviews by internal specialised investment committees
Client concentration risk	Loss of revenue resulting from a loss of a material client or clients.	<ul style="list-style-type: none"> ▪ Diversification strategy across client base on investment strategy, client type and geographical location
Regulatory / compliance	The risk of financial loss to clients or the Group resulting from non-compliance with multi-jurisdictional laws, regulations or contracts.	<ul style="list-style-type: none"> ▪ Promotion of a compliance culture throughout the organisation ▪ Clearly defined compliance framework, supported by policies and procedures ▪ Adequate and qualified legal and compliance resources ▪ Ongoing monitoring, reporting and escalation of compliance issues

Risk	Description	Management
Economic (cont.)		
Outsourcing	The risk of loss from failing to manage key outsourced service providers whereby services provided by external parties are not conducted in accordance with service level agreements.	<ul style="list-style-type: none"> ▪ Thorough due diligence in outsourcing partner selection ▪ Establishment and monitoring of service level agreements and standards for key services ▪ Business continuity planning and regular testing or effectiveness
Disruption of information systems	The risk of operating disruption or financial loss to the Group or its clients from the failure or disruption of key information systems, or from unauthorised or illegal use of information systems and personal information, including cyber-crime.	<ul style="list-style-type: none"> ▪ Annual testing of business continuity arrangements and disaster recovery plans. ▪ Independent review and advice on the design and effectiveness of information system structure, security and controls. ▪ Business continuity and crisis management planning
Social		
Unethical conduct	Loss of confidence by clients, regulators and shareholders through conduct of Group officers or employees which is not consistent with the Group's core values to act with integrity in its dealings with other parties.	<ul style="list-style-type: none"> ▪ Codes of Conduct that outlines expected behaviours ▪ Ongoing compliance training, and regular communication with employees on core values and expected behaviours ▪ Internal compliance program for asset management activities
Dependency on key personnel	Loss of key personnel, in particular the CEO, which may lead to an adverse effect on business growth and/or the retention of existing clients.	<ul style="list-style-type: none"> ▪ Succession planning ▪ Appropriate remuneration structures
Attraction and retention of talent	The risk of being unable to hire or retain highly skilled individuals and this contributing to a significant loss of expertise, corporate knowledge and relationships with existing clients.	<ul style="list-style-type: none"> ▪ Talent hiring and retention, as well as training and succession planning ▪ Appropriate remuneration structures

Given the size and nature of the Group's business and operations it does not have any material environmental risks.

The Company manages the above risks in accordance with its risk management framework.

7.3

Internal audit function

The Company does not have an internal audit function, as the Board has assessed that it is not considered necessary given the current size and nature of the Group's operations.

The Group's main operating entity is regulated by the SEC as a registered investment manager, and has in place a dedicated internal compliance function with responsibility for testing to ensure that compliance processes are in place and operating effectively to meet multi-jurisdictional regulatory requirements.

The Company Secretary/Chief Financial Officer is responsible for regularly assessing the effectiveness of governance and compliance processes applying to the Company. This includes:

- reviewing the governance framework to ensure it reflects any changes to laws, regulations or ASX listing rules;
- setting tax risk management;
- assessing and updating the Group's risk management policy and framework; and
- reviewing and updating the Group's Charters, policies and supporting compliance and governance tools.

The Audit and Risk Committee assesses the financial reporting and related risks and controls each time it considers the interim or annual financial report.

The Group may engage external specialist consultants to review and test key systems, operating controls and compliance measures

as and when considered necessary.

7.1

Audit and Risk Committee

The Board has established an Audit and Risk Committee whose role is to assist 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. The Audit and Risk Committee Charter is available on the Company’s website.

The Audit and Risk Committee has three members, all of whom are Non-Executive Directors and a majority of whom are independent Directors.

The members of the Audit and Risk Committee are:

- Suvan de Soysa (Chair) – independent Non-Executive Director¹,
- Michael Shepherd – independent Non-Executive Director;
- Andrew Bluhm – Non-Executive Director.

¹ Mr Suvan de Soysa replaced Mr Fernando Esteban upon his retirement at the 2021 AGM on 28 January 2022.

Suvan de Soysa is the Chair of the Audit and Risk Committee, and is an independent Director who is not the Chair of the Board. The qualifications and experience of the Audit and Risk Committee members are set out in the Company’s Annual Reports.

The number of times the Audit and Risk Committee met throughout the period and the individual attendances of the members at those meetings is set out in the Company’s Annual Reports.

Key corporate governance charters, policies and documents		
Charters	Policies	Other documents
Audit and Risk Committee Charter	Risk Management Policy	Risk Management Framework and Register

Principle 8: Remunerate fairly and responsibly

8.2

Remuneration Policies and Practices

The 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' which is contained in the Annual Report and is available on the Company's website.

8.3

Equity-based remuneration scheme

The Company has a Trading Policy which includes a prohibition on Directors and employees entering into transactions or financial products (such as derivatives or other arrangements) which operate to limit the economic risk of an element of their remuneration that has either not vested or a vest holding which remains subject to a holding lock.

The Trading Policy has been lodged with the ASX and is available on the Company's website.

8.1

Remuneration and Nominations Committee

The Board has established a Remuneration and Nominations Committee whose role is to advise the Board on matters relating to the remuneration of the Directors, the CEO and other senior executives of the Company and on matters relating to the composition and performance of the Board. The Remuneration and Nominations Committee Charter is available on the Company's website.

The members of the Remuneration and Nominations Committee are:

- Michael Shepherd (Chair),
- Nicola Grenham; and
- Cathy Hales.¹

1 Ms Cathy Hales replaced Mr Fernando Esteban following his retirement at the 2021 AGM on 28 January 2022.

The Chair of the Remuneration and Nominations Committee is Michael Shepherd, who is also Chair of the Board of Directors. All the members of the Remuneration and Nominations Committee are independent.

The qualifications and experience of each member of the Remuneration and Nominations Committee are set out in the Company's Annual Report.

The number of times the Committee met throughout the period and the individual attendances of the members at those meetings is set out in the Company's Annual Report.

Key corporate governance charters, policies and documents		
Charters	Policies	Other documents
Remuneration and Nominations Committee Charter	Remuneration Policy Securities Trading Policy	Remuneration Report contained in the Annual Report