

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

MaxiPARTS Limited
-------------------

ABN/ARBN

58 006 797 173
----------------

Financial year ended:

30 June 2022
--------------

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://corporate.maxiparts.com.au/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 30 June 2022 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 16 September 2022

Name of authorised officer authorising lodgement: Liz Blockley, Company Secretary

---

<sup>1</sup> "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.

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 Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> 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.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should have and disclose a board charter setting out: (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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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 director or senior executive or putting someone forward 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) 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>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a></p> <p>and we have disclosed the information referred to in paragraph (c) (other than sub-paragraphs (1) and (2)) at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a> and in our Corporate Governance Statement</p> <p>and if we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>in our Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>in our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
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><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: in the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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, affiliation 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 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><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: in our Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) at: in our Corporate Governance Statement and the length of service of each director at: in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <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 for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: <a href="https://corporate.maxiparts.com.au/">https://corporate.maxiparts.com.au/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
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><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) at: in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement



## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: in the in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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 that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: in the Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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 governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/> and we have disclosed 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 at: in our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a> and, if we do, how we manage or intend to manage those risks at: in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
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><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://corporate.maxiparts.com.au/corporate-governance/">https://corporate.maxiparts.com.au/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) at: in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></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><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: in the Annual Report, available at <a href="https://corporate.maxiparts.com.au/annual-reports/">https://corporate.maxiparts.com.au/annual-reports/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: in our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
-	<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><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## INTRODUCTION

This Corporate Governance Statement reflects MaxiPARTS Limited's (**MaxiPARTS** or the **Company**) corporate governance policies and practices as at 30 June 2022 and which, unless otherwise stated, were in place throughout the year.

This Statement is structured in order of the corporate governance principles set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> edition) (the **Principles and Recommendations**).

This Statement refers to the 2022 Report of Directors and the 2022 Remuneration Report which are available from the MaxiPARTS website, <https://corporate.maxiparts.com.au/annual-reports/>.

## PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

### Recommendation 1.1:

**Have and disclose a board charter setting out:**

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

The Board acts on behalf of the Company as a whole and is accountable to shareholders for the overall direction, management and corporate governance of the Company.

The MaxiPARTS Board Charter sets out the role and responsibilities of the Board. The Board Charter is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>. The Board has also approved a Delegation of Authority Policy to set out the nature and quantum of authority limits at varying levels of the organisation. The Policy reserves particular matters for Board approval.

Matters which are specifically reserved for the Board or its Committees include:

- appointing and removing the Managing Director, and monitoring the performance of the Managing Director;
- ratifying the appointment and, where appropriate, the removal of the Chief Financial Officer;
- appointing the Company Secretary;
- approving senior management remuneration policies and practices;
- approving succession plans for the executive leadership team;
- monitoring and reviewing the performance of the executive leadership team;
- reporting to shareholders;
- providing input into management's development of corporate strategy and approving the annual financial budget and strategic plan;
- reviewing and ratifying systems of risk management and internal compliance and control;
- monitoring compliance with regulatory requirements and the Company's standards and policies;
- approving the payment of dividends;
- approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestments;
- approving the half-yearly and annual financial reports to ASX and shareholders;
- monitoring and ensuring compliance with best practice corporate governance requirements; and
- appointing the Chair of the Board.

Responsibility for the day-to-day management and administration of MaxiPARTS is delegated by the Board to the Managing Director and the executive management team. The Managing Director manages MaxiPARTS in accordance with the strategy, plans and policies approved by the Board. The Board has procedures in place to assess the performance of the Managing Director and the executive leadership team.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

The responsibilities of the Managing Director include:

- developing and recommending to the Board strategies, business plans and annual budgets for the Company, and implementing the strategies, business plans and budgets approved by the Board;
- providing effective leadership, direction and supervision of the executive leadership team; and
- developing and managing resources, policies and systems to ensure the effective operation of the Company.

## **Recommendation 1.2:**

**Undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director. Provide security holders with all material information in the possession of the company relevant to a decision on whether or not to elect or re-elect a director**

The Nomination Committee is responsible for making recommendations to the Board about the appointment of directors. As part of that process, the Nomination Committee will undertake appropriate checks before making such a recommendation. The Report of Directors and the notice for the Company's annual general meeting contain information about directors who are seeking election or re-election.

The Company conducts appropriate checks before appointing a senior executive.

## **Recommendation 1.3:**

**Each Director and senior executive should have a written agreement setting out the terms of their appointment**

Each Director and senior executive is appointed under a written agreement setting out the terms of their appointment.

## **Recommendation 1.4:**

**The Company Secretary should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board**

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

## **Recommendation 1.5:**

- **Have and disclose a diversity policy.**
- **Ensure the board or a board committee sets measurable objectives for achieving gender diversity in the composition of the board, senior executives and workforce generally.**
- **Disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or the board committee and progress towards achieving them.**
- **Disclose the entity's most recent "Gender Equity Indicators" as published under the Workplace Gender Equality Act.**

The MaxiPARTS Workplace Diversity and Equal Opportunity Policy confirms MaxiPARTS' commitment to providing a workplace that encourages and celebrates diversity, enabling each employee to fully contribute to the organisation's success. A copy of the policy is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

MaxiPARTS believes that perspectives resulting from a diverse workforce promote innovation and business success, increasing productivity and competitiveness. Under the Policy, diversity encompasses differences including but not limited to gender, age, nationality, race, culture, sexual orientation, religious beliefs, social background, disability, family status, marital status, political opinions, physical and mental ability, experience and education.

Under the Policy, the executive leadership team are responsible for:

- promoting a working environment that encourages outstanding performance, cooperation, trust and mutual respect;
- ensuring fair and equal practice in relation to recruitment, promotion, salaries, career development and conditions of employment;

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

- ensuring diversity is considered when determining the composition of employees and senior management; and
- undertaking programs to build trust and cooperation among a diverse workplace.

Under the Policy, managers and supervisors are responsible for:

- promoting a workplace free of employment practices that are biased or discriminate unlawfully against employees, potential employees, contractors, visitors or customers;
- promoting a workplace culture that values and encourages diversity;
- ensuring all decisions are made in a fair and equitable manner;
- valuing and promoting the diverse skills and competencies of all employees and utilising these skills in ways that serve to enhance the performance of the organization and improve individual job satisfaction;
- maintaining a working environment that is free from all forms of bullying, harassment and discrimination; and
- recognising the importance of balancing workplace and domestic responsibilities and priorities.

The Workplace Diversity and Equal Opportunity Policy requires the Board of MaxiPARTS to set objectives for achieving diversity. The Board must also monitor, evaluate and review targets.

In recent years the targets set were not met, which is unacceptable to the Board and senior management. Since the previous targets were set the Company has gone through enormous change, including the sale of the Trailer Manufacturing Business, which has resulted in a different employee profile and culture. The Board has taken the opportunity this year to review the types of targets that will result in greater success at addressing gender imbalance in MaxiPARTS, and has focussed on identifying the underlying systems and processes that are needed to ensure that the next set of targets will have a greater chance of success. As a result, no targets were in place for FY22.

In August 2022 the board completed its diversity target review and set the following targets for the business.

#### Attraction Target

- Increase female operational recruitment applications to 15% by FY25 within operational roles
- Implementation and promotion of Gender-neutral workplace policies by FY24.

#### Development Targets

- All SMT and Branch management to complete core D&I training modules (SBS Program) in FY23 & recruitment training by FY24

#### Recruitment Target

- Increase overall female workforce representation to 20% by FY25
- Increase the representation in our Sales and Operational areas of the business to 15% by FY25
- one third of new apprenticeship appointments being female in the first year increasing to half by FY25

As at 30 June 2022, the Board of Directors consists of one female and three males.

Two female employees, an HR Manager and a finance team member, continued to participate as Vic Committee Members of the National Association of Women in Operations (NAWO). This demonstrates MaxiPARTS' commitment to gender equality, and enables the business to gain further awareness and access to valuable resources to assist in the design and implementation of future initiatives around Diversity and Inclusion.

The Executive Leadership team maintained gender diversity over the year with 2 female and 3 male (including the Managing Director) members.

A copy of MaxiPARTS' 2021-22 Report to the Workplace Gender Equality Agency will be available from the Corporate Governance section of the MaxiPARTS website, once validated by the Agency, <https://corporate.maxiparts.com.au/corporate-governance>.



# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## **Recommendation 1.6:**

**The board should have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors. The board should also disclose whether a performance evaluation was undertaken in the reporting period in accordance with that process.**

A formal evaluation of Board performance was concluded in FY21. The scope of the evaluation included review of:

- the Board's mission and goals, and the terms of reference of the Board and Committees;
- performance against the Strategic Plan;
- Board operations and processes; and
- relationships with stakeholders.

The Board has implemented the recommendations of the evaluation, including a Board renewal process, which resulted in the appointment of Gino Butera during FY22.

In addition to the formal evaluation, the Chair regularly reviews the conduct of Board and Committee meetings and agrees with the Board whether changes should be made to the content or structure of Board and Committee meetings. The Board also evaluates the performance of individual directors at the time of their re-election to the Board, in order to make a decision whether to recommend that a director be re-elected.

The Board has identified the skills and experience desirable for those on the Board and, further, the Chair has undertaken an assessment process to identify and confirm which directors hold those skills – refer to Recommendation 2.2 below.

## **Recommendation 1.7:**

**Have and disclose the process for evaluating the performance of senior executives at least once every reporting period. Disclose whether a performance evaluation for senior executives has taken place in the reporting period.**

The Board evaluated the performance of senior executives during FY22.

The Board reviews the performance of senior executives against key performance indicators (KPIs). The KPIs are established at the start of a financial year and generally include measures relating to the Group, the relevant segment and the individual, and include safety, values, financial, people, customers, strategy and risk measures. The measures are chosen as they directly align the individual's rewards to the values, strategy and performance of the Group. MaxiPARTS has a program of goal setting, regular coaching and monitoring sessions, and annual performance evaluations for senior executives.

Please refer to the 2022 Remuneration Report for more information about the performance evaluation of senior executives.

## **PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE**

### **Recommendation 2.1:**

- **The Board should have a nomination committee which has at least three members, the majority of whom are independent directors.**
- **The Committee should be chaired by an independent director.**
- **Disclose the charter of the committee, the members of the committee and the attendance of members at meetings of the committee.**

The Board has established a Nomination Committee. All non-executive directors are members of the Committee – Mr Robert Wylie, Ms Mary Verschuer and Mr Gino Butera Until their resignations, Mr Jim Curtis and Mr Greg Sedgwick were also members of the Committee. Mr Wylie is the Chair of the Committee. All members are independent directors, including the Chair of the Committee. Information about the independence of the directors is set out below in relation to Recommendation 2.3.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

The 2022 Report of Directors contains details of attendances by directors at Committee meetings and the relevant qualifications and experience of members of the Committee.

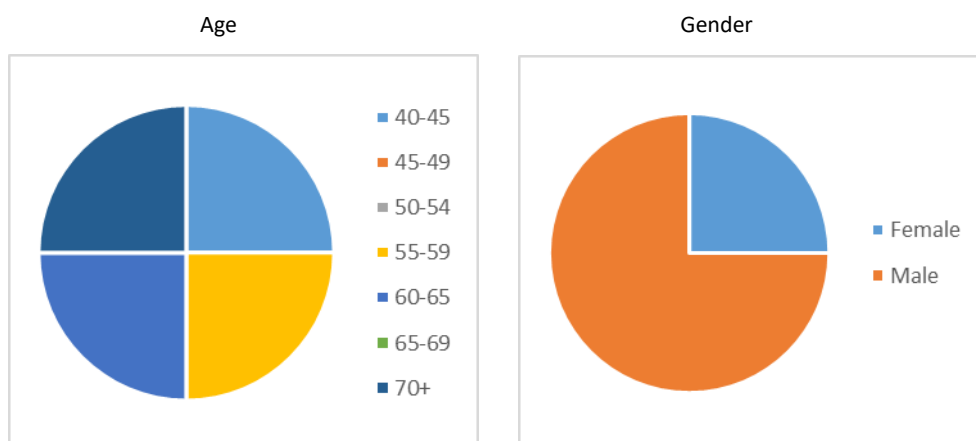
The Charter of the Nomination Committee is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

## Recommendation 2.2:

**Have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.**

The Board has identified the key skills and experience that the MaxiPARTS Board is looking to achieve in its membership, as set out below. As the Board renewal process continues, the MaxiPARTS Board is cognisant of the skills it needs to retain and seek in new directors. The Board also looks for gender diversity within these skill sets.

The following tables and charts illustrate the skills, experience and diversity of the Board as at 30 June 2022.



Qualifications	Number of Directors
Accounting/ Finance/ Economics	3
Logistics/Supply Chain	2
Engineering/ Science	1
MBA	1
AICD Member/ Fellow	3

Professional experience	Number of Directors
Accounting	3
Finance/ Investment	2
Manufacturing	2
Distribution	3
Engineering	1
Sales & Marketing	3
Professional Services	1
Resources/ Infrastructure	3
Other – please specify	

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## **Recommendations 2.3 & 2.4:**

**A majority of the Board should be independent directors**

**Disclose the length of service of each director and the names of the directors considered to be independent directors.**

The Board acknowledges that all directors, whether assessed as independent or not, should bring independent judgement to bear on all Board decisions.

The Board comprises a majority of independent directors. MaxiPARTS presently has three non-executive directors, all of whom are considered by the Board to be independent, and one executive director. None of the non-executive directors has an interest, position or relationship of the type described in Box 2.3 of the Principles and Recommendations. Non-Executive Directors

Mr Robert Wylie (Chair) – Independent  
Ms Mary Verschuer (Deputy Chair) –Independent  
Mr Gino Butera – Independent

Executive Director

Mr Peter Loimaranta (Managing Director) – Not Independent

The MaxiPARTS Board Charter sets out a number of measures to ensure that all directors exercise independent judgement in decision making, including:

- Directors are expected to cast their vote on any resolution in accordance with their own judgement.
- Directors are expected to comply with their legal, statutory and equitable duties when discharging their responsibilities as directors.
- Directors may access information and seek independent advice that they consider necessary to fulfil their responsibilities and to exercise independent judgement in decision making.
- Directors are expected to be sensitive to conflicts of interest that may arise and be mindful of their fiduciary obligations to MaxiPARTS.

Refer to the 2022 Report of Directors for information about each Director's length of service.

## **Recommendation 2.5:**

**The chair of the Board should be an independent director. The roles of chairperson and chief executive officer should not be exercised by the same individual.**

MaxiPARTS' Chair, Mr Robert Wylie, is considered by the Board to be an independent director.

The roles of chair and managing director are exercised by Mr Robert Wylie and Mr Peter Loimaranta, respectively.

## **Recommendation 2.6:**

**The Company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain their skills and knowledge needed to perform their role as directors effectively.**

New directors are offered induction programs to allow them to fully and actively participate in decision making. The induction programs are designed to ensure that any new director has a comprehensive knowledge of MaxiPARTS and the industry and the markets in which it operates.

Directors and senior executives are encouraged to become members of relevant industry groups and professional organisations and to update and enhance their skills and knowledge through appropriate education and training courses.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

To assist with understanding the Group's business operations and the key health and safety risks across the business, the Board undertakes tours of the Group's major facilities as part of its annual Board cycle (when COVID restrictions allow).

## **PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY**

### **Recommendation 3.1:**

**The company should articulate and disclose its values.**

MaxiPARTS has six company Values:

- Send all our people home safely
- A balanced focus on customers and results
- Enable and empower people to achieve results
- Be honest, forthright and ethical in our dealings
- Encourage collaboration and deep seated accountability
- Become better every day in all that we do

The Values are available at <https://corporate.maxiparts.com.au/>.

### **Recommendation 3.2:**

**Have a code of conduct for directors, senior executives and employees, and disclose that code or a summary of it.**

MaxiPARTS has a Code of Conduct. All employees, directors, managers and contractors must adhere to the Code of Conduct, regardless of location or role.

The MaxiPARTS Code of Conduct is based on the six MaxiPARTS Values, set out above.

MaxiPARTS believes that consistent and proper business conduct creates loyalty and trust with our stakeholders and each other. The Code of Conduct demonstrates how to apply our Values and reflects the Company's policies and procedures.

The Code of Conduct is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

### **Recommendation 3.3:**

**Have and disclose a whistle-blower policy, and ensure the board or a committee of the board is informed of any material incidents reported under that policy.**

MaxiPARTS has a whistle-blower policy, called "Speaking Up", which encourages employees, contractors and others to report unlawful or unethical behaviour. The Speaking Up Policy is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

The Board is informed of any material incidents reported under the Speaking Up Policy.

### **Recommendation 3.4:**

**Have and disclose an anti-bribery and corruption policy, and ensure the board or a committee of the board is informed of any material incidents reported under that policy.**

MaxiPARTS has a Code of Conduct, which includes anti-bribery and corruption provisions. The Code of Conduct is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

The Board is informed of any material breaches of the Code of Conduct.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

### Recommendation 4.1:

- **The Board should have an audit committee which has at least three members, all of whom are non-executive directors and a majority of whom are independent directors.**
- **The committee should be chaired by an independent director, who is not the chair of the board.**
- **Disclose the charter of the committee, the relevant qualifications and experience of members of the committee and the attendance of members at meetings of the committee.**

The Board has established an Audit & Risk Management Committee. The Committee comprises all of the non-executive directors – Ms Mary Verschuer, Mr Robert Wylie and Mr Gino Butera]. The Committee is chaired by an independent director, Ms Verschuer. Until their resignations, Mr Jim Curtis and Mr Greg Sedgwick were also members of the Committee.

A majority of the members of the Audit & Risk Management Committee are independent directors. Information about the independence of the directors is set out above in relation to Recommendation 2.3.

The Charter of the Audit & Risk Management Committee is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>.

The members of the Committee have sufficient accounting and financial expertise, and a sufficient understanding of the industry in which MaxiPARTS operates, to be able to discharge the Committee's responsibilities effectively.

The 2022 Report of Directors contains details of attendances by directors at Committee meetings and the relevant qualifications and experience of members of the Committee.

The Committee has the right to obtain access to the external auditors, without management being present. The Committee also has the right to obtain independent professional advice (including financial, accounting, legal and tax advice).

### Recommendation 4.2:

**The board 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.**

In accordance with the Charter of the Audit & Risk Management Committee and section 295A of the Corporations Act, the Managing Director and Chief Financial Officer of MaxiPARTS are required to declare in writing to the Board that, in their opinion, MaxiPARTS' financial records have been properly maintained in accordance with the Corporations Act and that MaxiPARTS' consolidated financial statements and associated notes comply with the relevant accounting standards and present a true and fair view of the Group's financial position and performance. The declaration is also underpinned by representations from executive management and relevant accounting officers.

The declaration by the Managing Director and Chief Financial Officer must also confirm the existence of a sound system of risk management and internal compliance and control which reflects the policies adopted by the Board and that MaxiPARTS' risk management and internal compliance and control systems are operating efficiently and effectively.

### Recommendation 4.3:

**Disclose the process to verify the integrity of any periodic corporate report released to the market that is not audited or reviewed by an external auditor.**

All periodic reports that are not audited are supported by attestations from management as to the accuracy of the information included, and approved by the Board.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURES

### Recommendation 5.1:

**Establish a written policy for complying with the continuous disclosure obligations under the ASX Listing Rules.**

The Company is committed to complying with its continuous disclosure obligations to keep the market fully informed of information which may have a material effect on the price or value of the Company's shares.

MaxiPARTS has adopted a Continuous Disclosure Protocol to enable the Company to comply with the continuous disclosure obligations under the ASX Listing Rules. The Protocol is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance>. The Protocol sets out the responsibilities of the Board, the Company Secretary and managers in relation to continuous disclosure. The Protocol also sets out the requirements to be followed in relation to discussions with analysts and the media.

ASX announcements are made available on the Company's website after they are released to ASX.

### Recommendation 5.2:

**Ensure that the board receives copies of all material market announcements promptly after they have been made.**

The Continuous Disclosure Protocol requires that the Board is given a copy of all material market announcements promptly after their release.

### Recommendation 5.3:

**Release a copy of presentation materials for any new and substantive investor or analyst presentation on the ASX Market Announcements Platform ahead of the presentation.**

The presentation materials for any investor or analyst presentation are released to the market ahead of the presentation occurring.

## 6. PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

### Recommendation 6.1:

**Disclose information about the company and its governance to shareholders via its website.**

The Investors section of the MaxiPARTS website (<https://corporate.maxiparts.com.au/>) contains information about MaxiPARTS including key people, annual reports, the share price, key corporate governance documents and ASX announcements.

### Recommendation 6.2:

**Design and implement an investor relations program to facilitate effective two way communication with investors.**

The Company respects the rights of shareholders and seeks to facilitate the effective exercise of those rights. The Company has an Investor Relations Policy which sets out the way that the Company communicates effectively with shareholders, gives shareholders ready access to balanced and understandable information about the Company, responds to individual enquiries and encourages shareholders to participate in general meetings.

The Investor Relations Policy is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance/>

### Recommendation 6.3:

**Disclose how participation of security holders at meetings is facilitated and encouraged.**

MaxiPARTS encourages shareholders to attend and actively participate in its annual general meetings. The Company's Investor Relations Policy is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance/>.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

Notices of meeting are drafted in plain English to be easy and clear to understand. They are honest, accurate and not misleading. Meetings are held during normal business hours and at a convenient location.

#### **Recommendation 6.4:**

**Ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.**

The Company has a practice of conducting a poll for all resolutions put to security holders in general meeting.

#### **Recommendation 6.5:**

**Provide shareholders with the option to receive communications from, and send communications to, the Company and its share registry electronically.**

The Company publishes information on its website and sends information to shareholders by mail or e-mail (where nominated). Shareholders may contact Computershare on 1300 85 05 05 (Australia) or +61 3 9415 4000 (Overseas) if they wish to elect to receive communications by email.

## **7. PRINCIPLE 7: RECOGNISE AND MANAGE RISK**

#### **Recommendation 7.1:**

- **The Board should have a committee to oversee risk.**
- **The committee should have at least three members, a majority of whom are independent directors.**
- **The committee should be chaired by an independent director.**
- **Disclose the charter of the committee, the members of the committee and attendance of members at committee meetings.**

The Audit & Risk Management Committee assists the Board in reviewing the risk management and internal compliance and control systems of the group.

As outlined above, the Committee comprises all of the non-executive directors – Ms Mary Verschuer, Mr Robert Wylie and Mr Gino Butera. The Committee is chaired by an independent director, Ms Verschuer. Until their resignations, Mr Jim Curtis and Mr Greg Sedgwick were also members of the Committee. Information about the independence of the directors is set out above in relation to Recommendation 2.3.

The Charter of the Audit & Risk Management Committee is available from the Corporate Governance section of the MaxiPARTS website, <https://corporate.maxiparts.com.au/corporate-governance/>.

The 2022 Report of Directors contains details of attendances by directors at Committee meetings and the relevant qualifications and experience of members of the Committee.

#### **Recommendation 7.2:**

**The board or one of its committee should review the company's risk management framework at least annually to satisfy itself that it continues to be sound and disclose whether such a review has taken place.**

The Risk Management Framework sets out the process that will be followed to identify, assess and manage risk across the Group. The risk methodology used by MaxiPARTS to identify, analyse, assess, evaluation, treat, monitor and report on risks is based on the practices outlined by the ISO31000:2018 Risk Management Guidelines.

The Audit & Risk Management Committee reviewed the Risk Management Framework during FY22.

Where appropriate, specific risk management policies and frameworks are also established by MaxiPARTS to identify and analyse specific risks faced by the Group, to set appropriate risk controls, and the monitor risks and adherence to limits. This includes policies in relation to the health and safety of employees and financial controls.

# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## **Recommendation 7.3:**

**Disclose if the Company has an internal audit function, how it is structured and what role it performs. If not, disclose that fact and the processes the Company employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.**

The Company does not have a separate internal audit function due to its relatively small size and less complex financial and organisational structures. The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

## **Recommendation 7.4:**

**Disclose whether the Company has material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.**

Please refer to the 2022 Report of Directors for information about the material risks faced by the Company.

## **8. PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY**

### **Recommendation 8.1:**

- **The Board should establish a remuneration committee.**
- **The committee should have at least three members, a majority of whom are independent directors.**
- **The committee should be chaired by an independent director.**
- **Disclose the charter of the committee, the members of the committee and attendance of members at committee meetings.**

The Board has established the Remuneration & Human Resources Committee. The Committee comprises all of the non-executive directors – Mr Gino Butera, Mr Robert Wylie and Ms Mary Verschuer. The Committee is chaired by an independent director, Mr Butera. Until their resignations, Mr Jim Curtis and Mr Greg Sedgwick were members of the Committee, and Mr Sedgwick was Chair of the Committee. All of the members are independent directors. Information about the independence of the directors is set out above in relation to Recommendation 2.3.

The Charter of the Committee is available from the Corporate Governance section of the MaxiPARTS website <https://corporate.maxiparts.com.au/corporate-governance/>.

The 2022 Report of Directors contains details of attendances by directors at Committee meetings and the relevant qualifications and experience of members of the Committee.

### **Recommendation 8.2:**

**Disclose the policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.**

Non-executive directors receive a fixed fee and are not entitled to termination benefits or incentives. Fees paid to non-executive directors are periodically benchmarked against similar companies. Non-executive directors are not entitled to participate in any executive equity incentive scheme.

Executive directors have access to salary, termination benefits in certain circumstances, superannuation benefits, a vehicle allowance, short term incentives and long term incentives.

Letters of appointment for directors set out their remuneration entitlements.

Details of the remuneration paid to non-executive directors, executive directors and key management personnel are set out in the 2022 Remuneration Report.



# CORPORATE GOVERNANCE STATEMENT



MAXIPARTS LIMITED ACN 006 797 173

FOR THE YEAR ENDED 30 JUNE 2022

## **Recommendation 8.3:**

**Establish a policy on whether participants in an equity-based remuneration scheme are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. Disclose that policy or a summary of it.**

The rules of the MaxiPARTS Performance Rights Plan prohibit executives from entering into transactions to limit the economic risk of participating in the Plan. This Plan is the only equity-based remuneration scheme available to employees of MaxiPARTS.

## **Recommendations 9.1, 9.2 and 9.3.**

None of Recommendations 9.1, 9.2 or 9.3 apply to the Company.

**This Corporate Governance Statement has been approved by the Board of MaxiPARTS Limited.**