

# 2015 Corporate Governance Statement of Greencross Limited

The Pet Company

## Corporate Governance Statement

### 30 June 2015

#### Corporate Governance Statement

This statement reports on the Company's key governance framework, principles and practices as at 30 June 2015 with respect to the Company and its controlled entities (together, the **Group**), and has been approved by the Board. These principles and practices are reviewed regularly and revised as appropriate to reflect changes in law and best practice in corporate governance.

As a company listed on the Australian Securities Exchange Limited (**ASX**), the Company must comply with the Corporations Act 2001 (Cth) (**Corporations Act**), the ASX Listing Rules, and other laws applicable in Australia and in countries where the Group operates.

#### 1.0 Compliance with ASX Corporate Governance Principles and Recommendations

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the Corporate Governance Principles and Recommendations (**ASX Principles and ASX Recommendations**) 3rd Edition released by the ASX Corporate Governance Council.

Details of the Company's compliance with the Corporate Governance Principles and Recommendations are set out in this statement.

The Company's corporate governance practices were in place throughout the year ended 30 June 2015, and comply in all material respects with the ASX Recommendations, unless otherwise stated.

A checklist, cross referencing the ASX Recommendations to the relevant sections of this statement and the remuneration report, is provided at the end of this report.

#### 2.0 The Board of Directors and Management

##### 2.1 The Board Charter

###### *ASX Recommendation 1.1*

In August 2014, the Board adopted a new charter which clearly sets out the role and responsibilities of the Board.

In particular, the charter details the:

- roles and responsibilities of the Board;
- roles and responsibilities delegated to the Managing Director and the management team of the Group;
- composition of the Board and related matters;
- protocols to observe where a Director has a conflict of interest;
- procedure for the Directors to obtain independent professional advice; and
- term of appointment of Directors.

A copy of the Board Charter is available on the Company's website at: [www.greencrosslimited.com.au](http://www.greencrosslimited.com.au)

##### 2.2 The role of the Board

###### *ASX Recommendation 1.1*

The Company's Constitution provides that the business and affairs of the Group are to be managed by, or under the direction of, the Board.

The primary role of the Board is to:

- provide input, guidance and approve the strategic direction of the Group;
- guide, monitor, and evaluate the performance of, the management of the Group and its businesses in achieving its strategic plans; and
- ensure the highest standard of governance of the Group.

The Board aims to protect and enhance the interests of its shareholders, while taking into account the interests of other stakeholders, including employees, customers, clients, suppliers and the wider community.

### **2.3 The responsibilities of the Board**

#### *ASX Recommendations 1.1 and 1.6*

Broadly, the Board is responsible for:

- achieving, and demonstrating, the highest standard of governance of the Group;
- the overall operation and stewardship of the Group;
- the long-term growth and profitability of the Group;
- the strategies, policies and financial objectives of the Group; and
- monitoring the implementation of the Group's strategies, policies and financial objectives.

In fulfilling the above responsibilities, the Board oversees the Group's strategy, risk management and reporting practices, relationship with management (including the monitoring of performance) and corporate governance.

#### *Strategy*

The Board is responsible for:

- providing input to, and approving, the Group's strategic direction and budgets as developed by management;
- monitoring and assessing the Group's performance against strategic and business plans; and
- monitoring major capital expenditure.

#### *Risk Management and Reporting*

The Board is responsible for:

- identifying the principal risks of the Group's business and ensuring the Group has in place an appropriate risk management framework and establishing the acceptable levels of risk within which the Board expects the management of the Group to operate;
- reviewing and ratifying the Group's systems of internal compliance and control, risk management and legal compliance systems, to determine the integrity and effectiveness of those systems; and
- approving and monitoring material internal and external financial and other reporting, including:
  - periodic reporting to shareholders, the ASX and other stakeholders; and
  - overseeing the Company's processes for making timely and appropriate disclosure of all material information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

#### *Relationship with Management*

The Board is responsible for:

- appointing and removing the Managing Director and the Company Secretary;
- ratifying the appointment and removal of senior executives (which includes all executives who report directly to the Managing Director);
- approving the Group's remuneration policies and framework and determining whether the remuneration and conditions of service of senior executives are appropriate and consistent with the approved remuneration policies and framework;
- monitoring executive succession planning;
- delegating the day to day decision making and implementation of Board approved strategy to the Managing Director; and
- setting specific limits of authority for management.

#### *Monitoring of Performance*

The Board is responsible for:

- establishing criteria for assessing performance of senior executives and monitoring and evaluating their performance;
- undertaking an annual evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of the Board Charter, relevant Board Committee Charters and the reasonable expectations of individual Directors;
- appointing a suitable non-executive Director to conduct an annual evaluation of the performance of the Chair, including the canvassing of views of the other Directors; and
- where appropriate, engaging external facilitators to conduct its performance evaluations.

*Corporate Governance*

The Board is responsible for:

- selecting and appointing the Board Chair;
- ensuring ethical behaviour and compliance with the Company's own governing documents, including its Code of Conduct; and
- monitoring and evaluating the Group's compliance with its corporate governance standards.

The corporate governance policies are available on the Company's website at [www.greencrosslimited.com.au](http://www.greencrosslimited.com.au)

## **2.4 Board Delegation to Managing Director and Management**

### *ASX Recommendation 1.1*

The Board has reserved certain powers for itself and delegated authority and responsibility for management of the Group to the Managing Director. This authority is broad ranging and may be sub-delegated to other levels of the management team of the Group. Delegations are subject to strict limits.

The Managing Director is Mr Jeffrey David, who was appointed as the Group's Chief Executive on 6 February 2014. The Managing Director is responsible for running the day to day affairs of the Group and to implement the policies and strategies set by the Board. In carrying out these responsibilities, the Managing Director must report to the Board in a timely and clear manner.

The Board has delegated, through the Managing Director, the following responsibilities to the management team of the Group:

- proposing the strategic direction of the Group for consideration by the Board;
- developing business plans and budgets and, to the extent approved by the Board, implementing these plans and budgets to deliver the strategy;
- operating the Group's business within the parameters set by the Board from time to time and keeping the Board informed of material developments in the Group's business;
- in respect of proposed transactions, commitments or arrangements that exceed the parameters set by the Board, referring such matters to the Board for its consideration and approval;
- identifying and managing operational and other risks and, where those risks could have a material impact on the Group's businesses, formulating strategies for managing these risks for consideration by the Board;
- implementing the policies, processes and codes of conduct approved by the Board; and
- managing the Group's current financial and other reporting mechanisms and controlling and monitoring systems to ensure that these mechanisms and systems function effectively and capture all relevant material information on a timely basis.

All delegated authorities provided by the Board to the Managing Director are reviewed regularly.

## **2.5 Responsibilities of Chairman**

### *ASX Recommendations 1.1 and 2.5*

The Board Charter prevents the same person from simultaneously holding the roles of Chairman and Managing Director. These roles are distinct and separate.

The Board is chaired by an independent non-executive Director. The Chairman is Mr Stuart James, who was appointed as the Group's Chairman on 6 February 2014. Mr James is an experienced director and former executive within the financial and healthcare sectors. A detailed list of his directorships and prior experience is set out in the 'Information on Directors' section in the Directors' Report of this Annual Report.

The Chairman is responsible for:

- chairing meetings of the Board and providing effective leadership to the Board;
- maintaining ongoing dialogue with the Managing Director and providing appropriate mentoring and guidance; and
- being a respected ambassador for the Group, including chairing meetings of shareholders and dealing with key stakeholders including investors, customers and regulatory bodies.

The positions held by Mr James outside the Group do not prevent him executing and fulfilling all of his obligations and responsibilities to the Board and the Group.

## **2.6 Responsibilities of Company Secretary**

*ASX Recommendations 1.1 and 1.4*

The Company Secretary is appointed and removed by the Board. The Company Secretary, Mr Vincent Pollaers, reports, and is accountable to, the Board, through the Chairman, on all matters to do with the proper functioning of the Board and Board Committees. The Company Secretary's responsibilities include:

- advising the Directors, the Board and its Committees on governance and regulatory matters;
- monitoring that Board and Committee policy and procedures are followed;
- coordinating the timely completion and despatch of Board and Committee papers;
- ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
- helping to organise and facilitate the induction and professional development of Directors.

Each Director is able to communicate directly with the Company Secretary and vice versa, and to receive advice from the Company Secretary.

Mr Pollaers, the current Company Secretary, was appointed on 2 April 2014. The profile for the Company Secretary is provided in the 'Company Secretary' section in the Directors' Report of this Annual Report.

## **2.7 Composition of the Board**

*ASX Recommendations 2.2, 2.3 and 2.4*

The Board Charter requires that:

- a majority of the Board are independent Directors; and
- the Board comprise people with a mix of skills and diversity of backgrounds to enable the Board to discharge its duties effectively in order to allow for the Group to fulfil its goals and responsibilities to shareholders and other key stakeholders.

The composition of the Board is also based on the following factors:

- the Board being of a size to assist in efficient decision making;
- the Board size being not less than 3; and
- each Director possessing unquestionable integrity and being of good character.

The skills, experience, expertise, commencement dates, and length of service of the Directors are set out in the 'Information on Directors' section in the Directors' Report of this Annual Report.

A review of Board composition and skills is undertaken annually by the Board which enables the Board to assess the skills and the experience of each Director and the combined capabilities of the Board. The results of this review are considered in the context of the Group's operations and strategy. Further information on the skills assessment conducted in FY 2015 is set out in paragraph 2.9 below. The results of this review are then incorporated into the selection process for new Directors.

## **2.8 Independence of Directors**

*ASX Recommendations 2.3 and 2.4*

Directors are expected to bring independent views and judgment to Board deliberations. An independent Director must be independent of management and able to exercise unfettered and independent judgment, free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of the Director's judgment as to what is in the best interests of the Group. The 'Information on Directors' section of this Annual Report identifies the major associations of each Director outside of the Group.

The Board currently comprises the following independent Directors: Christina Boyce, Andrew Geddes, Stuart James and Christopher Knoblanche.

In assessing whether a Director is independent, the Board has adopted the independence requirements of applicable laws, rules and regulations, as well as the ASX Principles. The criteria adopted by the Company in assessing independence, as prescribed by the ASX Principles, are set out in both the Board Charter and the Audit and Risk Management Committee Charter, which are available on the Company's website.

The Board Charter provides that the Board will regularly review the independence of each Director in light of the interests disclosed by each Director. Specifically, the Board will review the independence of any Director who has served in that position for more than 10 years in order to confirm that their independent status can be maintained.

In determining independence, each non-executive Director is required to make an annual disclosure of all relevant information to the Board. Any assessment of independence for a non-executive Director who does not meet the independence standards adopted by the Board will be specifically disclosed to the market in the Group's Annual Report.

The Board has procedures in place to ensure it operates independently of management.

Disclosure of related party transactions is set out in the notes to the financial statements and remuneration report of the Annual Report.

## **2.9 Board Skills Matrix**

*ASX Recommendation 2.2*

The Board has identified particular qualifications, attributes, skills and experience that are important to be represented on the Board as a whole, in light of the Company's current and expected future business needs. The Board seeks to ensure that these particular qualifications, attributes, skills and experience are sufficiently present on the Board. Following a review earlier in the year, the Board was satisfied that it had sufficient skills and experience in areas of strategy, finance and governance but believed it could enhance its level of online and digital marketing skills. Operational experience in retailing and vet services were judged appropriate but the Board felt it could increase its gender diversity

## **2.10 Appointment and re-election of Board members**

*ASX Recommendations 1.2 and 1.3*

The Company has formal letters of appointment for each Director appointed by the Board in FY15, setting out the key terms and conditions of the appointment.

The process for appointing a Director is:

- when a vacancy exists, the Board identifies candidates with the appropriate expertise and experience, using external consultants if appropriate;
- the Board undertakes appropriate checks in relation to the character, experience, education, criminal record and bankruptcy history for each of these candidates; and
- the most suitable candidate is appointed by the Board but must stand for election at the next annual general meeting of the Company.

The process for re-election of a Director is in accordance with the Company's Constitution and the ASX Listing Rules, which require that, other than the Managing Director, any Director who holds office for a continuous period in excess of three years, or past the third annual general meeting following their appointment as a Director, whichever is longer, is required to retire by rotation at each annual general meeting and is eligible to stand for re-election.

A candidate standing for election as a non-executive Director will be asked to provide the Board, or the Remuneration and Nomination Committee, with the following information, which will be provided to shareholders to enable them to make an informed decision as to whether to elect or re-elect the candidate at the next annual general meeting:

- biographical details, including the relevant qualifications and experience and the skills the candidate can bring to the Board;
- details of any other material Directorships currently held by the candidate;
- in the case of a candidate standing for election as a Director for the first time:
  - any material adverse information revealed by the checks the Company has performed about the Director;
  - details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, their independent judgement;
  - if the Board considers that the candidate will, if elected, qualify as an independent Director, a statement to that effect;
- in the case of a candidate standing for re-election as a Director:
  - the term of office currently served by the Director; and
  - if the Board considers the Director to be an independent Director, a statement to that effect; and
- a statement by the Board as to whether it supports the election or re-election of the candidate.

In determining whether it will support the election or re-election of a Director, the Board will assess the above information and, in the case of Directors standing for re-election, the performance of each Director.

## **2.11 Board meetings**

Directors are expected to prepare adequately for, attend and participate at Board meetings and meetings of Committees.

The number of Board meetings and each Director's attendance at those meetings are set out in the 'Meetings of Directors' section in the Directors' Report of this Annual Report.

### **2.12 Performance of Board, its Committees and individual Directors**

#### *ASX Recommendation 1.6*

The Board periodically conducts an assessment of the performance and effectiveness of the Board as a whole, the Board Committees and individual Directors. The performance of the Board, each Board Committee and individual Directors is compared with the relevant performance requirements of the Board Charter, relevant Board Committee Charters and the reasonable expectations of individual Directors, including by reference to the goals and objectives of the Board established by the Chairman following the performance review of the previous year.

Performance of each Committee of the Board is initially discussed and reviewed within each Committee and then subsequently reviewed as part of the Board's annual assessment.

The Board Charter requires that the review of the performance of the Chairman be conducted by a suitable non-executive Director, appointed by the Board.

External experts will be engaged as required to review aspects of the Board's activities and to assist in a continuous improvement process to enhance the overall effectiveness of the Board.

In FY15 the Board conducted an assessment of the performance and effectiveness of the Board as a whole, which included an assessment of the function of the Board Committees.

### **2.13 Conflicts of interest**

Directors are expected to avoid any action, position or interest that conflicts or appears to conflict with an interest of the Group. This is a matter for ongoing consideration by all Directors, and any Director who has a material personal interest in a matter relating to the Group's affairs must, in accordance with their obligations under law and the Company's constitution, notify the Board of that interest.

To assist Directors in managing any such conflicts, the Board has developed protocols (appended to the Board Charter) which set out the structures and procedures to be followed where a conflict of interest arises in respect of a Director. The objectives of these protocols are to ensure that:

- the consideration of matters by the Board and any Board committees is undertaken free from any actual influence or appearance of influence from Directors who have a conflicting interest; and
- the disclosure of the Group's confidential information is subject to appropriate corporate governance controls.

The Corporations Act 2001 and the Company's Constitution provide that a Director who has a material personal interest in a matter that is being considered at a Directors' meeting cannot be present while the matter is being considered at the meeting or vote on the matter, except in the following circumstances:

- the Directors without a material personal interest in the matter have passed a resolution that identifies the Director, the nature and extent of the Director's interest in the matter and its relation to the affairs of the Group, which states that the remaining Directors are satisfied that the interest should not disqualify the Director from voting or being present;
- the Australian Securities and Investments Commission (**ASIC**) has made a declaration or order under the Corporations Act 2001, which permits the Director to be present and vote even though the Director has a material personal interest;
- there are not enough Directors to form a quorum for a Directors' meeting because of the disqualification of the interested Directors, in which event one or more of the Directors (including a Director with a material personal interest) may call a general meeting to address the matter; or
- the matter is of a type which the Corporations Act 2001 specifically permits the Director to vote upon and to be present at a Directors' meeting during consideration of the matter notwithstanding the Director's material personal interest.

Even though the Corporations Act 2001 and the Company's Constitution allow these exceptions, the Board's conflict of interest protocols provide that when a potential conflict of interest arises in respect of a relevant matter to be considered by the Board, the participation of the Director concerned in the Board's consideration of the relevant matter is to be assessed by the other Directors. The protocols allow for the other Directors to:

- exclude the Director concerned from the Board's consideration of the relevant matter by directing that the Director concerned:
  - must not receive any information about the relevant matter; and
  - is not entitled to participate in any discussions regarding, nor take part in any decision-making process in relation to, the relevant matter; or

- allow the Director to participate in the Board's consideration of the relevant matter on a limited basis, by directing that the Director concerned:
  - receive part of the information in respect of the relevant matter; or
  - receive redacted versions of information distributed to the Board in respect of the relevant matter; or
  - participate in the discussions regarding the relevant matter but not to vote on resolutions covering the relevant matter.

Additionally, the board protocols set out detailed administrative procedures to be observed by the Company in such circumstances where a Director has a conflict of interest in relation to a matter subject to consideration by the Board, to ensure that the Director concerned takes no part in discussions and exercises no influence over other members of the Board.

#### **2.14 Access to management**

##### *ASX Recommendation 1.1*

Board members have complete and open access to management through the Chairman, Managing Director and the Company Secretary at any time. In addition to regular presentations by management to Board and Board Committee meetings, Directors may, through the Chairman or Managing Director, seek briefings from management on specific matters.

#### **2.15 Access to independent professional advice**

The Board Charter allows each Director to seek independent professional advice at the Group's expense, with the prior approval of the Chairman. Such independent professional advice can be obtained by Directors where the issue or recommendation in question is one which the Director reasonably considers, after consulting with the Board or the Chairman, is of a character that makes obtaining independent advice appropriate.

In addition, the Board can conduct or direct any investigation to fulfil its responsibilities and can retain, at the Group's expense, any legal, accounting or other services that it considers necessary from time to time to perform its duties.

#### **2.16 Remuneration arrangements**

##### *ASX Recommendation 8.2*

The Group's Remuneration Policy, as it relates to the remuneration of the Board, each Director and senior executives is set out in the 'Remuneration report' which forms part of the Directors' Report as set out in the Annual Report.

#### **2.17 Senior executives**

##### *ASX Recommendations 1.7 and 8.2*

Information on the performance evaluation and structure of remuneration for the Group's senior executives can be found in the 'Remuneration report', which forms part of the Directors' Report as set out in the Annual Report.

### **3.0 Board Committees**

#### **3.1 Board Committees and Membership**

##### *ASX Recommendations 2.1, 4.1, 7.1, 7.2 and 8.1*

The Board has the ability, under the Company's Constitution, to delegate its powers and responsibilities to Committees of the Board. This allows the Directors to spend additional and more focused time on specific issues.

## Corporate Governance Statement

### 30 June 2015

The Board currently has two standing committees to assist in the discharge of its responsibilities.

Committee	Members	Key responsibilities	Composition
Audit and Risk Management Committee	Christopher Knoblanche (Chair) Christina Boyce Andrew Geddes	Monitors the financial reporting process, and external audit functions. Oversees the management of material business risks and the development of corporate governance principles.	Three Independent Non-Executive Directors.
Remuneration and Nomination Committee	Christina Boyce (Chair) Stuart James Christopher Knoblanche	Assists the Board in considering remuneration policies, practices and decisions. Ensures the Board and the CEO have the necessary range of skills, expertise and experience to further corporate objectives.	Three Independent Non-Executive Directors.

The qualifications of each standing Committee's members and the number of meetings they attended during the year are set out in 'Information on Directors' and 'Meetings of Directors' sections in the Directors' Report in the Annual Report.

### 3.2 Committee Charters and Governance

*ASX Recommendations 2.1, 4.1, 7.1 and 8.1*

In August 2014, the Board adopted a new charter for each of its standing committees which clearly sets out the role and responsibilities of the Committees.

Copies of the Charters for each of these Board Committees and the policies relevant to the responsibilities of each Board Committee, are available on the Company's website.

Each Board Committee must review their Charter and the policies relating to their responsibilities, at least once every year. The Board also conducts its own periodic reviews of each Board Committee Charter and Policy. Board approval is required for any amendments to these Charters or Policies, which are suggested by the Board Committees.

Following each Committee meeting, the Board receives a copy of the minutes of meeting from the relevant Committee. Further, on an annual basis, the Board receives a report from each Committee on its activities undertaken during the financial year.

### 3.3 Committee access to Management

Each Board Committee may, within the scope of its responsibilities, have access to the management team of the Group, information and external professional advice it needs to the carrying out of its responsibilities under its Charter.

### 3.4 Audit and Risk Management Committee

*ASX Recommendations 4.1 and 7.1*

#### 3.4.1 Role of the Audit and Risk Management Committee

The Audit and Risk Management Committee assists the Board in carrying out its responsibility to exercise due care, diligence and skill in relation to the Group's reporting of financial information, internal control systems, compliance with applicable laws and regulations, and monitoring and controlling the accounting policies and procedures designed to safeguard the Group's assets and maintain the integrity of financial reporting.

The Audit and Risk Management Committee's role, responsibilities, composition and membership requirements are documented in the Audit and Risk Management Committee Charter approved by the Board.

The Audit and Risk Management Committee relies on the information provided by management and the external auditor.

### 3.4.2 Responsibility of the Audit and Risk Management Committee

#### *ASX Recommendation 7.2*

The primary responsibility of the Committee in relation to financial matters is to oversee the Group's financial reporting process on behalf of the Board and to report the results of its activities to the Board. More specifically, the Committee is responsible for:

- the integrity of the accounting and financial reporting processes of the Group;
- the Group's external audits;
- compliance with applicable accounting standards to give a true and fair view of the financial position and performance of the Group;
- oversight of management in the preparation of the Group's financial statements and financial disclosures;
- oversight of the work of the external auditor;
- setting, approval and regulation of the annual fee for each type of audit or non-audit service to be provided by the external auditor;
- review and oversight of the risk profile of the Group within the context of the Board determined risk appetite;
- conducting annual reviews and making recommendations to the Board concerning the Group's risk management policy, risk appetite and particular risks or risk management practices of concern to the Committee;
- review of management's plans for mitigation of material risks faced by the Group;
- promoting awareness of a risk-based culture and the achievement of a balance between risk minimisation and reward for risks accepted;
- review and making recommendations to the Board in relation to any incident involving fraud or other failure of the Group's internal controls; and
- review and making recommendations to the Board regarding the Group's insurance program, having regard to the business of the Group and the insurable risks associated with the business.

### 3.4.3 Composition of the Audit and Risk Management Committee

All members of the Audit and Risk Management Committee must be non-executive Directors (a minimum of three is required) and a majority must be independent Directors. It is a requirement that all members of the Audit and Risk Management Committee be financially literate and have a range of different backgrounds, skills and experience, having regard to the operations and financial and strategic risk profile of the Group. The members of the Audit and Risk Management Committee are:

- Chris Knoblanche - Independent Non-Executive – (Chairman);
- Christina Boyce – Independent Non-Executive; and
- Andrew Geddes – Independent Non-Executive.

The qualifications and experience of the members of the Audit and Risk Management Committee are set out in the 'Information on Directors' section of this annual report.

Members of the Committee are appointed for a term of no more than 3 years. Existing Committee members are eligible for re-appointment to the Committee for so long as they remain independent Directors.

### 3.4.4 Access to the Audit and Risk Management Committee

To draw appropriate matters to the attention of the Audit and Risk Management Committee, the following individuals have direct access to the Committee:

- Managing Director;
- Chief Financial Officer;
- Company Secretary; and
- the external auditor.

'Direct access' means that the person has the right to approach the Committee without having to proceed via normal reporting line protocols. Other employees of the Group may have access to the Audit and Risk Management Committee through the 'Whistleblower Policy'.

The Committee provides sufficient opportunities for the external auditor to meet privately with members of the Committee.

## Corporate Governance Statement

### 30 June 2015

#### 3.4.5 External auditor

##### *ASX Recommendation 4.3*

The Audit and Risk Management Committee is responsible for making recommendations to the Board on the appointment, reappointment or replacement, remuneration, monitoring the effectiveness and independence of the external auditors. The Committee will also provide the Board with recommendations as to resolving disagreements between the management team and the external auditor regarding financial reporting. In addition, the Committee considers the rotation of the external auditor and the scope and adequacy of the external audit.

The Audit and Risk Management Committee ensures that the lead external audit partner and quality review partner rotate off the Group's audit at least every five years and that they are not reassigned to the Group's audit for another five years.

The Audit and Risk Management Committee meets with the external auditor throughout the year to review the adequacy of the existing external audit arrangements with particular emphasis on the effectiveness, performance and independence of the audit. The Audit and Risk Management Committee receives assurances from the external auditor that they meet all applicable independence requirements in accordance with the Corporations Act 2001 and the rules of the professional accounting bodies. This independence declaration follows the Directors' Report and is provided immediately before this Corporate Governance Statement in the Annual Report.

The external auditor attends the Company's annual general meeting and is available to answer shareholder questions regarding aspects of the external audit and their report.

#### 3.4.6 Internal audit function

##### *ASX Recommendation 7.3*

The Company does not have a dedicated internal audit function. At present, the Committee delegates responsibility for risk management and internal controls to both the Managing Director and Chief Financial Officer who continually monitor the Company's internal and external risk environment, and report to the Committee. Necessary action is taken to protect the integrity of the Company's books and records including by way of design and implementation of internal controls, and to ensure operational efficiencies, mitigation of risks, and safeguard of company assets.

### 3.5 Remuneration and Nomination Committee

##### *ASX Recommendations 2.1 and 8.1*

#### 3.5.1 Role of the Remuneration and Nomination Committee

Members of the Remuneration and Nomination Committee have been selected to ensure that the Committee has the appropriate level of remuneration, risk, legal and industry expertise and knowledge to allow the Committee to discharge its mandate.

#### 3.5.2 Composition of the Remuneration and Nomination Committee

The Committee comprises non-executive Directors (a minimum of three is required), with a majority of its members being independent Directors.

The Members of the Remuneration Committee are:

- Christina Boyce – Independent Non-Executive Director (Chair).
- Stuart James – Independent Non-Executive Director; and
- Christopher Knoblanche - Independent Non-Executive Director.

Members of the Committee are appointed for a term of no more than 3 years. Existing Committee members are eligible for re-appointment to the Committee for so long as they remain independent Directors.

#### 3.5.3 Responsibilities and Charter

Under the Group's Remuneration and Nomination Committee Charter (available on the Company's website at [www.greencrosslimited.com.au](http://www.greencrosslimited.com.au)) the Remuneration and Nomination Committee is responsible for assisting the Board to determine the appropriate remuneration for Directors and senior executives consistent with the Group's Remuneration Policy.

The Remuneration and Nomination Committee is, inter alia, specifically responsible for:

- the Group's remuneration policy, including as it applies to Directors and the process by which the maximum aggregate amount of Directors' fees approved by shareholders is allocated to Directors;
- Board succession issues and planning;
- the appointment and re-election of people as members of the Board and its committees;

## Corporate Governance Statement

### 30 June 2015

- induction of people as Directors and continuing professional development programs for Directors;
- remuneration packages of Directors and senior executives, equity-based incentive plans and other employee benefit programs;
- succession plans of the Managing Director;
- the process for the evaluation of the performance of the Board, its Board Committees and individual Directors;
- the review of the performance of the Managing Director and members of the Board, which should take place at least annually;
- those aspects of the Group's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval; and
- the size and composition of the Board and strategies to address Board diversity and the Group's performance in respect of the Group's Diversity Policy, including whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

#### 3.5.4 Equity-Based Remuneration Scheme

##### *ASX Recommendation 8.3*

Under the Group's Remuneration Policy, remuneration for executive Directors and senior executives may incorporate equity-based remuneration which includes participation in employee share and option schemes. Where a participant in either of these Company equity schemes enters into any transactions which are designed to limit the economic risk of participating in those schemes:

- the participant must disclose the details of the transaction to the Company Secretary;
- the Company Secretary will disclose to the Board the details of the transaction; and
- the Board will consider whether:
  - the participant is a key management personnel and if so, whether there has been a breach of any law;
  - the equity-based remuneration scheme should be amended; or
  - future participation of senior executives in the equity-based remuneration scheme should be amended in any way.

#### 3.5.5 Induction of new Directors

##### *ASX Recommendation 2.6*

As the Remuneration and Nomination Committee maintains oversight over the process for appointing new Directors, the Committee also plays a role in ensuring that newly appointed Directors are sufficiently inducted to the business in line with the Board's Induction Program.

## 4.0 Risk Management and Internal Control

### 4.1 Approach to Risk Management

#### *ASX Recommendation 7.2*

The Board and management recognise that risk management and internal compliance and controls are key elements of good corporate governance.

The Company's approach to risk management is based on the identification, assessment, monitoring and management of material business risks embedded in its business and integrated management systems.

The operating and financial review within the Directors' Report outlines the Company's performance during the year, the financial position and the main business strategies and prospects. It also highlights the material business risks associated with the ongoing operations of the business and achievements of the Company's stated strategies.

The Board and its Audit and Risk Management Committee is responsible for oversight of the material business risks. Senior executives are responsible for overseeing the implementation of the Company's Risk Management Policy.

During the year, the Audit and Risk Committee completed a review of the Company's Risk Management Policy. A copy of the Company's Risk Management Policy is available on the Company's website.

### 4.2 Risk Management Roles and Responsibilities

The Board is responsible for ensuring that risks and opportunities are identified on a timely basis and that the Company's objectives and activities are aligned with those risks and opportunities.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include:

- the Board receives regular updates on key risks;
- the implementation of Board approved annual operating budgets and plans and monitoring actual progress results;
- the Audit and Risk Management Committee receives reports on material business risks and is tasked with assessing processes and procedures to identify risks and mitigation strategies in the Group's activities; and
- the Board annually reviews the Company's strategic plan and prospects and the material business risks which may impact achievement of the Company's strategies.

During the year, the Audit and Risk Management Committee and the Board reviewed the material business risks for the Company and received reports from management of the effectiveness of the Company's management of those risks.

#### **4.3 Assurance provided to the Board in relation to the financial statements**

##### *ASX Recommendation 4.2*

The Board receives bi-monthly reports about the financial condition and operational results of the Group.

The Managing Director and Chief Financial Officer provide, at the end of each six monthly period, a formal statement to the Board confirming that the Company's financial reports present a true and fair view, in all material respects, and the Group's financial condition and operational results have been prepared in accordance with the relevant accounting standards.

The statement confirms:

- the integrity of the Company's financial statements;
- that the notes to the financial statements are based on a sound system of risk management and internal compliance and control (which implement the policies approved by the Board);
- that the Company's risk management and internal compliance and control systems, to the extent they relate to financial reporting, are operating efficiently and effectively in all material respects.

This statement also includes:

- the relevant declarations required under section 295A of the Corporations Act 2001; and
- the relevant assurances required under Recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations, jointly from the Managing Director and the Chief Financial Officer.

#### **4.4 Economic, Environmental and Social Sustainability**

##### *ASX Recommendation 7.4*

There is no known material exposure to economic, environmental or social sustainability risks.

Through its joint sourcing office in Shanghai with PetCo, the Group undertakes audits of the manufacturing plants associated with the sourcing of exclusive brands to ensure high ethical standards are maintained.

#### **5.0 Communicating with shareholders**

##### **5.1 Strategy**

##### *ASX Recommendations 6.1 and 6.2*

The Group aims to be open and transparent with all stakeholders, including the shareholders. Information is communicated to shareholders regularly through a range of forums and publications. These include:

- the Group's annual general meeting;
- notices and explanatory memoranda of annual general meetings;
- the annual financial report (for those shareholders who have requested a copy), which is also located on the Company's website;
- trading updates and market/investor briefings;
- disclosures to the ASX (on which the Group's securities are listed);
- the Group's website (<http://www.greencrosslimited.com.au>), where there is an Investor Relations Centre providing access to Group announcements, media releases, previous years' financial results, investor presentations and corporate governance materials, including the charters governing each Board Committee and the Group's corporate governance policies.

The Group is committed to maintaining a level of disclosure that provides all investors with timely and equal access to information. Consistent with this commitment, the Group has developed its Communications Policy which promotes efficient two-way communication between the Company and its investors, brokers and analysts.

## **5.2 Meetings and briefings**

### *ASX Recommendation 6.3*

The Company encourages shareholders to attend and actively participate in its general meetings. The Company sends shareholders a notice of meeting in advance of each meeting, which includes details of the time and place of the meeting, the resolutions to be considered and proxy voting procedures.

To allow for the participation of any shareholders who are unable to attend these meetings, the Company encourages shareholders to forward their questions to the Company Secretary prior to the meeting. Where appropriate, these questions will be read out and answered at the meeting, or, if this is not practicable, the question and answer will be recorded in the transcript of the meeting.

The Board's current policy and precedent is to utilise a poll for all resolution considered at the meetings of shareholders, as demonstrated at its 2014 Annual General Meeting.

## **5.3 Electronic Communications**

### *ASX Recommendation 6.4*

The Company recognises that it is often efficient to communicate electronically. Therefore, the Communications Policy allows for shareholders to receive from, and send communications to, the Company and its share registry electronically. The Company will endeavour to format its communications to shareholders in a way that is easily accessible and readable on a computer screen or other electronic devices which are commonly used for that purpose. A printer-friendly option will also be included in such communications.

## **5.4 Continuous disclosure**

### *ASX Recommendation 5.1*

The Corporations Act 2001 and the ASX Listing Rules require that the Group discloses to the market matters which could be expected to have a material effect on the price or value of the Group's securities. In compliance with these continuous disclosure requirements, the Group's policy is that shareholders are informed in a timely manner of all major developments that impact the Group. There is a detailed Continuous Disclosure Policy in place, which has been formed to provide advice on the requirements for disclosure of information to the market. The policy is intended to maintain the market integrity and market efficiency of the Group's securities. In addition to the Company's legal obligations under the Corporations Act 2001 and the ASX Listing Rules, the Continuous Disclosure Policy is based on the best practice guidelines set out in relevant documents produced by the ASX (including its Corporate Governance Council), ASIC and the Australasian Investor Relations Association.

As well as ensuring compliance with the Company's legal obligations, the Continuous Disclosure Policy promotes the provision of timely, balanced, direct and equal shareholder access to Group information and investor confidence in the integrity of the Group and its securities. The Continuous Disclosure Policy contains detailed procedures regarding the preparation and release of Company announcements, how the Company proposes to respond to media and market speculation regarding the Group and the conduct of briefings or meetings with investors or analysts.

In accordance with the Continuous Disclosure Policy, all material matters which may potentially require disclosure are promptly reported to the Board. Where appropriate executives will refer matters to the Board, to make an assessment and determination as to disclosure. Where appropriate the Board will be consulted on the most significant and material disclosures. All executives and Board members are responsible for reporting matters qualifying for disclosure to the Board and/or the Company Secretary. Routine administrative announcements will be made by the Company Secretary without requiring approval from the Board. The Company Secretary is responsible for all communications with the ASX.

## **6.0 Promoting Ethical and Responsible Behaviour**

### *ASX Recommendation 3.1*

#### **6.1 Code of conduct**

The Group has a Code of Conduct which requires the observance of strict ethical guidelines. The Code of Conduct applies to all employees and Directors of the Group, with the conduct of the Board and each Director also governed by the Board Charter.

The Code of Conduct covers:

- the Group's business ethics (including standards of openness, honesty, fairness and integrity);
- the protocol relating to the giving and receiving of business courtesies and entertainment and other financial inducements;
- professional and personal conduct (including in relation to trading in shares, privacy and intellectual property, financial integrity and relationships with other Group employees);
- prevention of fraud and other forms of deceitful conduct;
- financial advice to customers;
- the standards of behaviour expected of Group employees;
- conflict of interest; and
- disclosure of any suspected breaches of the Code of Conduct.

The Group's behaviours, together with its Code of Conduct, take into account the Group's legal obligations and the reasonable expectations of the Group's stakeholders, and emphasise the practices necessary to maintain confidence in the Group's integrity.

## **6.2 Whistleblower Policy and Escalation**

The Group has developed a detailed Whistleblowers Policy, which sets out clear and established procedures for the escalation of complaints and notification of incidents to the senior management team and the Board. This ranges from escalation of daily business or management concerns, up to serious financial, cultural or reputational matters. The Whistleblowers Policy is underlined by the Group's commitment to promoting and supporting a culture of corporate compliance and ethical behaviour.

Employees are provided with various avenues for escalation of complaints or concerns. To the extent possible and subject to legal and regulatory requirements, information reported under the Whistleblower Policy will be kept confidential.

The Whistleblower Policy provides for the confidential reporting of unacceptable or undesirable conduct. The system enables disclosures to be made to a protected disclosure officer by employees, or, where applicable, if the matter is highly sensitive and the employee believes it more appropriate, directly to the Audit and Risk Management Committee. The Group does not tolerate incidents of fraud, corrupt conduct, adverse behaviour, legal or regulatory noncompliance, or questionable accounting and auditing matters by its employees. Accordingly, there are established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

Employees are also encouraged to escalate any issues they believe could have a material impact on the Group's profitability, reputation, governance or compliance.

It is a responsibility of the Audit and Risk Management Committee to ensure that employees can make confidential, anonymous submissions regarding such matters. The Group will take all reasonable steps to protect a person who comes forward to disclose unacceptable or undesirable conduct, including disciplinary action (potentially resulting in dismissal) of any person taking reprisals against them.

## **6.3 Restrictions on dealing in securities**

Directors, officers and employees are subject to the Corporations Act 2001 restrictions on applying for, acquiring and disposing of securities in, or other relevant financial products of, the Company (or procuring another person to do so) if they are in possession of inside information. Inside information is information which is not generally available, and which if it were generally available a reasonable person would expect it to have a material effect on the price or value of the securities of the Company. There are also legal restrictions on insider trading imposed by the law that apply to the Group and its Directors, officers and employees.

The Group has an established policy relating to trading in the Group's securities by Directors, officers and certain other employees of the Group. These Directors, officers and employees are prohibited from trading in the Group's securities during prescribed prohibited periods (blackout periods) which include the period prior to the release of the Group's annual and half-yearly results announcements. The Securities Trading Policy does allow for Directors, officers and other restricted employees to trade in Company securities during these blackout periods in some very limited circumstances. Such limited circumstances include where the trading in Company securities occurs as a result of the exercise of options or rights under employee incentive schemes, accepting a takeover offer and the transfer of securities into a superannuation fund of the Director or restricted employee. There is also provision for trading to occur during blackout periods where there are found to be exceptional circumstances which justify the trading of Company securities during such periods.

Directors, officers and certain employees are further required to notify their intention to trade in the Group's securities prior to conducting any such trading.

## **7.0 Diversity**

### *ASX Recommendation 1.5*

The Company holds its people in the highest esteem. The Company recognises that a diverse and inclusive workforce is good for its employees and its business. It helps the Group attract and retain talented people, create more innovative solutions, and be more flexible and responsive to our clients' and shareholders' needs. Diversity enables people from different backgrounds to bring fresh ideas and perceptions to the Company which promote efficiency and add value to the Group's business.

The Group is committed to:

- gender diversity;
- ensuring that the composition of its Board of Directors continues to be appropriate. The Board Charter clearly states that it should comprise Directors with a broad range of skills, experience, and diversity to build the profile of future Board candidates. In FY15, the Board appointed its first female non-executive director;
- providing a workplace that embraces diversity in relation to gender and age, as well as provide greater work and career flexibility; and
- being a diversity leader in Australia with regards to the Pet Retail and Veterinary Service industry by:
  - providing a diversity inclusive workplace in which everyone has the opportunity to fully participate and is valued for their distinctive skills, experiences and perspectives; and
  - incorporating diversity into its business practices through its corporate social responsibility initiatives that aim to improve the quality of life for its workforce, their families, communities and society at large.

Accordingly the Group has developed a Diversity Policy which outlines the Group's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives and the Group's progress in achieving them, including by benchmarking against other comparable businesses.

The Diversity Policy sets out the following strategies that the Group strives to achieve in promoting a corporate culture which embraces diversity:

- promoting the principles of merit and fairness when making decisions about recruitment, development, promotion, remuneration and flexible work arrangements;
- having an overall transparent process for the review and appointment of senior management positions and Board members;
- recruiting from a diverse pool of qualified candidates, where appropriate engaging a professional search / recruitment firm, advertising vacancies widely, making efforts to identify prospective employees who have diversity attributes and ensuring diversity of members on the selection / interview panel when selecting and appointing new employees (including senior management) and new Board members;
- embedding the importance of diversity within the Group's culture by encouraging and fostering a commitment to diversity by leaders at all levels whilst recognising that diversity is the responsibility of all employees;
- reinforcing with our people that in order to have a properly functioning and diverse workplace, discrimination, harassment, vilification and victimisation will not be tolerated within the Group; and
- continuing to review and develop policies and procedures to ensure diversity within the organisation, including with the adoption of key performance indicators for senior executives to measure the achievement of diversity objectives under the Group's diversity policy.

The Board has an objective of employing a high proportion of women in the Group distributed evenly across all levels of management. The Group has maintained this objective throughout FY15. The Board also established the objective of increasing female representation on the Board. As a result, in FY15 a woman was appointed to the Board for the first time. These objectives are to be reviewed again in FY16.

**Corporate Governance Statement**  
**30 June 2015**

Information on the actual number and proportion of women employed by the Group is set out below:

	FY15 Actual	
	No.	%
Number of male employees in the whole organisation	2,748	46.9%
Number of female employees in the whole organisation	3,109	53.1%
Number of male in senior executive <sup>1</sup> positions	7	77.8%
Number of female in senior executive positions	2	22.2%
Number of male directors on the Board	6	86%
Number of female directors on the Board	1	14%

A copy of the Diversity Policy is available on the Company's website.

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<sup>1</sup> Senior executives includes managers who hold roles designated as senior executive roles, and includes Key Management Personnel and other managers who report directly to the Chief Executive.

8.0 A checklist, cross referencing the ASX Recommendations to the relevant sections of this statement and the remuneration report

Principle	ASX Corporate governance Principles and Best Practice Recommendations	CGCS Reference	Compliance
<b>1.0</b>	<b>Lay solid foundations for management and oversight</b>		
	A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.		
1.1	A listed entity should disclose:		
	a) The respective roles and responsibilities of its board and management; and	2.1, 2.2, 2.3, 2.4, 2.5, 2.14	Comply
	b) Those matters expressly reserved to the board and those delegated to management.	2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.14	Comply
1.2	A listed entity should:		
	a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and	2.10	Comply
	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.	2.10	Comply
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	2.10	Appointment letters have been issued to individuals appointed to the Board in FY15. The Company is in the process of issuing Appointment Letters to individuals appointed to the Board prior to FY15.
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.	2.6	Comply
1.5	A listed entity should:		
	a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;	7.0	Comply
	b) Disclose that policy or a summary of it; and	7.0	Comply
	c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:		

Principle	ASX Corporate governance Principles and Best Practice Recommendations	CGCS Reference	Compliance
	<p>1) The respective proportions of men and women on the board in senior executive positions and across the whole organisation (including how the entity has defined “senior executive” for these purposes); or</p> <p>2) If the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p>	7.0	Comply
1.6	A listed entity should:		
	a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and	2.3, 2.12	Comply
	b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	2.3, 2.12	Comply
1.7	A listed entity should:		
	a) Have and disclose a process for periodically evaluating the performance of its senior executives; and	2.17	Comply
	b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	2.17	Comply
<b>2.0</b>	<b>Structure the board to add value</b>		
	A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.		
2.1	The board of a listed entity should:		
	a) Have a nomination committee which:	3.1, 3.5	Comply
	1) Has at least three members, a majority of whom are independent directors; and	3.1, 3.5	Comply
	2) Is chaired by an independent director, and disclose:	3.1, 3.5	Comply
	1) The charter of the committee;	3.1, 3.5	Comply
	2) The members of the committee; and	3.1, 3.5	Comply
	3) 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	3.1, 3.5	Comply
	b) If it does not have a nomination committee disclose that fact and 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.	N/A	The Company does have a nomination committee.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	2.7, 2.9	Comply

<b>Principle</b>	<b>ASX Corporate governance Principles and Best Practice Recommendations</b>	<b>CGCS Reference</b>	<b>Compliance</b>
2.3	A listed entity should disclose:		
	a) The names of the directors considered by the board to be independent directors;	2.8	Comply
	b) If a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and	N/A	Comply
	c) The length of service of each director.	2.7	Comply
2.4	A majority of the board of a listed entity should be independent directors.	2.7, 2.8	Comply
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.	2.5	Comply
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	3.5.5	Comply
<b>3.0</b>	<b>A listed entity should act ethically and responsibly</b> A listed entity should act ethically and responsibly.		
3.1	A listed entity should:		
	a) Have a code of conduct for its directors, senior executives and employees; and	6.1	Comply
	b) Disclose that code or a summary of it.	6.1	Comply
<b>4.0</b>	<b>Safeguard integrity in corporate reporting</b> A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.		
4.1	The board of a listed entity should:		
	a) Have an audit committee which:	3.4	Comply
	1) Has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and	3.4.3	Comply
	2) Is chaired by an independent director, who is not the chair of the board	3.4.3	Comply
	And disclose:		
	3) The charter of the committee	3.4	Comply
	4) The relevant qualifications and experience of the members of the committee; and	3.4	Comply
	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	3.1	Comply

<b>Principle</b>	<b>ASX Corporate governance Principles and Best Practice Recommendations</b>	<b>CGCS Reference</b>	<b>Compliance</b>
	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.	N/A	The Company does have an audit committee.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	4.3	Comply
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	3.4.5	Comply
<b>5.0</b>	<b>Make timely and balanced disclosure</b>  A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1	A listed entity should:  a) Have a written policy for complying with its continuous disclosure obligations under Listing Rules; and  b) Disclose that policy or a summary of it.	5.4	Comply
<b>6.0</b>	<b>Respect the rights of security holders</b>  A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.		
6.1	A listed entity should provide information about itself and its governance to investors via its website	5.1	Comply
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	5.1	Comply
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	5.2	Comply
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	5.3	Comply

<b>7.0</b>	<b>Recognise and manage risk</b>		
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
7.1	The board of a listed entity should	3.4	Comply
	a) Have a committee or committees to oversee risk, each of which		
	1) Has at least three members, a majority of whom are independent directors; and		
	2) Is chaired by an independent director		
	and disclose:		
	3) The charter of the committee;		
	4) The members of the committee; and		
	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	3.1	
	b) If it does not have a risk committee that satisfies (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		
7.2	The board or a committee of the board should:	3.4.2, 4.1	Comply
	a) Review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and		
	b) Disclose, in relation to each reporting period, whether such a review has taken place		
7.3	A listed entity should disclose:	3.4.6	Comply
	a) If it has an internal audit function, how the function is structured and what role it performs; or		
	b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.		
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and socio sustainability risks and, if it does, how it manages or intends to manage those risks.	4.4	Comply

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<b>8.0</b>	<b>Remunerate fairly and responsibly</b>		
	A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.		
8.1	The board of a listed entity should:	3.5	Comply
	a) Have a remuneration committee which:		
	1) Has at least three members, a majority of whom are independent directors; and		
	2) Is chaired by an independent director		
	and disclose:		
	3) The charter of the committee;		
	4) The members of the committee; and		
	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	3.1	
	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.		
8.2	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.	2.16	Comply
8.3	A listed entity which has an equity-based remuneration scheme should:	3.5.4	Comply
	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		
	b) Disclose that policy or a summary of it.		

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