

WT Financial Group Limited

ABN 87 169 037 058

Corporate Governance Statement

31 August 2021

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied by WT Financial Group Limited ABN 87 169 037 058 (Company).

Where reported that the Company has not complied with the ASX Corporate Governance Council Principles and Recommendations, these were not followed and alternative practices were adopted.

This Corporate Governance Statement is dated 31 August 2021 and was approved on 31 August 2021 by the Company's Directors.

Corporate Governance Council recommendation	Compliance	Details	Disclosure Requirement for Non-Compliance
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none">(a) the respective roles and responsibilities of its board and management; and(b) those matters expressly reserved to the board and those delegated to management.	Complies	<p>The Company's Board Policy sets out the specific responsibilities of the Board and management. The Board is responsible for the overall operation, strategic direction, leadership and integrity of the Company and in particular, is responsible for the Company's growth and profitability.</p> <p>The role of management is to implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.</p> <p>The Company's Board Policy is incorporated into the Company's Corporate Governance Charter (Charter) publicly available on its website (www.wtfglimited.com).</p>	Not applicable
<p>1.2 A listed entity should:</p> <ul style="list-style-type: none">(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Complies	<p>The Company's Board Policy requires the entity to undertake background checks and to provide security holders with all relevant information when appointing a new director to the Board.</p> <p>The Company's Board Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Complies

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1.3	Complies	The Company's Board Policy requires there to be a letter of appointment that will form the basis of the written agreement between the Company and the director.	Complies
1.4	Complies	The Company's Board Policy states that the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the board.	Complies
1.5	Does not comply	<p>The Company's Diversity Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p> <p>The Company has no women on its Board and three women in senior executive positions. The Company's proportions of men and women employed are respectively 50% and 50%.</p> <p>The Company is not a "relevant employer" under the <i>Workplace Gender Equality Act 2012 (Cth)</i>.</p>	The Company considers that the Diversity Policy is appropriate, notwithstanding this ASX Recommendation, given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.

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<p>Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>			
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Complies	<p>(a) The Company's Board Policy requires the Board to be responsible for the evaluation of its performance and its individual directors and executives. This internal review is to be conducted on an annual basis and, if deemed necessary, the internal review will be facilitated by an independent third party. To determine whether it is functioning effectively, the Board will review the Company's Board Policy on an annual basis and perform an evaluation of the Board's and management's performance at intervals considered appropriate.</p> <p>(b) The Company's Board Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p> <p>(c) A performance evaluation was not undertaken during the financial year ended 30 June 2021.</p>	Not applicable
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period;</p>	Complies	Refer Recommendation 1.6 above.	Not applicable

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	<p>and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board</p>	Does not comply	<p>Due to the size and nature of the Company the Board has combined a remuneration and nomination committee. It has two members (currently, Keith Cullen and Guy Hedley). It is chaired by an independent director (Guy Hedley).</p> <p>The Board will prepare a charter for the committee if necessary.</p> <p>The number of meetings and attendees during the financial year ended 30 June 2021 are reported in the Company's FY2021 Financial Statements.</p>	<p>The Company considers that the committee is appropriately structured notwithstanding this ASX Recommendation given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.</p> <p>For this reason, the Company takes the view that it is in the best interests of members that the current committee members are retained.</p>

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	<p>succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>			
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	Complies	<p>The Company's FY2021 Financial Statements disclose the skills and diversity of the Company's Board members.</p>	Not applicable
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Complies	<p>The Board consists of four Directors (Messrs Hedley – appointed 10 April 2014, Cullen – appointed 10 April 2014; and Kelesis – appointed 10 April 2014; and Harrison – appointed 20 July 2021); and one Director is an executive (Mr Cullen).</p> <p>The Board considers Mr Hedley to be independent.</p>	Not applicable
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	Does not comply	<p>The Company does not comply with ASX Recommendation 2.4, as the majority of the Board are not</p>	<p>The Company considers that the Board is appropriately structured</p>

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		independent Directors.	<p>notwithstanding this ASX Recommendation given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.</p> <p>For this reason, the Company takes the view that it is in the best interests of members that the current Directors are Directors of the Board.</p>	
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.	Complies	The Chair is independent and is not the same person as the Managing Director (CEO).	Not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	Complies	<p>The Company's Board Policy provides that the Company Secretary is responsible for induction of and information for new directors.</p> <p>The Company's Board Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Not applicable
3.1	A listed entity should articulate and disclose its values.	Complies	<p>The Company has adopted a formal code of conduct. This is incorporated into the Charter. The Company requires all its directors to comply with the standards of behavior and business ethics in accordance with the law and the code of conduct. These include acting honestly and with integrity and fairness in all dealings.</p> <p>The Company's formal code of conduct is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Not applicable
3.2	A listed entity should: (a) have and disclose a	Complies	Refer Recommendation 3.1	Not applicable

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	<p>code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>			
3.3	<p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Complies	<p>The Company has adopted a whistle-blower policy.</p> <p>It is a requirement under the Company's whistle-blower policy that, once a report is submitted (anonymous or not), this report goes to the managing director or the chairman. This person will then assess the report and assign it to a case manager, who will manage the investigation.</p> <p>The Company's Whistle-blower Policy is publicly available on its website (www.wtfglimited.com).</p>	Not applicable
3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	Does not comply	<p>The Company does not have a separate anti-bribery and corruption policy.</p> <p>The Company has adopted a formal code of conduct incorporating professional and personal conduct, including systems, policies and procedures on anti-bribery and corruption.</p> <p>The Company's formal code of conduct is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Not applicable
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are</p>	Does not comply	<p>Due to the size and nature of the Company, the Board has a combined audit and risk committee.</p> <p>The Company does not comply with ASX Recommendation 4.1, as the audit and risk committee now includes only two directors (currently, Keith Cullen and Guy Hedley).</p> <p>The Board will prepare a charter for the Committee if necessary.</p> <p>The relevant qualifications and</p>	<p>The Company considers that the committee is appropriately structured notwithstanding this ASX Recommendation given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.</p>

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<p>independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>experience of the members of the committee; and number of meetings and attendees during the financial year ended 30 June 2021 are reported in the Company's FY2021 Financial Statements.</p>	<p>For this reason, the Company takes the view that it is in the best interests of members that the current committee members are retained.</p>
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a</p>	<p>Complies</p>	<p>As is required by section 295A of the <i>Corporations Act 2001 (Cth)</i>, the Managing Director and CFO make a declaration that, in their opinion, the</p>	<p>Not applicable</p>

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	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.	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. The Company has extended this declaration to include a declaration that: (a) The opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively; and (b) It is in respect of the Company's financial statements for any financial period.		
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Complies	All periodic corporate reports the Company releases to the market that are not audited, or reviewed by an external auditor, are distributed to all Directors, relevant senior executives and consultants for review and confirmation before release.	Not applicable
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Complies	The Company has adopted a Continuous Disclosure Policy for complying with its continuous obligations under the Listing Rules. This policy is incorporated into the Charter. The Company's Board Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).	Not applicable
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	Each Director receives a copy of the Company's material market announcements.	Not applicable
5.3	A listed entity that gives a new and substantive investor or analyst presentation should	Complies	Materials for new or substantive investor presentations are lodged on the ASX Market Announcements Platform ahead of the presentation.	Not applicable

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	release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Complies	The Company's website contains information about the Company and its governance (www.wtfglimited.com).	Not applicable
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Complies	See 6.1 above. The Company's website allows investors to communicate directly with the Company. Contact details are also included in the Corporate Directory of the Company's FY2021 Financial Statements.	Complies
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Complies	<p>The Company has adopted a Continuous Disclosure Policy that sets out its policy on communication with shareholders.</p> <p>The Company endeavours to maximise shareholders' ability to participate in meetings of shareholders by making directors, members of management and the external auditor available at meetings (where possible), allowing shareholders in attendance at meetings a reasonable opportunity to ask questions regarding the items of business and setting the timing and location of meetings so that it is convenient for shareholders generally.</p> <p>The Company's Continuous Disclosure Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Not applicable
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Complies	<p>The Company's Constitution states that at any general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:</p> <p>(i) by the chairperson;</p> <p>(ii) by at least five members present in person and having the right to vote on the resolution; or</p>	Not applicable

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		<p>(iii) by members present in person and representing not less than 5% of the total voting rights of all the members having the right to vote on the resolution on a poll.</p> <p>The Company is complying with section 10 of ASX Guidance Note 35, that all ASX Listing Rule resolutions are to be decided by a poll rather than by a show of hands.</p>		
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complies	<p>The Company has adopted a Continuous Disclosure Policy that sets out its policy on communication with shareholders.</p> <p>The Board aims to keep shareholders informed of all major developments affecting the Company's activities and its state of affairs through announcements to the ASX, releases to the media and dispatch of financial reports. All such announcements are also published on the Company's website (www.wtfglimited.com).</p> <p>The Company's Continuous Disclosure Policy is incorporated into the Charter publicly available on its website (www.wtfglimited.com).</p>	Not applicable
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of</p>	Does not comply	Refer Recommendations 2.1 and 4.1	<p>The Company considers that its committees are appropriately structured notwithstanding this ASX Recommendation given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.</p> <p>For this reason, the Company takes the view that it is in the best interests of members that the current committee members are retained.</p>

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	<p>each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>			
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Complies	<p>(a) The audit and risk committee review the Company's risk management framework at least annually to satisfy itself that it continues to be sound and will disclose, in relation to each reporting period, whether such a review has taken place.</p> <p>(b) A risk review has not taken place during the financial year ended 30 June 2021.</p>	Not applicable
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit</p>	Complies	<p>(a) The Company's audit and risk committee reviews and oversees the operation of systems of risk management in order to ensure that risks are identified and managed properly.</p> <p>(b) The Company does not have an internal audit function; however the audit and risk committee oversee the risk management</p>	Not applicable

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	function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.		and internal control processes.	
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Complies	<p>Key risks associated with the Company include risks associated with regulatory compliance, legislative and regulatory changes, the Company's acquisition and renovation strategy and the Company's management of future growth.</p> <p>The Board, together with the audit and risk committee, reviews and oversees the operation of systems of risk management to ensure that the significant risks facing the Company are identified, appropriate control, monitoring and reporting mechanisms are in place and that risk is appropriately dealt with.</p>	Not applicable
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the</p>	Does not comply	<p>The Board has a nomination and remuneration committee which has two members (currently, Keith Cullen and Guy Hedley). The Chair of the Committee is independent (Guy Hedley).</p> <p>The Board will prepare a charter of the Committee if necessary.</p> <p>The number of meetings and attendees during the financial year ended 30 June 2021 are reported in the Company's FY2021 Financial Statements.</p>	<p>The Company considers that the committee is appropriately structured notwithstanding this ASX Recommendation given the nature and size of the Company and the extensive knowledge of the Directors regarding the Company and its Business.</p> <p>For this reason, the Company takes the view that it is in the best interests of members that the current members are retained</p>

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	<p>number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>			
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.	Complies	The Company's FY2021 Financial Statements set out the remuneration of executive and non-executive directors and the policies applicable to those.	Not applicable
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy</p>	Not applicable	The Company does not have an equity-based remuneration scheme.	Not applicable

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	or a summary of it.			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	English is the language in which board and security holder meetings are held and key corporate documents are written. All Directors and senior executives are fluent in written and spoken English.	Not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	The Company is established solely in Australia.	Not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Not applicable	The Company is established solely in Australia.	Not applicable
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed</p>	Not applicable		Not applicable

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	<p>entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>			
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	Not applicable		Not applicable