

Academies Australasia Group Limited ('AKG') (ACN 000 003 725)

CORPORATE GOVERNANCE STATEMENT

The Board of Academies Australasia Group Limited ('the Company') endorses the Australian Securities Exchange ('ASX') Corporate Governance Principles and Recommendations, (4th Edition) ('Recommendations'). This Corporate Governance Statement outlines the Company's governance practices and is prepared in accordance with the Recommendations.

Given the size of the Company and its subsidiaries ('the Group'), it is neither reasonable nor practicable to comply with certain Recommendations. This statement identifies and explains where the Company has not complied fully with the eight principles stated in the Recommendations during the year ended 30 June 2021 and to the date of this statement.

This Corporate Governance Statement was approved by the Board on 17 September 2021.

At that date, the Board comprised the following Directors:

- | | |
|---|--|
| - Dr John Lewis Schlederer | Chairman, Non-Executive (Appointed 21 August 2009, 12 years 1 month) |
| - Christopher Elmore Campbell | Group Managing Director and Chief Executive Officer (Appointed 1 July 1996, 25 years 2 months) |
| - Chiang Meng Heng | Non-Executive (Appointed 15 February 2000, 20 years 7 month) |
| - Gabriela Del Carmen Rodriguez Naranjo | Deputy Group Managing Director and Group Chief Operating Officer (Appointed Alternate Director 10 May 2011 to 31 December 2013. Executive Director from 21 October 2013 (10 years 4 month) |
| - Sartaj Hans | Independent, Non-Executive (Appointed 19 October 2016 (4 years 9 months)) |

Details of the Directors and Senior Executives are provided in the Company's 2021 Annual Report, a copy of which is on the Corporate page of the Company's website: www.academies.edu.au

No.	Principles and Recommendations	Notes
Principle 1 – Lay solid foundations for Management and oversight		
1.1	<p>A listed entity should 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. 	<p>The Board has adopted a Board Charter that formalises the functions and responsibilities of the Board (including the process for evaluating the performance of the Board and its Committees).</p> <p>The Board operates in accordance with its Charter and the Company’s Constitution. The Board takes responsibility for the performance of AKG and for developing and implementing appropriate corporate governance practices.</p> <p>The Board Charter requires that the Board comprise Directors with a range of experience, expertise, skills and diversity relevant to the Company and its business. The responsibilities of the Board and the authority delegated to the Managing Director are set out in the Board Charter.</p> <p>The Board Charter also provides that a Director can seek independent advice or other professional advice at the Company’s expense after receiving approval from the Chair.</p> <p>The Board has established the following Committees to assist it in discharging its functions:</p> <ul style="list-style-type: none"> • Audit and Risk Committee; and • Remuneration Committee. <p>Each Committee has its own charter describing its role and responsibilities, composition and membership requirements. The Board and Committee Charters are reviewed every year or as required.</p> <p>A copy of the Board Charter and the Charters of each Committee are available on the Corporate page of the Company’s website: www.academies.edu.au</p>

<p>1.2</p>	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(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.</p>	<p>The Company conducts background checks on all its Directors, to the extent possible.</p> <p>The Company provides information to security holders about Directors seeking election or re-election at a general meeting to enable them to make an informed decision on whether to elect or re-elect that Director (as applicable).</p> <p>In the event a person stands for election as a Director for the first time, the Company provides sufficient background and material information to its security holders to allow them to make an informed decision.</p> <p>The following information will be provided to security holders about a candidate standing for election or re-election:</p> <ul style="list-style-type: none"> • brief biographical details, including their relevant qualifications and experience and the skills they bring to the board; • details of other material directorships held by the candidate; • a statement as to the independence of the candidate; • details of any adverse information revealed as part of the checks performed about the candidate; • details of any interest, position association or relationship that might impact on the ability of the candidate to be independent; • if applicable the term of office currently served by the Director; and • a statement by the Board as to whether it supports the election or re-election of the candidate and a summary of the reasons why.
------------	--	--

1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	All senior executives have written agreements with the Company. The written agreement with each non-executive director setting out the terms of their appointment will be in place by November 2021.															
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.	There are two Company Secretaries. They are responsible for ensuring that Board procedures and policies are followed and provide advice to the Board including on matters involving corporate governance and the <i>Corporations Act 2001</i> (Cth) (Corporations Act)															
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&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>The Company is committed to diversity and inclusiveness. It aims to provide an environment in which employees have equal access to opportunities, are treated with fairness and respect and are not unfairly judged. This commitment enables the Company to attract and retain people with the best skills and abilities.</p> <p>A copy of the Company's Diversity and Inclusion Policy is on the Corporate page of the Company's website: www.academies.edu.au</p> <p>The Company does not favour or discriminate on gender. As at 30 June 2021, the personnel of the Group, not including contractors, comprised:</p> <table data-bbox="1093 810 1899 963"> <thead> <tr> <th></th> <th>Men</th> <th>Women</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>4</td> <td>1</td> </tr> <tr> <td>Senior group executives (excluding 2 executive Directors)</td> <td>3</td> <td>6</td> </tr> <tr> <td>Other employees (excluding contractors)</td> <td><u>134</u></td> <td><u>229</u></td> </tr> <tr> <td>Total</td> <td>141</td> <td>236</td> </tr> </tbody> </table> <p>At 30 June 2021, women comprised 50% of Directors and senior group executives – exceeding the objective of 30% female composition. Looking at all employees (excluding contractors), 63% were women. The policy does not favour men over women or vice versa.</p> <p>The Company will be registering and reporting the information under the Workplace Gender Equality Act.</p> <p>Group employees have a wide range of qualifications, experience, periods of service, ethnic and cultural backgrounds.</p> <p>A copy of the Company's Diversity and Inclusion Policy is on the Corporate page of the Company's website: www.academies.edu.au</p>		Men	Women	Board	4	1	Senior group executives (excluding 2 executive Directors)	3	6	Other employees (excluding contractors)	<u>134</u>	<u>229</u>	Total	141	236
	Men	Women															
Board	4	1															
Senior group executives (excluding 2 executive Directors)	3	6															
Other employees (excluding contractors)	<u>134</u>	<u>229</u>															
Total	141	236															

<p>1.6</p>	<p>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 or in respect of that period.</p>	<p>At least annually, the Board conducts reviews of its performance, policies and practices. Reviews include examination and evaluation of:</p> <ul style="list-style-type: none"> • the effectiveness and composition of the Board, including the required mix of skills, experience, diversity and other qualities that the directors collectively bring to the Board; • the professional development of directors to enable each to develop and maintain the skills and knowledge needed for the effective performance of their role; • the Company's strategic direction, objectives, and corporate governance practices; • the objectives and achievements of the Group Managing Director and Chief Executive Officer; and • the organisational structure and succession planning for the Group Managing Director and Chief Executive Officer and for the Board itself. <p>In addition, the Chairman discusses their individual performance with Directors throughout the year, and the Group Managing Director and Chief Executive Officer reviews the performance of the Deputy Group Managing Director and Chief Operating Officer and senior executives. [<i>Senior group executives' refers to the Heads of the Company's colleges, the Group Finance Manager and Deputy Group Finance Manager</i>]</p> <p>The Board reviewed its performance and the performance of its committees and individual Directors in respect of the year ended 30 June 2021.</p>
<p>1.7</p>	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose doe each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>The Company undertook a formal review process for evaluating the performance of its senior executives during the reporting period.</p>

Principle 2 – Structure the Board to be effective and add value		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination Committee which:</p> <ol style="list-style-type: none"> 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 <p>(b) if it does not have a nomination Committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Currently, there is no separately appointed Nominations Committee. The Board undertakes all the functions of a Nominations Committee. The Board nominates new directors to fill occasional vacancies. When considering the appointment of a new director, the Board follows the Recommendations for a Nominations Committee, as outlined below.</p> <p><i>Procedure for Selection and Appointment of New Directors</i></p> <p>The structure of the Board is determined having regard to the following criteria:</p> <ul style="list-style-type: none"> • The Chairman should be a Non-executive Director, preferably independent. • A majority of the Board should be Non-executive Directors, preferably independent. • The roles of Chairman and Group Managing Director should not be exercised by the same individual. • The Board should comprise directors with an appropriate range of qualifications and expertise. • The Company should try to meet the requirements of the ASX Diversity Guidelines. <p><i>Selection and appointment of directors</i></p> <p>The following principles and guidelines are adhered to in the selection and appointment of new directors:</p> <ul style="list-style-type: none"> • The Board is required to have a broad range of skills, experience, diversity, and commercial expertise to ensure that it discharges its mandate effectively. Therefore, when an individual is nominated for consideration as a director, they are evaluated on their skills, experience, diversity and how they would complement or enhance the Board's effectiveness. • The composition of the Board needs to be conducive to making decisions expediently and in the best interests of the Company as a whole. • Individuals being considered for appointment as non-executive directors are required to provide the Board with details of their other commitments and an indication of the time involved. Candidates must be able to satisfy the Board that they will

		<p>have sufficient time to undertake their duties. The Board undertakes independent checks of the details of individuals being considered for appointment to the Board.</p> <ul style="list-style-type: none"> • The Constitution of the Company provides that the Board may at any time appoint a person to be a director. That person shall hold office until the end of the next general meeting and shall be eligible for election at that meeting. • The Constitution of the Company provides that at every general meeting one-third of the directors or, if their number is not a multiple of three, then the number nearest to one-third, shall retire from office and be eligible for re-election. <p>The Company provides detailed information according to the Recommendations to assist shareholders in their decision whether to elect a director standing for election or re-election.</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p>The Board seeks to ensure it has the appropriate mix of skills, knowledge and experience to effectively guide the Company and assist Management achieve the strategic objectives set by the Board.</p> <p>As part of this process the Board has prepared and considered a Board skills matrix. The Board's skills matrix summarises the current skills and diversity of the Board and assists the Board in identifying any gaps in its current skills and diversity.</p> <p>The Board considers that the mix of skills required for it to properly perform its function is as follows:</p> <ul style="list-style-type: none"> • executive and non-executive director experience • experience or knowledge in the provision of training and education services in Australia and overseas, especially in Asia • corporate and business leadership, including growing enterprises • corporate governance • independent strategic thinking • subject matter expertise, including: <ul style="list-style-type: none"> - financial and capital management - corporate financing - mergers and acquisitions - risk management - marketing and delivery of training and education services

		<p>- government relations and education policy – locally and internationally</p> <p>Currently the Board considers that there are no significant gaps in the skills available to it from the directors collectively.</p> <p>The Board annually reviews this list of skills and the extent to which the factors contribute the skills listed.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>The Board regularly assesses whether each Director is independent in accordance with the Recommendations and, when assessing a Director's independence, materiality is assessed on a case by case basis having regard to the individual circumstances of the Director. Accordingly:</p> <p><i>Dr John Lewis Schlederer (Chairman)</i> is considered to be Non-executive but not independent because he has a relevant interest of 5% or more in the shares of the Company</p> <p><i>Chiang Meng Heng</i>, Non-executive Director, is not considered to be independent as he has a relevant interest of 5% or more in the Company's shares.</p> <p><i>Christopher Elmore Campbell</i>, Group Managing Director and Chief Executive Officer, is not considered to be independent as he is a Senior Executive of the Group and has a relevant interest of 5% or more in the Company's shares.</p> <p><i>Gabriela Del Carmen Rodriguez Naranjo</i>, Deputy Group Managing Director and Group Chief Operating Officer, is not considered to be independent as she is a Senior Executive of the Group.</p> <p><i>Sartaj Hans</i>, Non-executive Director is considered to be independent.</p> <p>There is therefore, only one independent director.</p>
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Company does not meet the Recommendation that there be a majority of independent directors, as there is only one such director. However, the Board confirms that nothing has come to its attention that would cause it to question current procedures and governance for a company of its business, structure and size. The performance of each of the non-independent directors has led the Board to conclude that each director acts consistently in the best interests of the Company.</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.	The Chair of the Board is Dr John Lewis Schlederer, who is considered to be Non-executive but not independent because he has a relevant interest of 5% or more in the shares of the Company. In accordance with the Recommendations, the roles of the Chairman and the Group Managing Director are exercised by separate individuals.
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.	<p>The Board Charter provides for new Directors to be provided with information about the Company as well as the continuing education of ongoing Directors to allow them to perform their role as directors effectively.</p> <p>The Company Secretary also has the responsibility to help organise and facilitate the induction and professional development of the Directors as set out in the Board Charter.</p>
Principle 3 – Instil a culture of acting lawfully, ethically and responsibly		
3.1	A listed entity should articulate and disclose its values.	<p><u>Vision:</u> Recognition as a provider of quality education</p> <p><u>Mission:</u> To equip learners with knowledge, skills and aspirations for employment and further learning</p> <p><u>Values:</u></p> <ul style="list-style-type: none"> Integrity - Honesty and strong moral principles Respect - Admiration arising from abilities, qualities, or achievement Impact - Having a strong effect on others Resilience - Capacity to recover quickly from difficulties
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a 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>	The Company has a Code of Conduct to guide the Board and Senior Executives as to the practices necessary to maintain confidence in the Company and in the accountability of individuals for reporting and investigating reports of unethical practices. The Company and its directors, managers, employees and contractors are expected to act with high standards of honesty, integrity, independent judgement, fairness, and equity; striving at all times to enhance the reputation and performance of the Group as a whole.

		<p>A copy of the Code of Conduct is available on the Corporate page of the Company's website: www.academies.edu.au</p> <p>The Company has a Securities Trading Policy about trading in the Company's securities. A copy of the Securities Trading Policy is available on the Corporate page of the Company's website: www.academies.edu.au</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>	<p>The Board has adopted a Whistleblower Protection Policy, which is available on the Corporate page of the Company's website: www.academies.edu.au</p> <p>Material incidents are reported to the Board.</p>
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 a committee of the board is informed of any material breaches of that policy.</p>	<p>The Board has adopted an Anti-Bribery and Corruption Policy, which is available on the Corporate page of the Company's website: www.academies.edu.au</p> <p>Material breaches of this policy are reported to the Board.</p>
Principle 4 – Safeguard the integrity of corporate reports		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2) is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ol style="list-style-type: none"> 3) the charter of the committee; 4) the relevant qualifications and experience of the members of the committee; and 5) in relation to each reporting period, the number of times the committee met throughout the 	<p>The Board has established an Audit and Risk Committee comprising Sartaj Hans, Dr John Lewis Schlederer and Chiang Meng Heng. The Committee is chaired by Sartaj Hans.</p> <p>Details of the qualifications, skills and expertise of the directors appointed to the Audit and Risk Committee and their attendance at meetings of the committee are included in the Directors' Report in the Company's Annual report.</p> <p>The Company has complied with two of the three Recommendations: that there be a minimum of three members and that the Chairman is not also the Chairman of the Board. However, the Committee does not have a majority of independent directors.</p> <p>The Company has consistently complied with the Recommendation that all members of the Committee be non-executive.</p> <p>In the year to 30 June 2021, the Group Managing Director, Deputy Group Managing Director, Group Finance Manager, Deputy Group Finance</p>

	<p>period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>Manager and external auditors attended Audit and Risk Committee meetings at the invitation of the Committee.</p> <p>The Audit and Risk Committee's Charter is available on the Corporate page of the Company's website: www.academies.edu.au</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Board is committed to ensuring the financial statements of the Company represent a true and fair view of the Company's financial position and performance.</p> <p>In the Board Charter, the Board is responsible for approving and monitoring financial and other reporting of the Company.</p> <p>The Board has established the Audit and Risk Committee to assist the Board with the quality and reliability of financial information prepared by the Company and monitor an appropriate internal control framework.</p> <p>Prior to Board approval of half year and annual financial reports, the CEO and CFO must provide the Board with declarations required under section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles and Recommendations.</p> <p>For the financial year ended 30 June 2021, the CEO and CFO made a declaration in accordance with section 295A of the Corporations Act. The declaration was formed on the basis of a sound system of risk management and internal control which is operating effectively. An equivalent declaration was made for the half year ended 31 December 2020.</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>Periodic corporate reports (Half year and Annual Reports) are reviewed or audited by the auditor before release to the market.</p>

Principle 5 – Make timely and balanced disclosure		
5.1	<p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the Listing Rules 3.1</p>	<p>The Company recognises that shareholders must receive relevant information in a timely manner in order to be able to properly and effectively exercise their rights.</p> <p>The Company aims to ensure that shareholders are informed of all major developments affecting the Company. Information is communicated to shareholders on a regular basis through continuous disclosures and half yearly and annual reports. The Board ensures that these reports include all relevant information about the operations of the Company, changes in the state of affairs of the Company and information on future developments.</p> <p>All documents that are released publicly (i.e. ASX Announcements and Annual Reports), together with this Statement and all Company charters and policies referenced in this Statement, are available on the Corporate page of the Company's website: www.academies.edu.au.</p> <p>The Board has adopted a Shareholder Communication and Continuous Disclosure Policy and is committed to complying with all continuous disclosure obligations imposed by the ASX Listing Rules and otherwise as required by law.</p> <p>A copy of the Shareholder Communication and Continuous Disclosure Policy is available on the Corporate page of the Company's website: www.academies.edu.au</p>
5.2	<p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>Directors receive copies of all ASX announcements promptly after they are made.</p>
5.3	<p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Markets Announcement Platform ahead of the presentation.</p>	<p>Any presentations to investors and analysts prepared on the Company's financial results are released to the ASX immediately ahead of the presentations.</p>

Principle 6 – Respect the rights of security holders		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>All the required information (namely the names, photographs and brief biographical information for each of its directors and senior executives; constitution, board charter and the charters of each of the board committees; statement of the entity's values; the corporate governance policies and other corporate governance materials referred to in these recommendations) is on the Corporate page of the Company's website, other than the photographs for each of the directors and senior executives.</p> <p>The Board Charter provides that the Company will make available to security holders and investors information about the Company on the Corporate page of the Company's website.</p> <p>The website is kept up-to-date to maintain effective communication with shareholders and stakeholders.</p> <p>All documents that are released publicly (i.e. ASX Announcements and Annual Reports), together with this Statement and all Company charters and policies referenced in this Statement, are available on the Corporate page of the Company's website: (www.academies.edu.au)</p>
6.2	A listed entity should have an investor relations program to facilitate effective two-way communication with investors.	<p>The Company ensures that investors are advised on material developments and activities of the Company and has adopted a Shareholder Communication and Continuous Disclosure Policy to allow for effective communication between the Company and investors.</p> <p>A copy of the Shareholder Communication and Continuous Disclosure Policy is available on the Corporate page of the Company's website: www.academies.edu.au</p>
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<p>The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as resolutions. The Board also requests that the external auditors attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditors' report.</p>

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.	All substantive resolutions at security holder meetings are decided by poll.
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.	<p>As provided under the Board Charter, the Company is committed to electronic communication with its shareholders, including through the Website.</p> <p>Investors are able to communicate with the Company electronically through the Website and with the Company's Share Registry by visiting /www-au.computershare.com/Investor</p> <p>Investors may elect for their communications from the Company to be by electronic means.</p>
Principle 7 – Recognise and manage risk		
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> <ol style="list-style-type: none"> 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 end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it</p>	<p>The Board has established an Audit and Risk Committee comprising Sartaj Hans, Dr John Lewis Schlederer and Chiang Meng Heng. The Committee is chaired by Sartaj Hans.</p> <p>Details of the qualifications, skills and expertise of the directors appointed to the Audit and Risk Committee and their attendance at meetings of the committee are included in the Directors' Report in the Company's Annual report.</p> <p>The Company has complied with two of the three Recommendations: that there be a minimum of three members and that the Chairman is not also the Chairman of the Board. However, the Committee does not have a majority of independent directors.</p> <p>The Company has consistently complied with the Recommendation that all members of the Committee be non-executive.</p> <p>The functions of the Audit and Risk Committee encompass:</p> <ul style="list-style-type: none"> • Financial reporting • Financial, legal and operational risk management

	<p>employs for overseeing the entity's risk management framework.</p>	<ul style="list-style-type: none"> • Internal financial controls • External audit <p>The Audit and Risk Committee's Charter is available on the Corporate page of the Company's website: www.academies.edu.au</p>
<p>7.2</p>	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Board has established policies for the oversight and management of material business risks. The Audit and Risk Committee assists the Board in carrying out this function.</p> <p>Material business risks that have the potential to adversely impact the Company's operations are addressed, comprising:</p> <ul style="list-style-type: none"> a. Financial risk b. Strategic and operational risk c. Legal risk <p>Procedures exist to monitor risk, with ultimate reporting to the Board, through either the Audit and Risk Committee for financial and business risk or the Group Managing Director and Chief Executive Officer for operational risk.</p> <p>The Board acknowledges that the policies are designed to provide reasonable but not absolute protection against error and irregularity and that they are intended to identify control issues that require the attention of the Board or Audit and Risk Committee.</p>
<p>7.3</p>	<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; and</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p>The Company has internal control processes to ensure that information presented to senior management and the Board is relevant, accurate and timely. The control processes include, among other things:</p> <ul style="list-style-type: none"> - annual audit and half year review by the external auditors; - management review of the financial reports and internal control environment; - comparative analyses and measurement of business performance; and - monthly review of operational and financial performance compared to budget, forecasts and other expectations. <p>The Board reviews the adequacy and implementation of the risk management and internal compliance and control systems on an annual</p>

		<p>basis. There is currently no internal audit function due to the size of the Group. The Board requires and facilitates the continuous evaluation and improvement of the Company's risk management and internal control processes. The qualifications, experience and performance of personnel involved in financial processes and controls are assessed at least annually. As the Group grows, consideration will be given to establishing an internal audit function – either staffed in-house or on contract with an external firm.</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>The Board considers that the Company does not have any material exposure to environmental and social sustainability risks.</p>
<p>Principle 8 – Remunerate fairly and responsibly</p>		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> 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 <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The Board has established a Remuneration Committee comprising Dr John Lewis Schlederer, Chiang Meng Heng and Christopher Elmore Campbell. The Committee is chaired by Dr John Lewis Schlederer.</p> <p>Details of the members of the Remuneration Committee and their attendance at meetings of the Committee are included in the Directors' Report in the Company's Annual Report.</p> <p>The structure of the Committee is consistent with the Recommendations in that it comprises at least three members. However, there are no independent directors and therefore, fails the independent Chair and majority independent members Recommendation.</p> <p>A copy of the Remuneration Committee Charter is available on the Corporate page of the Company's website: www.academies.edu.au</p>

8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>All the Non-executive Directors and Senior Executives are presently on fixed remuneration arrangements.</p> <p>The remuneration of each director (both executive and non- executive) is disclosed in the annual report.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>There is no scheme for retirement benefits for non-executive directors, other than statutory superannuation.</p>