

2023 Corporate Governance Statement

December 2023



Contents

Corporate Governance overview	3
Risk Governance	6
The Board	8
Financial reporting	13
Remuneration	14
Diversity and community	15
Other key policies	16

Corporate Governance overview

This Corporate Governance Statement (Statement) describes MA Financial's key governance practices and policies. It explains how our practices promote responsible management and conduct in a way which meets stakeholder expectations, having regard to both specific and broader responsibilities to shareholders, clients, investors, employees and the communities in which we operate.

MA Financial Group Limited (ACN 142 008 428) (MA Financial, Company or Group) is an ASX-listed Australia headquartered financial services firm specialising in managing alternative assets, lending, corporate advisory and equities.

We are focused on delivering long term value to all our stakeholders. Our vision is to create an environment of enterprise, optimism, and partnership. To place the interests of our clients above all else, and work together as co-creators of long-term value. We:

- Are energised to realise potential. That's why we empower our people to always be at their best and focused on what matters. We harness the best in contemporary financial thinking to deliver innovative approaches to unlock value.
- Know that our people are our business. A combination of insight, attitude and integrity is our unique formula for success.
- Stay focused on what matters.
- Focus on being active managers of risk.

This Statement references a number of MA Financial policies and charters, which are available on the MA Financial [website](#).

Board oversight

The Board oversees the management of the Company and sets the expected culture and conduct standards while encouraging open, direct and constructive dialogue.

The Board is responsible for promoting the long-term interests of MA Financial and overseeing the activities of management. Its role is to:

- represent and serve the interests of shareholders by overseeing and appraising strategy, policy and performance;
- protect and optimise performance and build sustainable value for shareholders in accordance with any duties and obligations imposed by law and the Company's Constitution;
- monitor and assess Company culture through formal means of measurement as well as through active engagement with employees across formal and informal contexts;
- set and monitor compliance with MA Financial's governance framework; and
- ensure shareholders and other stakeholders are kept informed of performance and major developments.

The Board Charter sets out its role and responsibilities, including matters which are expressly reserved for the Board.

The MA Financial Board Charter is available on the MA Financial [website](#).

Corporate Governance overview (continued)

The Board's actions in overseeing governance, compliance with key policies and in assessing culture include:

OVERSIGHT, VALUES AND CONDUCT

- Establishing the standards expected across all Group companies
- Setting policies and governance frameworks which support, enhance and improve the conduct standards
- Reviewing performance against standards, including challenging the executive team in relation to operations and culture
- Active inquiry and assessment of culture in formal and informal contexts
- Monitoring executive actions relating to the implementation of risk practices, reinforcing values and culture and addressing issues arising.

RISK

- Approving the Group Risk Management Statement and the Risk Appetite Statement
- Reviewing reports from the Audit and Risk Committee regarding the effectiveness of the Group's risk management framework

STRATEGY

- Stress testing of strategy, including considering the impact on clients and the wider communities in which we operate
- Assessing capital management strategies deployed and their appropriateness in light of potential risks

REMUNERATION

- Setting and monitoring remuneration policies to ensure alignment between employees and shareholders
- Assessing performance of its businesses and senior management, taking into account financial results, risk, conduct and contribution to culture, and determining appropriate remuneration outcomes

Organisational values and standards of conduct

The Board oversees the Group compliance framework including key policies designed to protect and enhance organisational culture, ensuring the actions of MA Financial and its employees are lawful, responsible and ethical.

The differentiating values and behaviours represent the principles regulating Company conduct and decision making, and they complement and work in tandem with the Code of Conduct.

The Code of Conduct sets out the standards we expect from our directors, officers and employees. The Code of Conduct outlines its requirements with respect to relationships, compliance with laws and ethics, conflicts of interest, confidentiality, use of the Company's assets and competition.

The MA Financial Code of Conduct is available on the MA Financial [website](#).

Corporate Governance overview (continued)

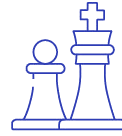
In 2023, as part of a brand refresh, MA Financial introduced the following key drivers, which motivate our decisions and actions.

Our four key drivers



CHARACTER MATTERS

We're powered by good people with the right attitude and values.



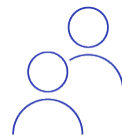
EDGE HAS A FORMULA

Our edge comes from hard, dedicated, diligent work and experience.



BETTER WAY?

We're contemporary thinkers who challenge norms, but respect experience.



CO-CREATORS OF VALUE

Success isn't a perfect process – we're there for the ups and downs, and when our clients win – we win

New and existing staff receive ongoing training on the Code of Conduct and other key policies. Each staff member is required to complete training and certify that they have read, understood and will comply with the various policies.

Material breaches of the Code of Conduct and key policies are reported to the Board or a relevant Board sub-committee.

Risk Governance

MA Financial considers active identification, assessment and management of risk to be core to our values and critical to our long-term success. We believe risk management is the responsibility of every employee of MA Financial.

In undertaking our business activities, we recognise that we have obligations to all stakeholders, including shareholders, investors, clients, employees, contractors and the wider community.

Effective management of risk is imperative to meeting these obligations and achieving our strategic objectives.

We maintain a strong risk culture that embeds risk management through demonstrable focus on and dialogue in relation to risk. We set expectations through

our policies and processes and ensure there are both consequences and incentives associated with risk management objectives.

The Board annually reviews the Group's Risk Management Statement, which assists in setting the parameters for risk governance and oversight. It also defines the Group's Risk Appetite Statement which is set via a combination of qualitative and quantitative objectives designed to reflect the types of risk that the Group is willing to accept or avoid.

The Board actively engages in reviewing and challenging management proposals and decisions from a risk management perspective, and in considering risks which arise in connection with business activities.



Risk Governance (continued)

Risk identification and management

The Audit and Risk Committee (ARC) assists the Board with oversight of risk management practices. The ARC does this by reviewing the risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk.

The ARC satisfies itself that MA Financial's risk management framework is appropriate and sound.

The Company does not currently have an internal audit function. Instead and commensurate with its scale and complexity, MA Financial has developed a Risk Assurance Programme which is overseen by Group Risk. The Risk Assurance Programme involves appropriate risk-based reviews of key systems and controls. Where appropriate, this involves engaging external advisors to audit or oversee and report on the adequacy and effectiveness of the systems of risk management, internal control and governance.

External advice may also be sought in relation to providing recommendations to improve the effectiveness of these systems and processes. The ARC receives reports and presentations from management and external advisors on their review and audit of key systems and controls.

In addition, the ARC monitors and reports to the Board that:

- adequate policies and processes have been designed and implemented to manage identified risks;
- proper remedial action is undertaken to redress areas of weakness; and
- the approach to internal review and any audit activities undertaken is appropriate.

Sustainability risks

The Board and management are committed to building a sustainable business that appropriately manages economic, environmental and social sustainability risks.

Given the nature and size of the Company's business and operations, MA Financial does not have any material environmental sustainability risks.

Social sustainability risk assessment forms part of our diligence and investment criteria, as well as our portfolio management framework. Our Modern Slavery Policy supports the ongoing assessment of social sustainability risks related to contractual counterparties and suppliers.

Further information is outlined in the Sustainability Section of the [Annual Report](#).

The Board

Board composition

The Company's Constitution provides for no minimum or maximum number of Directors. The Board of MA Financial comprises of nine Directors, four Independent Non-Executive Directors, two Non-Executive Directors and three Executive Directors (including the Joint Chief Executive Officers (Joint CEOs)).

The current Board comprises:

Board Member	Position	Date appointed
Jeffrey Browne	Independent Chairman and Non-Executive Director	27 February 2017
Andrew Pridham	Executive Vice-Chairman	25 May 2010
Alexandra Goodfellow	Independent Non-Executive Director	19 August 2020
Simon Kelly	Independent Non-Executive Director	21 April 2021
Nikki Warburton	Independent Non-Executive Director	23 December 2022
Julian Biggins	Executive Director and Joint CEO	2 February 2017
Christopher Wyke	Executive Director and Joint CEO	2 March 2020
Kenneth Moelis	Non-Executive Director	7 July 2010
Kate Pilcher Ciafone	Non-Executive Director	19 August 2020

Committees

MA Financial's two standing committees assist the Board in key areas of oversight.

The permanent standing Committees of the Board are the ARC and the Nomination and Remuneration Committee (NRC).

Both Committees have a formal Charter which sets out matters relevant to their composition, responsibilities and administration. Each Committee is chaired by an Independent Non-Executive Director and has a composition that comprises of only Non-Executive Directors, the majority of which are Independent Non-Executive Directors.

Board and Committee Composition	Board	Audit and Risk Committee	Nomination and Remuneration Committee
Independent Directors			
Jeffrey Browne	Chair	Member	Member
Alexandra Goodfellow	Member	Member	Chair
Simon Kelly	Member	Chair	
Nikki Warburton	Member		
Non-Executive Directors			
Kenneth Moelis	Member		
Kate Pilcher Ciafone	Member		Member
Executive Directors			
Andrew Pridham	Member		
Julian Biggins	Member		
Christopher Wyke	Member		

The Board (continued)

Audit and Risk Committee

The ARC's key responsibilities and functions are to assist the Board with its oversight of the:

- integrity of the financial statements, including oversight of the Group's relationship with the external auditor and the external audit function generally;
- Company's financial controls and systems, having regard to the external regulatory requirements and the internal financial control environment; and
- MA Financial risk management framework, which includes advising the Board on the Company's risk appetite, risk management strategies and its culture relating to risk, as well as oversight of the adequacy of processes for the identification and management of risk.

The ARC provides a link between MA Financial's external auditor, the Board and management.

The ARC is responsible for (subject to *Corporations Act 2001* (Cth) requirements) the appointment and terms of engagement, including compensation for the external auditor. The ARC will also evaluate the effectiveness of the annual audit and the independence of the external auditor.

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

The composition of the ARC is consistent with ASX Corporate Governance Principles & Recommendation 4.1.

Nomination and Remuneration Committee

The NRC's role with respect to nomination involves assisting the Board achieve optimal composition and skills mix of the Board, to ensure effective decision making and stewardship of MA Financial. This extends to succession planning.

The ARC assists the Board with respect to remuneration by recommending appropriate policies and practices which promote sustained value creation, consistent with the risk appetite and the values of MA Financial.

As with the ARC, non-Committee members, including management, may attend meetings of the Committee by invitation of the Committee Chair.

The composition of the NRC is consistent with ASX Corporate Governance Principles & Recommendation 2.1.

The meetings and attendance for both the ARC and NRC are set out in the Directors' report contained in the 2023 Annual Report, which is available on our [website](#).

The Board (continued)

Skills and experience

The competencies of the current Board members and the number of directors with each skill or experience set is described below.

Skills and experience	Explanation	Number of Directors (out of 9)
Senior leadership	Having performed a CEO or senior executive role of a relevant scale and/or complexity of the organisation, assists in capacity to contribute to the development, implementation or assessment of business strategies and execution plans	9
Business development and strategy	Senior executive experience developing and directing the strategy of an organisation assists with the Board's review of strategy	9
People and culture management	People management and experience in shaping and enhancing culture assists the Board in its oversight of talent management and succession planning	9
Financial acumen	Financial literacy assists in the understanding of financial reporting and capital management strategies	9
Accounting, audit	Experience in financial accounting and reporting, including assessing the quality of financial controls	1
Financial services industry experience	Experience in a senior position within financial services assists in understanding and reviewing the Company's businesses and strategy	5
Global experience	Experience in living and working overseas in a senior role in a global organisation or responsibility for overseas operations	6
Investment banking/ financial markets/ funds management	Experience in a senior position within these sectors assists in understanding and reviewing the Company's businesses and growth strategy	5
Corporate Governance including risk management	Experience in developing strategy, policies and frameworks to support sound corporate governance, including identifying and monitoring material risks in a complex organisation	9
Law	Legal qualifications and/or experience provide the Board with legal and compliance expertise in overseeing and meeting the Company's legal and compliance requirements including in regulated markets	1
Innovation and new business development	Experience in developing, implementing and executing strategies involving innovation, disruption or new products assists in business plan and growth strategy assessment	9
Client and marketing	Experience developing client strategies assist the Board with insights on the needs of clients	9

The Board (continued)

Independence

An 'Independent Director' is a Non-Executive Director who is not a member of the Company's management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the exercise of their unfettered and independent judgement.

The Board will consider the materiality of any given relationship on a case-by-case basis. The Board reviews the independence of each Director with regards to interests disclosed to the Board from time to time. The assessment of independence will be conducted in accordance with the ASX Principles and Recommendations.

The Board considers that:

- Jeffrey Browne, Alexandra Goodfellow, Simon Kelly and Nikki Warburton are independent;
- Kenneth Moelis and Kate Pilcher Ciafone are both Non-Executive Directors but are not considered independent due to their association and employment by Moelis & Company Group LP (Moelis & Company), which is a major shareholder of MA Financial; and
- Andrew Pridham, Christopher Wyke and Julian Biggins are not independent as they are employed by the Company in an executive capacity.

Whilst the Board does not comprise of a majority of Independent Directors, its composition and skill is considered appropriate given:

- the Joint CEO structure;
- that a majority of directors are not involved in an executive capacity; and
- the significant equity interest held in the Company by Moelis & Company.

The Board considers that each Board member continues to bring objective and independent judgement to make decisions in the best interests of all shareholders, and in accordance with their duties as Directors.

Renewal, appointment and performance

The Board seeks to ensure it comprises of Directors with a broad range of skills, expertise and experience. The Board, with the assistance of the NRC, reviews its size and composition having regard to this objective.

The current Board size is appropriate for the nature of MA Financial's business and strategy, and is reviewed on a regular basis.

Induction and ongoing professional development opportunities

New Directors participate in an induction process which includes:

- meetings with key executives and senior management including the Joint CEOs, Chief Financial Officer (CFO), Chief Operating Officer (COO) and General Counsel;
- the provision of key Company materials including business descriptions, strategic plans, financial forecasts and core corporate governance policies;
- meetings with other executive and Non-Executive Directors; and
- meetings with external advisors such as the Company's auditor, as appropriate.

MA Financial periodically offers appropriate professional development opportunities for Directors to ensure they remain informed with current industry and regulatory developments.

Education during 2023 was primarily around Cyber Risk through a combination of presentations and workshops facilitated by external advisors.

Board performance evaluation process

At MA Financial, the performance evaluation processes for the Board, Committees and individual Directors include:

- on an annual basis, Directors will provide feedback in relation to the performance of the Board, its Committees and individual Directors;
- feedback will be collated by the NRC and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees;
- in the case of the Chair of the Board, performance feedback will be collected by the Chair of the NRC; and
- the NRC may also seek feedback from select senior management in connection with the Board performance review.

Performance evaluations of the Board, its Committees and each Director were undertaken in 2023 in accordance with the processes described above.

The Board (continued)

Senior executive annual performance evaluation process

The NRC assesses the performance of the Joint CEOs, all executive Key Management Personnel and other select senior executives as part of the annual remuneration review process undertaken in December of each year.

The performance of all direct reports to the Joint CEOs is assessed by the Joint CEOs.

The NRC separately assesses the performance of the Joint CEOs, during which the Joint CEOs exclude themselves.

Once the assessments are complete the NRC provides the Board with its recommendation.

Performance evaluations for senior executives were undertaken in 2023 in accordance with the processes described above.

Financial reporting

The ARC has been delegated the following financial reporting obligations on behalf of the Board:

- external auditor engagement, including the terms of the engagement and an assessment of external auditor performance;
- oversight of the quality and integrity of the financial reporting of MA Financial, including how the financial reporting processes operate. This includes meeting with the external auditor without management present; and
- consideration of the independence of the external auditor prior to the approval of financial statements.

The auditor independence process includes oversight of auditor rotation in accordance with Australian regulations and maintenance of an Auditor Independence Policy.

Financial statements declarations

The Joint CEOs and the CFO provide a written certificate to the Board in respect of the half year and full year statutory accounts which states that:

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

Remuneration

Remuneration of Non-Executive Directors

Upon appointment to the Board, all Non-Executive Directors enter into a letter of appointment with the Company.

The remuneration policy for Non-Executive Directors aims to ensure MA Financial can attract and retain suitably qualified and experienced Non-Executive Directors.

Further information is contained in the Remuneration Report of the [2023 Annual Report](#).

Remuneration of senior executives

The Executive Directors and other senior executives have written employment agreements setting out the terms of their employment, including remuneration.

These objectives ensure the level and composition of remuneration is appropriate, and there is a clear link between pay and performance.

Linking remuneration to performance and providing senior executives with equity that's aligned to the creation of long-term value for shareholders is the most appropriate way of attracting and retaining high performing senior executives.

Further information about executive remuneration is set out in the Remuneration Report.

Minimum shareholding policies

To further strengthen alignment of interests with our shareholders, the Board has adopted Minimum Shareholding Policies for Non-Executive Directors, Executive Key Management Personnel and Heads of Business Divisions (Executives). Under these policies:

- Non-Executive Directors are required to hold shares in the Company equivalent to 100% of their annual base Directors' fees, within three years of appointment to the Board; and
- Executives are required to hold shares in the Company equivalent to at least 150% of Fixed Annual Remuneration within three years of joining the Company. Ongoing monitoring of the Minimum Shareholding Policies is overseen by the NRC with all Non-Executive Directors and Executives within policy requirements.

Attracting, retaining and developing the best talent

Linking remuneration to an individual's overall contribution so higher levels of performance and innovation attract higher rewards

Recognition that delivering long term value requires the right balance of cohesive behaviours and individual excellence

Motivating employees to be active managers of risk and accountable for all business decisions. Our growth is always paired with acting with integrity

Remuneration structure is aligned to operating performance and return to shareholders over the long term

Providing employees with consistent and aligned rewards, including recognition of outperformance in value creation

Diversity and community

Diversity

MA Financial recognises that its people are its most important asset and is committed to the promotion of workplace diversity and inclusion.

We seek to deliver sustained long-term value and performance for our shareholders. As a people and ideas led organisation, we do this by empowering our people through our unwavering belief in the unlimited potential of our people and our clients. We have identified four drivers which motivate our decisions and our actions: Character Matters, Better Way?, Edge has a Formula and Co-creators of Value. Diverse thinking is a critical enabler of each of our four drivers.

Diversity enables attracting, retaining, motivating and developing the best talent. It creates an engaged workforce, which in turn delivers the highest quality services to clients and ensures continued growth of the business.

The Board believes a commitment to workplace diversity and inclusion provides MA Financial with the best opportunity to continue to deliver market-leading financial services, products and solutions to an increasingly global client and investor base.

The MA Financial Diversity Policy is available on the MA Financial [website](#).

During 2023, MA Financial advanced a number of programmes and initiatives to support increased diversity and inclusion. Further information on these key initiatives is available in the Sustainability Section of the [Annual Report](#).

In relation to gender diversity, the focus of our measurable objectives has been on increased representation at Board and senior levels, intern programme participation and hiring, and in respect of culture, a focus on inclusion.

In 2023, female representation on the Board remained at to 33%, up from 25% in 2021.

The proportion of men and women in our workforce as at 31 December 2023 is:

Workforce



Senior Executives²



Board



About the MA Academy

Our people are the core of our business, and our competitive advantage. The MA Academy is the umbrella of learning that encompasses all training and development of MA Financial staff. It is a structured and formalised way to pass the baton of learning from one generation to the next.

The MA Academy is practical and focuses on current, best-in-class business and investment practices in the real world; practical learning with a real-life edge.

MA Academy

Established in 2020, The MA Academy encompasses all training and development of the workforce. The Academy's curriculum is broad and encompasses onboarding, technical, personal and leadership growth and development, facilitated by senior company executives and highly credentialed external presenters.

MA Foundation

The MA Foundation was established in 2018 to positively impact the communities we operate in. To date the Foundation has donated over \$8.1 million to more than 35 charities. The activities of the Foundation are led by our people, and more than 80% of Foundation receipts arise from pledges from employees. This is a testament to our workplace culture that places great importance on supporting our communities.

The Foundation is chaired independently by Dr Mark Nelson. Mark is the co-founder and Chairman of Caledonia Investments Group, and has significant philanthropic experience. Andrew Pridham and Julian Biggins are Directors.

As the Foundation matures and with our collective effort, we look forward to participating meaningfully in our wider community.

Further information about the MA Academy and the MA Foundation is available in the [Annual Report](#).

Other key policies

Communications with shareholders

MA Financial is committed to ensuring timely and open communication with shareholders and other important stakeholders, with respect to all material developments and risks.

MA Financial communicates information regularly through a range of platforms and publications, including our website, the ASX Market Announcements Platform, annual and half-year reports and our Annual General Meeting.

We encourage two-way communication with shareholders.

Shareholders are encouraged to submit questions in advance of the Annual General Meeting to facilitate engaged participation.

The external auditor, KPMG, is also available at the Annual General Meeting to address shareholder questions. It is the Company's practice to conduct voting on all resolutions by poll.

The MA Financial Disclosure Policy is available on the MA Financial [website](#).

Our reports to the market which are not audited are verified internally by management prior to release to the ASX. The verification process requires confirmation of accuracy and completeness of disclosures.

Verifying our External Communications

The Company has adopted an External Communications Policy that is intended to assist the Company's Board of Directors and its Committees, and discharge their responsibilities with respect to overall accuracy and integrity of external reporting of information for the Company.

External Communications should be prepared in accordance with the following core principles:

- a) information included should not be inaccurate, false, misleading or deceptive;
- b) there are no material omissions including those which may prevent existing or potential investors from making informed decisions;
- c) information should be prepared in compliance with relevant legislation, regulations, industry codes and standards, including (but not limited to) ASIC and ASX requirements;
- d) requisite approvals should be obtained from third parties (where such third parties are referred to).

Conflicts of Interest Policy

MA Financial is committed to identifying, declaring and managing conflicts of interests (Conflicts). Like most diversified financial services firms that engage in a wide range of businesses and activities, we face potential Conflicts on a regular basis. MA Financial maintains a Conflict of Interest Policy in order to appropriately identify and manage actual, potential and perceived Conflicts.

Whistleblower Policy

MA Financial is committed to a culture that encourages our people and others to speak up on matters or conduct that concerns them. We have adopted a Whistleblower Policy which outlines the protections and measures that persons who disclose reportable conduct may do so confidentially and without fear of intimidation, disadvantage or reprisal. The Board is notified of the nature of reports made under the Whistleblower Policy.

Securities Dealing Policy

The MA Securities Dealing Policy sets out the types of conduct in relation to dealings in its own securities that is prohibited and establishes procedures for the buying and selling of its securities. This protects the Company, its Directors and employees against the misuse of information, which could materially affect the value of the Company's securities.

The Policy imposes restrictions on transactions which may have the effect of limiting the economic risk of any participation in the Company's equity-based remuneration schemes.

Anti-Money Laundering and Counter Terrorism Financing Policy

As with any diversified financial services firm there is a risk that MA Financial products and services may be used to launder money and finance terrorism. The Board has adopted a Group Anti-Money Laundering and Counter Terrorism Financing Programme which involves ongoing:

- assessment of money laundering and terrorism financing risks to its businesses;
- employee training;
- employee and customer due diligence;
- transaction monitoring; and
- suspicious transaction reporting.

The Programme is reviewed annually by the Board and is subject to periodic independent review.

Other key policies (continued)

Anti-Bribery and Corruption Policy

MA Financial believes there is no place for bribery or corruption in advancing its business objectives.

We have a zero-tolerance approach to bribery and corruption and are committed to implementing and enforcing systems that ensure bribery is prevented.

Key policies are available on the [MA Financial website](#).

This Corporate Governance Statement is current at 22 February 2024. The Statement reports MA Financial's governance practices against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) and has been approved by the MA Financial Board. MA Financial's governance arrangements were consistent with the ASX Principles and Recommendations, other than as set out in this Statement.

