

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

GWA Group Limited

ABN/ARBN

15 055 964 380

Financial year ended:

30 June 2023

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://www.gwagroup.com.au/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 30 June 2023 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: 26/09/2023



Name of authorised officer  
authorising lodgement:

Ernie Lagis  
Company Secretary & General Counsel

<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://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</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 checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: <a href="https://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a></p> <p>and we have disclosed the information referred to in paragraph (c) at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></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 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: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</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 <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"/> and we have disclosed the evaluation process referred to in paragraph (a) at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</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>

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<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"/>   <i>[If the entity complies with paragraph (a):]</i>  and we have disclosed a copy of the charter of the committee at: <a href="https://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a> and the information referred to in paragraphs (4) and (5) at: Refer to the Directors' Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/annual-reports</a>  <i>[If the entity complies with paragraph (b):]</i>  <del>and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at:</del>  .....  <i>[insert location]</i></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: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</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>
2.3	<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: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a>  <del>and, where applicable, the information referred to in paragraph (b) at:</del>  .....  <i>[insert location]</i>  and the length of service of each director at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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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://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</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://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</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://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</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://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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<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><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a> and the information referred to in paragraphs (4) and (5) at: Refer to the Directors' Profiles and Directors' Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/annual-reports</a></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p><del>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</del></p> <p>..... <i>[insert location]</i></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>

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<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://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</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://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.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://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.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



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<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"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a> and the information referred to in paragraphs (4) and (5) at: Refer to the Directors’ Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/annual-reports</a></p> <p><del><i>[If the entity complies with paragraph (b):]</i></del></p> <p><del>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</del></p> <p>.....</p> <p><i>[insert location]</i></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"/></p> <p>and we have disclosed whether a review of the entity’s risk management framework was undertaken during the reporting period at: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</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 NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
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"/></p> <p><i>[If the entity complies with paragraph (a):]</i>                      and we have disclosed how our internal audit function is structured and what role it performs at:  <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a>  <i>[If the entity complies with paragraph (b):]</i>                      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:                      .....                      [insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks at:  <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a>                      Also refer to the FY2023 ESG Report  <a href="https://www.gwagroup.com.au/sustainability">https://www.gwagroup.com.au/sustainability</a>                      and, if we do, how we manage or intend to manage those risks at:                      .....                      [insert location]</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 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"/>   <i>[If the entity complies with paragraph (a):]</i>  and we have disclosed a copy of the charter of the committee at: <a href="https://www.gwagroup.com.au/corporate-governance/policies">https://www.gwagroup.com.au/corporate-governance/policies</a> and the information referred to in paragraphs (4) and (5) at: Refer to the Directors' Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/annual-reports</a></p> <p><i>[If the entity complies with paragraph (b):]</i>  and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:  .....  <i>[insert location]</i></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: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></p> <p>Also refer to the Remuneration Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/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: <a href="https://www.gwagroup.com.au/corporate-governance">https://www.gwagroup.com.au/corporate-governance</a></p> <p>Also refer to the Remuneration Report included in the FY2023 Annual Report <a href="https://www.gwagroup.com.au/investor-relations/annual-reports">https://www.gwagroup.com.au/investor-relations/annual-reports</a></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 – NONE OF THE ITEMS IN THIS SECTION ARE APPLICABLE TO GWA GROUP LIMITED</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 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 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 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 – NONE OF THE ITEMS IN THIS SECTION ARE APPLICABLE TO GWA GROUP LIMITED</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 <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><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**

### **Introduction**

The Board of Directors is responsible for the corporate governance of GWA Group Limited (the Group). The Group's corporate governance practices have been in place since listing and are reassessed regularly in the light of experience and contemporary views and guidelines on corporate governance practices. The Board adopts practices it considers will lead to better outcomes for the Group's shareholders.

The Board supports The Fourth Edition of the Corporate Governance Principles and Recommendations (the recommendations) of the ASX Corporate Governance Council released in February 2019. The Board confirms that the current corporate governance practices of the Group meet or exceed these recommendations. The Group's corporate governance disclosures have been prepared in accordance with The Fourth Edition of the recommendations of the ASX Corporate Governance Council. Additional disclosures have also been provided to enhance the transparency of the Group's corporate governance practices.

This statement was approved by the Board of GWA Group Limited and is current as at 30 June 2023. The statement is available on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance.

### **Principle 1 – Lay solid foundations for management and oversight**

#### **Role of the Board and Management**

The Board is responsible for the long-term growth and financial performance of the Group. The Board charts the strategic direction of the Group and monitors executive and senior management performance on behalf of shareholders. To achieve this, the Board is engaged in the following activities:

- Demonstrating leadership and defining the Group's purpose;
- Providing input and final approval of the Group's corporate strategies and performance objectives developed by executives and senior management;
- Approval and monitoring of financial and other reporting;
- Approving the Group's Statement of Values and Code of Conduct to underpin the desired culture within the organisation;
- Monitoring of executive and senior management performance, including the implementation of corporate strategies, instilling of the Group's values and ensuring appropriate resources are available;
- Appointment and monitoring of the performance of the Chief Executive Officer and the Company Secretary;
- Setting the risk appetite within which management are expected to operate;
- Ensuring that the Group has appropriate systems of risk management and internal controls, reporting mechanisms and delegation authority limits in place;
- Liaison with the Group's external and internal auditors through the Audit and Risk Committee;

- Approval and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
- Satisfying itself that the remuneration policies are aligned with the Group's purpose, values, strategic objectives and risk appetite;
- Any other matters required to be dealt with by the Board from time to time depending upon circumstances of the Group; and
- Other matters referred to in the Board and Board Committee charters.

The Board operates under a charter that details the functions and responsibilities of the Board. The charter is reviewed regularly to ensure it remains consistent with the Board's objectives and responsibilities. Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the charter.

Management is responsible for the implementation and execution of corporate strategies and performance objectives and all aspects of the day to day running of the Group. Management is also responsible for ensuring the Group operates within the risk parameters set by the Board and for providing the Board with accurate and timely information to enable the Board to carry out its duties.

### **Delegations Policy**

The Board has approved a Delegations Policy which outlines the authorities of the Board and those authorities which have been delegated to executive and senior management covering all management activities. The policy ensures that the executives and senior management understand the authorities delegated by the Board and are accountable to the Board for its compliance. Regular reviews are conducted on the appropriateness of the delegated authorities and any material breaches are reported to the Board.

### **Background Checks**

Before the appointment of directors and executives, the Group ensures that appropriate background checks are conducted. The types of checks that would usually be undertaken include checks as to the person's character, experience, education, criminal record and bankruptcy history. This is an important step in the recruitment process to ensure the appointment of suitable candidates to director and executive roles.

All material information relevant to the election or re-election of directors is provided to shareholders in the director profiles which are included in the Explanatory Memorandum to the Notice of Annual General Meeting. The following information is provided to shareholders:

- Details of the qualifications, skills and experience of directors;
- Details of any other directorships held by directors;
- The term of office currently served by the director (if any);
- A statement if the Board considers the director independent;
- A statement on whether the Board supports the election or re-election of the director; and
- Any other material information advised to shareholders that is relevant to the decision on whether to elect or re-elect the director.

### **Letter of Appointment**

New directors of the Group are provided with a formal letter of appointment which outlines the key terms and conditions of their appointment. Similarly, executives including the Chief Executive Officer, Company Secretary, Chief Financial Officer and all other senior executives have formal job

descriptions and letters of appointment describing their salary arrangements, rights and responsibilities and entitlements on termination.

A comprehensive induction program is provided to directors, executives and senior management to ensure full understanding of the Group's strategy and operations, its policies and procedures and the industry within which it operates.

### **Company Secretary**

The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board including all corporate governance matters. The Company Secretary is responsible for the compilation and dispatch of the agenda and papers for each Board and Committee meeting. The Company Secretary prepares the draft minutes for each meeting, which are tabled at the next Board or Committee meeting for review and approval. The Company Secretary and the directors communicate regularly on all Group and governance matters.

### **Diversity and Inclusion**

GWA embraces and celebrates the value and contribution each team members bring to the workplace and GWA is committed to creating a workplace which is fair, flexible and equitable, where everyone feels like they belong. GWA recognises that fostering a diverse culture where all team members feel safe and confident to contribute their insights and perspectives leads to creative, innovative and effective solutions. GWA also recognises that a diverse and inclusive culture delivers a strong competitive advantage and benefits all employees, customers, shareholders and the community.

The Group's Diversity and Inclusion Policy is available on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies.

GWA is committed to:

- a workplace which is free from discrimination, harassment and bullying;
- attracting, retaining and developing talent that enhances diversity;
- treating employees fairly and with respect;
- a workplace culture that is inclusive, where individual differences are valued and embraced;
- equal and equitable employment opportunities that recognise performance and potential;
- ensuring awareness across our teams regarding their rights and responsibilities as they relate to diversity principles and practices;
- flexible work practices and policies to support employees and their changing needs; and
- equitable frameworks and policies, processes and practices that limit the potential for unconscious bias.

The Board has established a number of measurable objectives to promote and encourage increased gender diversity within the workforce. The Board will continue to work on increasing the percentage of females employed by GWA, including compliance with the minimum 30% target for Board composition in line with the Principles and Recommendations of the ASX Corporate Governance Council, having regard to business needs, the best available candidates, and all facets of diversity in addition to gender.



The objectives and supporting actions include:

**1. Increasing the percentage of females employed by GWA with a target of 40% across the group and minimum 30% target for Board composition**

The female participation rate for GWA's workforce has been maintained at a steady level of approximately 40% across the group. This highlights our commitment to fostering gender diversity and enhancing opportunities for women to advance within the organisation.

The following table is a breakdown of the female representation by category for GWA, as at 30 June 2023.

<b>Female Representation</b>	<b>30 June 2023</b>
Board of Non-Exec Directors	43%
Executive Leadership Team	38%
Senior/Other Managers	37%
Total Management	37%
Total Non-Management	42%
Overall Total	41%

**2. Provide and promote flexible work practices to attract, motivate and retain diverse talent**

GWA continues to review employment policies and practices to ensure that, among other things, flexibility is offered to attract, motivate and retain talent. GWA supports and encourages flexible working arrangements, and many employees take advantage of different ways to get the job done including hybrid, job-sharing or part-time work.

Post the COVID-19 pandemic, GWA has continued to iterate and adjust its hybrid ways of working, with a focus on ensuring that team members derive the greatest value from the varied interactions that hybrid working facilitates and continue to engage in a way that enhances teamwork, collaboration and connection. GWA also continues to provide tools and training to ensure that staff are supported to work remotely as part of GWA’s ongoing focus on their safety and wellbeing.

**3. Deploy Talent Development and Succession planning processes that attract and retain a gender diverse talent pool**

GWA has in place robust people practices including disciplined recruitment and selection processes, and talent and succession development programs which support the attraction, identification, development and progression of diverse talent.

**4. Conduct Gender Pay Analysis and Ensure Parity**

GWA has in place a fair remuneration and pay equity practice which is applied during the annual remuneration review cycle. Each year GWA conducts a review of gender pay as part of the annual salary review process and any identified issues are addressed.

**Performance Evaluation - Directors**

The People and Culture Committee seeks to conduct an annual evaluation of the performance of the Board, its Committees, and individual Board members. In addition, a review of the performance of Board members is conducted each year by the Chairman. In some circumstances the Board engages external parties to conduct a Board review. Such a review was undertaken in 2022 as part of the process to identify and appoint new directors to the Board.

A performance evaluation of the Board has recently been commissioned with an external party.

### **Performance Evaluation – Executives**

Performance reviews of executives are conducted formally every 6 months. The performance review process is critical to the development of executives, as it allows for objectives to be assessed for ongoing relevance and assessed for performance against them. The Group has identified core competencies for the key roles in the organisation and these are incorporated into individual job descriptions. During the performance review process, the performance of executives is assessed against the business objectives, core competencies and individual goals.

Measurable individual, financial and business improvement goals are established during the performance review process which are aligned with the Group's strategy and priorities. The achievement of both financial and individual goals is incorporated into the Group's Short-Term Incentive plan as outlined in the annual Remuneration Report.

During FY23 performance reviews of executives were conducted in accordance with the performance review process.

### **Principle 2 – Structure the Board to be effective and add value**

#### **Board Meetings**

The Board meets at least nine times each year for scheduled meetings and may, on other occasions, meet to deal with specific matters that require attention between scheduled meetings. Together with the Board Committees, the directors use the Board meetings to challenge, understand and review the business performance and operational issues. To assist with the Board's understanding of the business, the Board regularly conducts Board meetings at various business locations followed by management presentations and site tours.

Corporate and divisional management are required to regularly attend and present at Board meetings on strategy, divisional operational issues and performance. Regular group strategy meetings are held with the Board which enables the directors to review corporate strategy and performance with the executives. This ensures that the Board is effectively carrying out its duties of providing input and approving corporate strategies and performance objectives. The Chief Financial Officer is required to attend Board meetings to answer questions from the directors on financial performance, accounting, risk management, treasury and other matters.

#### **Composition of the Board**

The Board presently comprises eight directors, seven of whom, including the Chairman and Deputy Chairman, are non-executive directors and one, the Managing Director and Chief Executive Officer, is an executive director.

The profiles of the directors are set out in the Annual Report. The profiles outline the skills, experience and expertise of each Board member, including the period of office held by each director.

The composition of the Board is determined by the People and Culture Committee<sup>1</sup> and, where appropriate, external advice is sought. The following principles and guidelines are adhered to:

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<sup>1</sup> Previously known as the Nomination and Remuneration Committee.

- The Board should maintain a majority of non-executive directors;
- The Board should consist of a majority of independent directors;
- The Chairperson should be an independent director;
- The role of Chairperson and Chief Executive Officer should not be exercised by the same individual;
- Non-executive directors should not be involved in management of the day-to-day operations of the Group;
- All Board members should be financially literate and have relevant experience in the industries in which the Group operates.

### **Board Skills and Experience**

Since listing on the ASX in 1993, the business strategy of GWA has transitioned from that of an Australian manufacturer to that of a designer, importer and distributor of branded building products with a focus on providing sustainable solutions for water. The current Board represents a diverse range of professional backgrounds, experience and perspectives as outlined in the director profiles in the Annual Report. The possessed skills align with the current business strategy of the Group and are regularly reviewed to ensure it covers the skills needed to address existing and emerging business and governance issues relevant to the business.

The Board's collective skills and experience include:

- supply chain and distribution;
- marketing and branding;
- retail and FMCG industry knowledge and experience;
- engineering and construction industry knowledge and experience;
- consumer focused business transformation;
- digital and information technology;
- corporate and financial management;
- accounting and taxation;
- insurance and financial services;
- leadership and general management experience;
- human resources management;
- legal, governance and regulation; and
- risk management.

To the extent that any skills are not represented on the Board, they are augmented through management and, as required, external advisers.

### **Re-Election of Directors**

In accordance with the Group's constitution, at each Annual General Meeting, a number of directors will face re-election. One third of the Board (excluding any director not specifically required to stand for re-election) must stand for re-election. In addition, no director may hold office for more than three years without standing for re-election and any director appointed by the Board since the last Annual General Meeting must stand for re-election at the next Annual General Meeting. All retiring directors are eligible for re-election.

### **Independence of Directors**

The Board considers that a majority of the non-executive directors must be independent from management and free of any business or other relationship that could interfere, or reasonably be perceived to interfere, with the exercise of their unfettered and independent judgement.

In considering the relationships which may affect independent status as outlined in The Fourth Edition of the recommendations of the ASX Corporate Governance Council, it has been determined that a majority of the Group's non-executive directors are independent. As at the date of this statement, the Board comprises six independent non-executive directors, one non-independent non-executive director and one non-independent executive director (being the Managing Director and Chief Executive Officer). This meets the recommendation of the ASX Corporate Governance Council of having a majority of the Board comprising independent directors.

The following table outlines the Group's directors as at 30 June 2023, and whether they are considered to be independent:

<b>Director</b>	<b>Role</b>	<b>Length of Service</b>	<b>Non-Executive</b>	<b>Independent</b>
D McDonough	Chairman	14 years	Yes	Yes
J Mulcahy	Deputy Chairman	13 years	Yes	Yes
U Meyerhans	Managing Director & CEO	2 years	No	No
J McKellar	Non-Executive Director	7 years	Yes	Yes
S Goddard	Non-Executive Director	7 years <sup>2</sup>	Yes	Yes
R Thornton	Non-Executive Director	1 year <sup>3</sup>	Yes	No
S Roche	Non-Executive Director	<1 year <sup>4</sup>	Yes	Yes
B Inglis	Non-Executive Director	<1 year <sup>4</sup>	Yes	Yes
P Mann	Non-Executive Director	<1 year <sup>4</sup>	Yes	Yes

The Board is responsible for ensuring that the action of individual directors in the Boardroom is that of independent persons. The Board distinguishes between the concept of independence and issues of conflict of interest or material personal interest which may arise from time to time – refer Conflicts of Interest below.

In recognising the importance of the independence of directors and the immediate disclosure of conflicts of interest, the Board has included both matters as permanent items on the agenda at Board meetings. Any independence or conflict of interest issues that arise must be disclosed to the Chairman prior to each Board meeting. The disclosure is recorded in the Register of Directors' Interests and in the Board minutes.

### **Selection and Appointment of Directors**

The People and Culture Committee is responsible for the selection and appointment of directors. In the circumstances where there is a need to appoint a director, whether due to the retirement of a director, growth of the Group, or changed circumstances of the Group, certain procedures will be followed including the following:

- Determination of the skills and experience appropriate for an appointee, having regard to the Group's business strategy, the skills and experience of the existing directors and other likely changes to the Board;

<sup>2</sup> Mr Stephen Goddard retired from the Board on 30 June 2023.

<sup>3</sup> Mr Richard Thornton was appointed as a non-executive director at the FY2022 Annual General Meeting on 28 October 2022. For the 13 years before that appointment, Mr Thornton was an executive director and company secretary of the Group.

<sup>4</sup> As part of the Board renewal process, Mr Stephen Roche, Ms Bernadette Inglis and Ms Patria Mann were appointed as non-executive directors in FY2023. Each of these individuals will be retiring at the FY2023 Annual General Meeting, and will be offering themselves for election by members at that meeting.

- Upon identifying a potential appointee, consider the competency and qualifications, independence, other directorships, time availability, and the effect that their appointment would have on the overall balance of the composition of the Board;
- Consideration of the need for Board diversity and whether the potential appointee furthers the Board's objective of achieving a diverse workforce in accordance with its Diversity Policy including its gender diversity target for Board composition; and
- The Board members consent to the proposed appointee.

Details of the skills, experience and expertise of each director are outlined in the director profiles in the Annual Report.

### **Board Succession Planning**

The Board has established succession plans for the retirement of individual Board members to ensure an appropriate balance of skills, experience and expertise on the Board. The Board views director renewal as an essential process to ensure optimal Board performance. The Board is also mindful of the need for gender diversity for Board composition for future director appointments.

### **Induction Program**

The People and Culture Committee is responsible for ensuring an effective induction program for new directors is in place and regularly reviewed to ensure its effectiveness. The Board has developed a comprehensive induction program for new directors, tailored to their existing skills, knowledge and experience, to allow new appointees to participate fully and actively in Board decision making. The Board views the induction program as critical in enabling new directors to gain an understanding of the Group's strategy and operations, the industry in which it operates and new and emerging business issues. The Company Secretary assists with the induction program to ensure the Group's corporate governance policies and practices are understood.

The Board also considers whether there is a need for existing directors to undertake professional development opportunities in order to maintain and/or enhance their skills and knowledge in performing their directors' duties. Management and external advisers (as required) provide regular briefings to directors on material developments in laws, regulations and accounting standards that may have an impact on the business.

### **Conflicts of Interest**

The directors are required to disclose to the Board any relationships from which a conflict of interest might arise. A director who has an actual or potential conflict of interest or a material personal interest in a matter is required to absent themselves from any meeting of the Board or Board Committee, whenever the matter is considered. In addition, the director does not receive any Board papers or other documents in which there is a reference to the matter.

This process is applied to business and trading relationships, dealings with the directors, dealings with companies with common directors and dealings with any significant shareholders of the Group. There is also a requirement for the directors to notify the Chairman on accepting any new outside roles to ensure that the appointment does not give rise to a conflict of interest.

The materiality thresholds used for the determination of independence and issues of conflict of interest has been considered from the point of view of the Group and directors. For the Group, a relationship which accounts for 5% or more of its revenue is considered material. For a director, a relationship which accounts for 5% or more of the total income of a director is considered material. Directors' fees are not subject to this test.

## **Access to Independent Advice**

Directors and the Board Committees have the right in connection with their duties and responsibilities to seek independent advice at the Group's expense. Prior approval of the Chairman is required, but this will not be unreasonably withheld. Where appropriate, directors will share such advice with the other directors.

## **Principle 3 – Instill a culture of acting lawfully, ethically and responsibly**

### **Code of Conduct and Values**

The Group's objective is to conduct its business with the highest standards of personal and corporate integrity consistent with the cultural values of the organisation. To assist employees in achieving this objective, the Group has developed a comprehensive Code of Conduct which guides the behaviour of directors, officers and employees (including executives) and demonstrates the commitment of the Group to ethical practices. The Group has also established Cultural Pillars which outline the company values and how these are applied to business activities, and which emphasise the high standards of behaviour expected in the business in order to achieve the Group's objectives.



The Code of Conduct and Cultural Pillars are incorporated as part of new employees' induction training and new employees must acknowledge their understanding and compliance with the Code of Conduct and the Group's policies and procedures. Any breach of the Code of Conduct is investigated accordingly with material matters reported to the Board.

The Code of Conduct states the values and policies of the Group and complements the Group's risk management and internal control practices. The Code of Conduct is supported by the Group's Whistleblowing Policy and system of reporting activity suspected of breaching the Code of Conduct. Material matters are required to be reported to the Board under the Whistleblowing Policy. The Code of Conduct is reviewed annually and updated to ensure that it reflects current good practice and to promote the ethical behaviour of all employees. Refer to the Group's website at

[www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the Code of Conduct and Whistleblowing Policy.

### **Anti-Bribery, Fraud and Corruption Policy**

The Company has a strict stance against bribery, fraud and corruption.

As a general rule, gifts of either goods or services of any nature, regardless of size or value, should be neither accepted nor offered. This is because accepting or offering gifts may damage or appear to damage an employee's ability to make decisions in the Group's best interests.

Where refusal of a nominal gift (less than A\$250 or equivalent in value) would be embarrassing or would not enhance the Group's business purposes, acceptance can be made with caution. Any gifts greater than A\$250 or equivalent in value, whether accepted or refused are to be disclosed to the employee's supervisor or manager.

The Group will not tolerate the acceptance of secret commissions, "kickbacks", or other such transactions by its employees. If an employee finds themselves in a situation of being offered a gift from anyone inside or outside the Group which causes them to feel awkward, uncomfortable, or appears to be any type of "bribe" or secret commission, the employee must advise any member of the executive in confidence.

The Group will not tolerate any incidence of fraud or corruption either from within or outside the organisation and will take immediate action (including but not limited to dismissal, reporting to the appropriate police authorities and legal action) against those persons committing the fraud or corruption. Any breach of the Anti-Bribery, Fraud and Corruption Policy is investigated accordingly with material matters reported to the Board.

Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the Code of Conduct, which provides further details on the Anti-Bribery, Fraud and Corruption Policy.

### **Share Trading Policy**

The Board has approved a Share Trading Policy which complies with the ASX Listing Rules. The policy limits the trading periods for directors and executives in the Group's securities to 30 days after each full year/half year results announcement and Annual General Meeting, and provided they are not in the possession of unpublished insider information.

Outside of these trading periods, the directors, executives and other 'potential insiders' are prohibited from trading in the Group's securities unless 'exceptional circumstances' exist and prior written approval of the Chairman (in the case of the directors) or Chief Executive Officer (in the case of the executives) has been obtained. 'Exceptional circumstances' mean severe financial hardship or other circumstances considered to be exceptional, including a court order or court enforceable undertaking in a bona fide family settlement or some other overriding legal or regulatory requirement to transfer the Group's securities.

The Share Trading Policy requires directors to notify the Company Secretary within two business days after trading, to enable the Company Secretary to lodge the required disclosures with the Australian Securities Exchange. Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the Share Trading Policy.

## **Principle 4 – Safeguard the integrity of corporate reports**

### **Audit and Risk Committee**

The Audit and Risk Committee meets as required and at least four times throughout the year. For membership and attendance details of the Audit and Risk Committee, refer to the Directors' Report. The qualifications and experience of each member of the Audit and Risk Committee is outlined in the director profiles in the Annual Report.

The composition of the Audit and Risk Committee is based on the following principles:

- The Committee should consist of non-executive directors only;
- The Committee should consist of a majority of independent directors;
- The Chairperson of the Committee should be an independent director and not the Chairperson of the Board;
- The Committee should consist of at least three members; and
- The Committee should include members who are financially literate with at least one member who has financial and accounting related expertise.

The Audit and Risk Committee is governed by a charter which outlines the Committee's role and responsibilities, composition, structure and membership requirements. The charter is reviewed regularly to ensure it remains consistent with the Board's objectives and responsibilities. Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the charter. A detailed Terms of Reference has been developed to ensure the Audit and Risk Committee meeting agenda is consistent with the Committee's role and responsibilities as outlined in the charter.

The External Auditor, Internal Auditor, Chief Executive Officer, Chief Financial Officer, Company Secretary, and other executives and senior management (as required) attend Audit and Risk Committee meetings, by invitation, to present the relevant statutory information, Financial Statements, reports, and to answer the questions of the members. At the Audit and Risk Committee meetings, the members will meet with the External Auditor without management present and also with management without the External Auditor present.

The main responsibilities of the Audit and Risk Committee include:

- Review of financial statements and external financial and non-financial reporting;
- Assess the management processes supporting external reporting;
- Assess whether the external reporting is adequate to meet the information needs for shareholders;
- Recommendations on the appointment and removal of the External Auditor and Internal Auditor;
- Review and monitor the performance and independence of the external audit function;
- Review of tax planning and tax compliance systems and processes;
- Review and monitor risk management and internal compliance and control systems;
- Assess the performance and objectivity of the internal audit function; and
- Reporting to the Board on the Committee's role and responsibilities covering all the functions in its charter.

The Company Secretary prepares the draft minutes for each Audit and Risk Committee meeting, which is tabled at the next Audit and Risk Committee meeting for review and approval. The draft minutes are also included in the Board papers for the next Board meeting following the Audit and Risk Committee meeting.



## **Certification of Financial Reports**

The Chief Executive Officer and Chief Financial Officer state in writing to the Board at each reporting period that, in their opinion:

- The financial records of the Group have been properly maintained;
- The financial reports present a true and fair view of the Group's financial position and performance;
- The financial reports comply with Accounting Standards; and
- The opinion has been formed on the basis of a sound system of risk management and internal compliance and control which is operating effectively.

The statements from the Chief Executive Officer and Chief Financial Officer are based on a formal sign-off framework established throughout the Group and reviewed by the Audit and Risk Committee as part of the financial reporting process.

Periodic corporate reports, such as investor presentations and sustainability/ESG reports, that are not audited or reviewed by the External Auditor, are subject to extensive internal reviews by the Chief Executive Officer, the Group Chief Financial Officer, Company Secretary and senior management prior to public release. All ASX and/or media releases which contain material price sensitive information are approved by the Board prior to release to the ASX.

## **External Auditor Independence**

The Board recognises the importance of an independent external audit firm to ensure that the audit function delivers, for the benefit of the Board and all other stakeholders, an unbiased confirmation of both the Financial Statements and the state of affairs of the Group. Consistent with the Board's commitment to an independent audit firm, a policy has been approved by the Board on the role of the External Auditor, which is designed to ensure the independence of the external audit function, including audit partner rotation requirements.

The Audit and Risk Committee reviews the independence of the external audit function annually and makes a recommendation to the Board on continuing independence. As part of this review, the Audit and Risk Committee examines the non-audit roles performed by the External Auditor to satisfy itself that the auditor's independence is not compromised. Whilst the value of non-audit services could, in extreme cases, compromise audit independence, more important is to ensure that the External Auditor is not passing an audit opinion on the non-audit work of its own firm.

As a further measure to ensure the independence of the external audit function, the Chairman of the Audit and Risk Committee must pre-approve all audit and non-audit services (if any) provided by the External Auditor.

During the year, the Group's External Auditor, KPMG, provided an Auditor Independence Declaration to the Board (refer to the Annual Report) that, to the best of their knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

In considering the KPMG independence declaration and the recommendation of the Audit and Risk Committee, the Board was satisfied with the continuing independence of the external audit

function. For details of the non-audit roles performed by KPMG during the year, please refer to the Auditors' Remuneration note to the Financial Statements.

### **Selection and Appointment of External Auditor and Rotation**

Following shareholder approval at the 2004 Annual General Meeting, KPMG was appointed External Auditor for the financial year commencing 1 July 2004. KPMG has advised the Group that their policy of audit partner rotation requires a change in the Lead Engagement Partner and Review Partner after a period of five years. The current KPMG Lead Engagement Partner is Mr Trent Duvall who was appointed on 1 July 2020.

### **AGM Attendance**

The External Auditor attends the Annual General Meeting and is available to answer questions from shareholders about the conduct of the external audit and the preparation and content of the Independent Auditor's Report. Shareholders attending the Annual General Meeting are made aware they can ask questions of the External Auditor concerning the conduct of the audit.

### **Principle 5 – Make timely and balanced disclosure**

The Group is committed to ensuring the timely disclosure of material price sensitive information through compliance with the continuous disclosure obligations in the ASX Listing Rules and the *Corporations Act 2001*. The Group includes continuous disclosure as a permanent item on the agenda for Board meetings. The Board has approved a Continuous Disclosure Policy to ensure the Group complies with the continuous disclosure requirements and to ensure accountability at the executive and senior management level for that compliance. Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the Continuous Disclosure Policy.

The Chief Executive Officer is the Group's Continuous Disclosure Compliance Officer and is responsible for ensuring compliance with the continuous disclosure requirements and overseeing and authorising disclosure of information to the ASX. To ensure equality of information among investors, new and substantive investor or analyst presentations are released to the ASX ahead of the presentation. All ASX and/or media releases which contain material price sensitive information must be approved by the Board prior to release to the ASX. The Board also receives copies of all material market announcements promptly after they have been made.

The Company Secretary coordinates the communications with the ASX including ensuring compliance with regulatory requirements and overseeing information released to the ASX, shareholders and other interested parties. In the Company Secretary's absence, the Chief Financial Officer fulfills this role. Announcements made to the ASX are published on the Group's website immediately after release.

### **Principle 6 – Respect the rights of security holders**

The Group is committed to ensuring shareholders and the financial markets are provided with full, open and timely information about its activities. This is achieved by the following:

- Ensuring that shareholder communications (including the Annual Report and Notice of Annual General Meeting) satisfy relevant regulatory requirements and guidelines. The Group is committed to producing shareholder communications in plain English with full and open disclosure of the Group's purpose and Statement of Values, policies and procedures, operations, strategy and performance;

- Ensuring that shareholders have the opportunity to receive external announcements by the Group through the corporate website at [www.gwagroup.com.au](http://www.gwagroup.com.au). All Group announcements and information released to the market (including half and full year results) are located on the website and may be accessed by shareholders. There is a Corporate Governance section on the website which outlines the Group's governance practices and policies and the corporate website includes other information such as the Group's sustainability and carbon reporting, gender equality and diversity reporting, information on workplace health and safety performance, modern slavery and tax transparency reporting;
- As an initiative to assist with the provision of timely information to shareholders and other stakeholders about the strategy and financial performance of the Group, the half and full year results presentations and substantive Investor Market Briefings are webcast via the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au). Shareholders are also able to access historical webcasts on the Group's website. The Annual General Meeting is recorded with the audio recording made to available to stakeholders on the Group's website after the meeting;
- The Group produces an annual Sustainability/ESG Report which is available on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au). The report provides shareholders and other stakeholders with details on the Group's approach to sustainability covering its innovative water saving products and solutions, environmental impact and initiatives, ethical sourcing, people and the community, workplace health and safety, and governance and risk management. The Group is committed to being a sustainable business and maintains a strong sustainability agenda which is reflected within the report;
- The Group prepares an annual Modern Slavery Statement in accordance with the *Modern Slavery Act 2018* (Cth), which is available on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au). The statement outlines the modern slavery risks in the Group's operations and supply chain and the actions being taken to address these risks. The Group aims to continuously improve its modern slavery risk identification and mitigations, and will annually report on progress through its Modern Slavery Statement;
- The Board is committed to the use of electronic communications with shareholders to reduce the environmental impact and costs. Shareholders can elect to receive Group communications electronically. Annual Reports are no longer printed and mailed to shareholders, unless specifically requested. Annual Reports are made available to shareholders on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) in an accessible and user-friendly format including an interactive Annual Report. Shareholders are sent the Notice of Annual General Meeting and Proxy Form, which includes details on accessing the online Annual Report and Sustainability/ESG Report, together with instructions for casting proxy votes electronically;
- The Group encourages shareholders to attend and participate at the Annual General Meeting to canvass the relevant issues of interest with the Board. An opportunity is given at the Annual General Meeting for shareholders to ask questions on the Group's financial reports and business strategy, operations and performance. If shareholders are unable to attend the Annual General Meeting personally, they are encouraged to participate through proxy voting. The Group has implemented online proxy voting to make it easier for shareholders to lodge their proxy votes if they are unable to attend the Annual General Meeting. The Group endeavours to set the timing and the location of the Annual General Meeting so that it is convenient for shareholders generally. The voting on proposed resolutions at the Annual General Meeting is conducted by way of a poll to ensure that all shareholders are provided with the opportunity to vote on resolutions; and

- The Group has developed an investor relations program to facilitate effective communications with investors. The Group actively engages with institutional and private investors, broking analysts and the financial media on the Group's operations, performance, governance and prospects, and to provide an opportunity for investors to express their views or concerns about the Group. At all times the Group ensures compliance with the continuous disclosure obligations in the ASX Listing Rules and the *Corporations Act 2001* (Cth).

## **Principle 7 – Recognise and manage risk**

The Board recognises that effective risk management processes help ensure the business is more likely to achieve its business objectives and that the Board meets its corporate governance responsibilities. In meeting its responsibilities, the Board has approved the Group's risk appetite statement and ensured that comprehensive risk management policies and practices have been put in place across the Group. The Board conducts annual reviews of the Group's risk management framework (including both financial and non-financial risks) to ensure that it continues to be sound, and that management is operating with due regard to the risk appetite that has been set by the Board. During FY23, the Audit and Risk Committee conducted a review of the Group's risk management framework to ensure it is working effectively and within the risk parameters set by the Board.

Such risk management processes include defining the risk oversight responsibilities of the Board and the responsibilities of management in ensuring risks are both identified and effectively managed. Whilst ultimate responsibility for risk oversight rests with the Board, the Audit and Risk Committee is the delegated mechanism for focusing the Group on risk oversight, risk management and internal controls. The Audit and Risk Committee monitors management's performance against the Group's risk management framework. The Audit and Risk Committee reports to the Board on risk management and internal control matters in accordance with its main responsibilities as outlined in the Audit and Risk Committee Charter.

For further details of the Audit and Risk Committee composition and responsibilities, refer to the Audit and Risk Committee disclosures under Principle 4 - Safeguard the integrity of corporate reports.

The Audit and Risk Committee is supported in managing risk through the combined activities of the following:

- Enterprise risk profiles have been developed for the Group which are regularly reviewed and updated as part of the strategic planning process together with mitigation actions. The identified risks are analysed based on their potential impact and likelihood of occurrence and mitigation responses are put in place to manage the risks. Updates to the enterprise risk profiles form part of the agenda for the quarterly business reviews and strategy planning sessions with the Chief Executive Officer and Chief Financial Officer. The enterprise risk profiles for major risks are presented to the Audit and Risk Committee at the May and November meetings;
- Finance Risk Committee comprising the executive and senior financial management of the Group meets quarterly to monitor the financial risks in the organisation, oversee the execution of Group policies in relation to finance risks and measure the impact of both the underlying risks and the mitigation strategies employed. Financial risks include liquidity and funding, interest rates, foreign currency, credit and legal risks. In addition, a sub-committee of the Finance Risk Committee meets weekly to consider foreign currency and other risks as required;

- Chief Financial Officer who has primary responsibility for designing, implementing and coordinating the overall Group risk management and internal control practices. The Chief Financial Officer attends the Board and Audit and Risk Committee meetings and presents bi-annually, the Chief Financial Officer's Report. The Chief Financial Officer has the authority to report directly to the Board or Audit and Risk Committee on any matter at any time;
- Group General Manager – People and Performance and the Group Workplace Health and Safety (WHS) Manager who have specific responsibilities in respect of operational risks including workplace health and safety, business continuity, environmental, sustainability, ethical sourcing and industrial relations risks. The Group WHS Manager prepares a workplace health and safety report for the monthly Board meetings and is regularly required to attend and present at Board meetings on Group workplace health and safety strategy and performance;
- Chief Information Officer who has specific responsibilities in respect of the Group's information technology security and risk environment including cyber security risks. The Chief Information Officer attends and presents at Audit and Risk Committee meetings as required;
- Company Secretary who is responsible for putting in place adequate insurance to cover the major group insurable risks including property and business interruption, public and products liability, product recall and directors' and officers' liability insurance. The Group's insurance broker assists with arranging the insurance and claims management. The insurance policies are placed with reputable insurers with appropriate coverage, limits and deductibles for the business;
- The Company Secretary is also the Ethical Standards Officer who is responsible for the administration and maintenance of the Group-wide policy against slavery and trafficking in persons. The Ethical Standards Officer has responsibility for overseeing the implementation of the policy, monitoring its use and effectiveness, dealing with any questions that arise, and ensuring audits and internal control systems and procedures are effective in countering modern slavery. The Ethical Standards Officer, with the support of the Head of Procurement, prepares regular reports for the Audit and Risk Committee on progress with the modern slavery risk mitigation plans;
- Internal Audit activities are carried out by a combination of internal and appropriately qualified external resources based on an annual program of work approved by the Audit and Risk Committee. The internal audit function provides both management and the Board with independent objective assurance in relation to the adequacy of the design, and effectiveness of the implementation of the Group's governance, risk management, internal control, key business processes and compliance systems and their operational effectiveness. The Internal Audit function has independent access to the Audit and Risk Committee and is independent of the External Audit function;
- External Audit activities undertaken by the External Auditor, KPMG, to review internal controls as part of their half year review and full year audit procedures. Internal control weaknesses are identified by the External Auditor and communicated to management to address through a formal reporting process. The actions taken by management are reviewed by the Chief Financial Officer and Group Financial Controller as part of the stewardship review process for the half and full year accounts.

The Group has implemented risk management software across the Group for the purpose of identifying and managing workplace health and safety risks. The software is a critical tool for executives and senior management and has enhanced the identification, reporting and monitoring of actions in this important area.

Risk management is embedded in the Group's policies and procedures which have enabled the Group to pro-actively identify and manage all types of risk within the organisation. The Board aims to continually evaluate and re-assess the risk management and internal control practices of the Group to ensure current good practice is maintained and to preserve and create long-term value within the organisation.

A summary of the GWA's key risks and the relevant monitoring and mitigation can be found in the FY23 Annual Report, which is available on the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Investor Relations, Annual Reports.

### **COSO Framework**

During FY20, the Group conducted an internal review of its risk management framework against the COSO (2017 revised) framework as part of its continuous improvement processes. The review indicated that the Group's risk management principles and processes are closely aligned to the COSO framework. The Group will continue to review and refine its risk management processes in future periods to ensure they align with good practice and remain effective in managing risk.

### **Certification of Risk Management Controls**

In conjunction with the certification of financial reports, the Chief Executive Officer and Chief Financial Officer state in writing to the Board each reporting period that in their opinion:

- The financial statements are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- The Group's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

The statements from the Chief Executive Officer and Chief Financial Officer are based on a formal sign-off framework established throughout the Group and reviewed by the Audit and Risk Committee as part of the financial reporting process.

### **Environmental and Social Risks**

The Board is committed to sustainable practices throughout its operations and continues to work with key stakeholders and communities. The Board recognises that a sustainable business is one that provides a safe, rewarding and diverse environment for its people whilst operating in an environmentally and socially responsible manner. The Board also accept the increasingly important role the Group's water saving products and solutions play in enabling customers and other users of our products to conserve and use water more efficiently.

GWA has a strong pedigree and history in developing innovative solutions in water. Sustainability in the area of water solutions has been its mantra for over 40 years. Caroma was the first brand in the world to introduce dual flush technology for toilets in 1980 which has saved approximately 32,000 litres of water per household per annum due to the introduction of full/half flush technology. This technology has subsequently been further developed by Caroma to enable enhanced water conservation.

In September 2023, GWA released its FY23 Environmental, Social and Governance Report (**ESG Report**) to provide shareholders and other stakeholders with detailed information on GWA's commitment to improve in each area of Environmental, Social and Governance. The ESG Report is available on the GWA website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Social Responsibility, Sustainability.

The report highlights GWA's ongoing efforts to integrate sustainability and responsible practices into GWA's operations. Through GWA's innovative products, ongoing focus on reducing its environmental impact, comprehensive social strategies and robust governance practices, GWA is driving positive change and striving for a sustainable future.

The Board is committed to reducing greenhouse gas emissions, water consumption and waste production across GWA's operations. While GWA is a low emissions intensity entity as our business activities are less carbon intensive than other sectors, GWA is nevertheless conscious of the energy usage and greenhouse gas emissions of our operations. GWA has put in place proactive initiatives to establish our scope 1 and scope 2 baselines program, and to then manage and mitigate emissions. GWA continues to voluntarily report its carbon emissions and energy use with the reports available on GWA's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Carbon Reporting.

The Board is committed to continuous improvement in workplace health and safety performance through comprehensive safety systems and processes, communication with employees and increased diligence in identifying and removing safety risks. The Group aims to provide a safe and healthy workplace with the objective of an injury free work environment. For further information on workplace health and safety, please refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Social Responsibility, Health and Safety.

The Board is committed to providing stakeholders with a comprehensive understanding of the Group's tax activities, and in FY17 signed up to the Board of Taxation's Voluntary Tax Transparency Code (Code). The Code is designed to encourage greater transparency within the corporate sector and enhance the community's understanding of the corporate sector's compliance with Australian tax laws. The Group follows the recommendations outlined in the Code in preparing the Group's Tax Transparency Reports.

Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance for a copy of the Board Tax Policy and Tax Transparency Reports.

## **Principle 8 – Remunerate fairly and responsibly**

### **People and Culture Committee**

The People and Culture Committee meets as required and at least four times throughout the year. For membership and attendance details of the People and Culture Committee, refer to the Directors' Report.

The composition of the People and Culture Committee is based on the following principles:

- The Committee should consist of non-executive directors only;
- The Committee should consist of a majority of independent directors;
- The Committee should consist of a minimum of three members; and
- The Chairperson of the Committee should be an independent director.

The People and Culture Committee operates under a charter that details the Committee's role and responsibilities, composition, structure and membership requirements. The charter is reviewed regularly to ensure it remains consistent with the Board's objectives and responsibilities. Refer to the Group's website at [www.gwagroup.com.au](http://www.gwagroup.com.au) under Corporate Governance Policies for a copy of the charter.

The main responsibilities of the Committee include:

- Review of Board size and composition;
- Assessment of the necessary and desirable competencies of Board members;
- Review of Board, Chief Executive Officer and other executive succession plans;
- Evaluation of the performance and contributions of Board members;
- Recommendations for the appointment and removal of directors;
- Review of the remuneration framework for the non-executive directors;
- Review of the Group's executive remuneration and incentive policies and schemes;
- Review of Chief Executive Officer and other executives' remuneration packages;
- Review of Chief Executive Officer and other executives' performance objectives;
- Evaluation of Chief Executive Officer performance against objectives;
- Review of Chief Executive Officer and other executive development plans;
- Review of the Group's recruitment, retention and termination policies and procedures;
- Review of the Group's superannuation arrangements;
- Review of the Group's overall remuneration budget;
- Review of the annual Remuneration Report for inclusion in the Directors' Report;
- Approval of engagement of external remuneration consultants;
- Review of Diversity Policy and assessing progress against measurable objectives; and
- Reporting to the Board on the Committee's role and responsibilities covering all the functions in its charter.

In performing its responsibilities, the People and Culture Committee receives appropriate advice from independent external advisers.

The Company Secretary prepares the draft minutes for each People and Culture Committee meeting which are tabled at the next Committee meeting for review and approval. The draft minutes are also included in the Board papers for the next Board meeting following the People and Culture Committee meeting.

## **Remuneration Policies**

The Board's objective in setting the Group's remuneration policies is to provide maximum stakeholder benefit from the retention of a high-quality forward-thinking Board and executive team. This is achieved by remunerating directors and executives fairly and appropriately based on relevant market benchmarking data and the linking of executive remuneration to the Group's strategy, financial and operating performance in order to align with shareholder wealth creation.

The People and Culture Committee is responsible for determining the remuneration for the non-executive directors, with the maximum aggregate amount approved by shareholders. The non-executive directors receive their remuneration by way of directors' fees (including statutory superannuation) and are not able to participate in the executive incentive schemes. There are no director retirement benefits other than statutory superannuation.

The People and Culture Committee is responsible for reviewing and determining the remuneration and incentive arrangements for executives. The People and Culture Committee obtains market benchmarking data from independent external advisers to assist in determining market remuneration levels. The remuneration and incentive arrangements have been structured to ensure that performance is fairly rewarded and to attract, motivate and retain a high-quality executive team, capable of implementing the Group's strategy and aligning the executives' interests with the creation of shareholder value and with the Group's values and risk appetite in mind.

The Group has an equity-based remuneration scheme for executives which was approved by shareholders in 2008. For details of the scheme, refer to the FY23 Remuneration Report. In



accordance with the rules of the scheme, participants must not enter into any transactions or arrangements (whether through the use of derivatives or otherwise) which reduces or limits the economic risk of participating in the scheme.

For details of the Group's remuneration policies and disclosures, refer to the FY23 Remuneration Report included in the Annual Report.