

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

AMA GROUP LIMITED

ABN/ARBN

50 113 883 560

Financial year ended:

30 JUNE 2020

Our corporate governance statement¹ for the period above can be found at:²

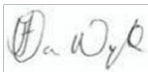
- These pages of our annual report:
- This URL on our website: www.amagroupltd.com/investor-centre

The Corporate Governance Statement is accurate and up to date as at 25 August 2020 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 25 August 2020

Name of authorised officer authorising
lodgement: FIONA VAN WYK



¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: www.amagroupltd.com/investor-centre	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: www.amagroupltd.com/investor-centre Corporate Governance Statement – Section 1</p> <p>and we have disclosed the information referred to in paragraph (c) at: Corporate Governance Statement – Section 1</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period. Corporate Governance Statement – Section 1</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<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 during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at: Corporate Governance Statement – Section 1</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Corporate Governance Statement – Section 1</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at: Corporate Governance Statement - Section 1</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Corporate Governance Statement – Section 1</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> Included in People, Culture, Remuneration & Nomination Committee and we have disclosed a copy of the charter of the committee at: www.amagrouppltd.com/investor-centre</p> <p>and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement – Sections 8; Directors Report included in the Annual Report for the year ended 30 June 2020</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: Corporate Governance Statement – Section 2</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Key to Disclosures Corporate Governance Council Principles and Recommendations

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2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (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 (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: Corporate Governance Statement – Section 2 and, where applicable, the information referred to in paragraph (b) at: Corporate Governance Statement – Section 2 and the length of service of each director at: Directors' Report included in the Annual Report for the year ended 30 June 2020	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: www.amagroupltd.com/investor-centre	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: www.amagroupltd.com/investor-centre Corporate Governance Statement – Section 3	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: www.amagroupltd.com/investor-centre Corporate Governance Statement – Section 3	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: Included in the Code of Conduct at : www.amagroupltd.com/investor-centre Corporate Governance Statement – Section 3	<input type="checkbox"/> set out in our Corporate Governance Statement

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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> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: www.amagroupltd.com/investor-centre</p> <p>and the information referred to in paragraphs (4) and (5) at: Included in the Directors' Report of the Annual Report for the Year ended 30 June 2020</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: www.amagroupltd.com/investor-centre	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: www.amagroupltd.com/investor-centre	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: Corporate Governance Report – Section 6	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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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> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: Audit & Risk Committee Charter at www.amagroupltd.com/investor-centre</p> <p>and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement – Section 7; Included in the Directors Report of the Annual Report for the Year ended 30 June 2020</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Corporate Governance Statement – Section 7</p>	<p><input type="checkbox"/> Corporate Governance Statement - refer Section 7</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at: Corporate Governance Statement – Section 7</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Corporate Governance Statement – Section 7	<input type="checkbox"/> set out in our Corporate Governance Statement

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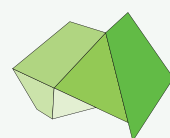
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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: www.amagroupltd.com/investor-centre</p> <p>and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement – Section 8; Included in the Directors Report of the Annual Report for the Year ended 30 June 2020</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at:</p> <p>Included in the Remuneration Report of the Annual Report for the Year ended 30 June 2020</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: www.amagroupltd.com/investor-centre</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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CORPORATE GOVERNANCE STATEMENT

AMA GROUP LIMITED



AMAGROUP

CORPORATE GOVERNANCE STATEMENT

This statement includes AMA Group Limited and/or its controlled entities, as relevant, and referred to in this statement as the Company or Group or AMA Group.

The Board of Directors (**Board**) of the Company is responsible to its Shareholders for the overall corporate governance of the Company and ensuring the Company is appropriately managed to protect and enhance Shareholder value. The Board has considered stakeholder comments and, during the year, has made improvements in its corporate governance and is focused on ongoing improvements in this area. The Company has reviewed its corporate governance practices against the 4th edition of the ASX Corporate Governance Principles and Recommendations (**ASX Principles**) published by the ASX Corporate Governance Council and this statement sets out the extent to which the Company has complied with the ASX Principles during the financial year ended 30 June 2020 appropriate for its size and nature of the Group's business.

THIS CORPORATE GOVERNANCE STATEMENT:

- Outlines the key aspects of the Company's corporate governance framework;
- Is structured and numbered in order of ASX Principles;
- Includes cross-references to other relevant information in this Corporate Governance Statement and the Company's charters, policies and codes, details of which are available on the Investor section of the Company's website www.amagroupltd.com/investor-centre (Company's corporate website); and
- Should be read in conjunction with the Directors' Report and the Remuneration Report (contained in the Company's Annual Report).

The information in this statement is current as at **25 August 2020** (unless otherwise indicated), and has been approved by the Board of AMA Group.



1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Functions reserved to the Board and those delegated to Senior Management

The Board acknowledges its role and responsibility in building and maintaining Shareholder value in the short and longer term and ensuring the Company is appropriately managed while protecting the assets and reputation of the Company.

Roles and responsibilities reserved for the Board and those roles and responsibilities delegated to the Group Chief Executive Officer (**CEO**) are set out in the Company's Board Charter.

The Board is responsible for overseeing those matters delegated to the Audit and Risk Committee (**ARC**) and the People, Culture, Remuneration and Nomination Committee (**PCRNC**) (which was expanded during the year to include broader aspects of People, Culture and Nomination).

The Board Charter provides for the delegation of authority and power to the Group CEO, within levels of authority agreed from time to time by the Board.

The Group CEO's role includes responsibility for the overall management and operation of the business in line with strategic objectives and for instilling the Company's core values throughout the business.

With the assistance of the PCRNC, the Board has the ultimate responsibility for the selection, appointment and re-election of Directors, including, engaging external consultants, as required. In doing so, the Board considers the collective skills, knowledge, experience, expertise and diversity, including gender diversity, of the Board in line with existing and the emerging requirements of the business.

The appointment and re-election of Directors and Senior Management includes processes to undertake appropriate background and other relevant checks. Accordingly, appropriate checks were conducted in relation to the appointment of NED's, Nicole Cook and Carl Bizon during the year. All material information relevant to Shareholders in relation to re-election of Directors, as appropriate, will be included in the Notice of Annual General Meeting.

Terms and conditions of appointment including responsibilities and obligations of Non-Executive Directors are set out in their respective letters of appointment.

Terms and conditions of appointment including roles, responsibilities and obligations of Senior Management are included in their respective employment contracts.

The Board Charter provides that the Company Secretary is accountable to the Board through the Board Chair on corporate governance matters.

During the year, the Board Charter was reviewed and updated in line with the 4th edition of the ASX Principles. The Board Charter is available on the Company's corporate website.



DIVERSITY

The Company is committed to and recognises the benefits gained from diversity throughout the business including employee attraction and retention, creating a more engaged workforce and accessing different and broader perspectives and ideas.

Diversity encompasses gender, age, ethnicity, cultural background, impairment and disability, sexual orientation, educational background and religious, political or other beliefs. Measures and policies, supporting diversity have been implemented throughout the Group and include flexible rostering and working arrangements which particularly support returning to work parents, parental leave and equal pay and employment opportunities. Initiatives to promote gender diversity include participating in the annual award platforms for women in Panel. The Group also supports cultural diverse initiatives such as the annual 'Taste of Harmony' event.

The Company continues to follow best practice recruitment processes which bases key selection criteria on experience, merit and competency for each role and includes a focus on gender equality.

The Company reports under and continues to be compliant with the WGEA Act. The industry in which the Company operates is historically and by the nature of its activities a male orientated industry. For this reason, the Company has not currently set measurable targets in relation to gender diversity alone, however the numerous initiatives in place throughout the business continues to promote all aspects of diversity including women in the workforce.

As at 30 June 2020, 14% of the Company's employees were women. Women holding middle or Senior Management positions totaled 5% of the workforce.

Recognising the benefit that diversity including gender diversity brings to the Board, in December 2019, the Company appointed Nicole Cook. In considering ongoing Board appointments, in addition to consideration of skills, experience and expertise, the Company will continue to review candidates aiming to improve its gender diversity on the Board.

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

EVALUATING THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

An internal survey to evaluate and assess the performance and effectiveness of the Board and its Committees was undertaken during FY20. The results of the survey will be used for ongoing development of the Board and Committees, as deemed appropriate.

SENIOR MANAGEMENT PERFORMANCE EVALUATION

On an annual basis, considering the objectives and strategies of the business, Key Performance Indicators (KPIs) for the Senior Management including Executive KMP are set and their performance assessed and evaluated against these performance targets.

In accordance with this process, a performance evaluation including an assessment of FY20 KPIs, was performed by the Chair of the Board in respect of the Group CEO and Group CFO.

Performance evaluations for Senior Management including an assessment of FY20 KPIs was performed in relation to FY20.

KPIs for FY2021 will be established and performance against those KPIs will be evaluated in July / August 2021.

SELECTION, APPOINTMENT, RE-ELECTION OF DIRECTORS

With the assistance of the PCRNC, the Board is responsible for identifying candidates with appropriate skills, experience, expertise and diversity in order to discharge its mandate effectively and to maintain the necessary mix of expertise on the Board.



2. STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

The Board is comprised of Independent Non-Executive Directors and the Group CEO of the Company. Anthony Day is Chair of the Board and is an Independent Non-Executive Director.

The Board considers that its size, mix of skills, experience and diversity is appropriate to meet the current needs and future strategic objectives of the Company and is conducive to effective and efficient discussion and decision-making.

The Board regularly assesses its skills and expertise to ensure it has the appropriate skills deemed by the Board to meet the requirements of the current business and to fulfil the future needs of the business. As a collective, the Board encompasses an appropriate level of skills, experience and expertise in each of the follow areas. Any skill not demonstrated on the Board is supplemented by Senior Management or through external advisors.

SKILLS / EXPERIENCE / KNOWLEDGE

- Leadership which include executive and non-executive roles
- Strategy including growth, business development, mergers & acquisition, operating in both domestic and global markets

CORE INDUSTRY RELATED EXPERIENCE INCORPORATING:

- Automotive related businesses, and other complementary industries
- Brand development, marketing and distribution
- Ecommerce and digital technology

BROADER ASPECTS OF BUSINESS ACUMEN INCORPORATING:

- Financial acumen
- Risk Management, legal and compliance, governance, regulatory and public policy
- HR, Diversity, WHS and CSR
- Shareholder/Investor relations

INDEPENDENCE OF DIRECTORS

The Board considers thresholds of materiality for the purpose of determining independence on a case-by-case basis. Factors to be considered in determining the independence status of Directors are detailed in the Board Charter, which is available on the Company's corporate website.

To broaden the skill base, increase the level of Director Independence and gender diversity on the Board, during the year the Board appointed 2 new Independent Non-Executive Directors - Nicole Cook on 1 December 2019 and Carl Bizon on 2 February 2020.



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The Board has determined that all of the Non-Executive Directors are Independent based on their independent conduct and judgement, deliberation and decision-making processes that they contribute to the Board. In relation to Leath Nicholson and Simon Moore, the following further supports the Board's determination:

- Leath Nicholson (**Leath**) currently has a commercial relationship with a law firm for which Leath is a partner. For a number of years, the firm has provided specialist legal services to the Company, mainly relating to panel and other acquisitions which have been and are key to the growth of the business. As a result, the firm has in-depth knowledge and expertise of the smash repair industry, which is valuable to the numerous transactions undertaken by the business. All services are performed on an arm's length commercial basis. The level of fees are not considered by the Board to be material considering the Company's overall expenditure for the period. Leath does not participate in Board discussions or deliberations relating to his contract or fees paid to the firm. The Board believes that, in providing the services to the Company, Leath's business and industry knowledge continues to be a benefit to the Company. Leath exercises independent judgement in his position on the Board and on that basis is considered to be an Independent Non-Executive Director.
- Simon Moore (**Simon**) currently has a relationship with a private equity investment firm of which Simon is the Senior Partner. On extremely rare occasions, the firm provides corporate advisory services for which it charges a fee. During FY20, the firm was paid a fee for corporate advisory services in relation to the acquisition of Capital Smart and ACM Parts. The fee as determined by the Board was on an arms-length basis and when compared to market was at the lower end of industry standards for the services provided by the firm. Simon did not participate in Board discussions relating to the appointment or the determination of the level of fee. The Board is of the view that, based on the firm's in-depth knowledge and expertise, the Company benefitted from the provision of the services in relation to this transaction. Simon exercises independent judgement in his position on the Board and on that basis is considered to be an Independent Non-Executive Director.

Andrew Hopkins is the Group CEO and therefore not independent.

The Board has measures in place to promote and maintain independent judgement which include:

- Directors must act in the best interests of the Company at all times;
- A standard item on each Board Meeting agenda requires Directors to declare any interests or conflicts of interest;
- To ensure material conflicts of interests are managed or avoided, in March 2020, a conflict of interest and related party transaction policy was implemented. The policy provides for disclosure of all conflicts/potential conflicts of interest and processes to manage conflicts of interests and related party transactions. The policy also prohibits Directors from earning success and other incentive fees from the provision of professional advisory or consulting services provided to the Company. A copy of the Conflicts of Interest and Related Party Transactions Policy is available on the Company's Corporate website.

Additional information including experience, Directors in office at the date of this statement and date of appointment of each Director, is set out in the Directors' Report of the Company's Annual Report.

Newly appointed Directors undergo induction in the form of meetings with the Chair of the Board, the Board, the Group CEO and Senior Management (as relevant). Management keeps the Board informed in relation to the regulatory environment as it relates to the Company.

BOARD AND COMMITTEE MEETING ATTENDANCE

The Board held 24 Board meetings, 4 ARC and 4 PCRNC Meetings during FY20. The number of meetings of the Board and of each Board Committee held and attended during FY20 is disclosed in the Directors' Report of the Company's Annual Report.

Demonstrated by the number of meetings held during FY20, the Board ensured that it met as often as was required during the Covid-19 pandemic to provide support, assistance and guidance to Management during this challenging period.



3. INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

CODE OF CONDUCT

The Company is committed to and promotes the highest standard of corporate values, practice and business conduct to ensure the Company operates its business openly, ethically, with honesty and integrity and in strict compliance with all laws and regulations. The Code of Conduct endorsed by the Board is designed to provide a benchmark for Directors, Officers, Employees, Contractors, Consultants and other people who work at the Company. The Code of Conduct outlines the obligations of AMA Group employees in carrying out their duties ethically. The Company's commitment to its employees includes providing a safe workplace and equal opportunity for all employees. Responsibilities of employees include:

- The protection of the Company's business and assets;
- Using the Company's resources in an appropriate manner;
- Dealing fairly with customers, suppliers, competitors and all stakeholders;
- Not offering or accepting bribes, inducements or any unauthorised commissions;
- Not taking unfair advantage of anyone;
- Protecting the privacy of employees, customers and investors; and
- Avoiding conflicts of interest.

The Company does not condone or tolerate unlawful behaviour or any form of discrimination, harassment or victimisation of employees, customers or any of its stakeholders.

WHISTLEBLOWING POLICY

Further endorsing the Company's commitment to a high standard of corporate compliance, ethical behaviour and a culture where all employees are encouraged to raise concerns or report unethical behaviour and misconduct without fear of possible adverse repercussions as a result, the Board has adopted a compliant Whistleblowing Policy.

All employees are required to understand and comply with their obligations under the Code of Conduct and Whistleblowing Policies.

Findings of material breaches of the Code of Conduct or Whistleblower Policies, as appropriate, will be reported to the ARC Committee.

The Company's statement of values is published on its corporate website.

A copy of the Code of Conduct and Whistleblowing Policies are available on the Company's corporate website.



4. SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

AUDIT AND RISK COMMITTEE (ARC) - MEMBERS AT REPORTING DATE:

- Simon Moore (Chair)
- Leath Nicholson
- Carl Bizon (appointed 3 February 2020)

Additional information including the relevant skills, qualifications and experience of the ARC Members at the date of this statement is set out in the Directors' Report of the Company's Annual Report.

At reporting date and for the duration of the reporting period, the Board has determined the structure of the Committee to:

- Comprise Independent Non-Executive Directors;
- Be chaired by an Independent Non-Executive Director (who is not the Chair of the Board); and
- Have at least three members.

The Board is of the opinion that, given the extensive financial and investment related experience of the Chair of the ARC as well as the combined experience and financial and business acumen of all the ARC members, the ARC has the appropriate accounting and financial expertise and knowledge of the business and industry to discharge its responsibilities and objectives effectively and that each member brings independent judgement to the ARC.

The ARC assists the Board in fulfilling its corporate governance responsibilities as well as overseeing the Company's internal financial control structure and risk management systems. The Committee's role, duties and responsibilities are set out in the ARC charter which is available on the Company's corporate website.

The ARC meets as frequently as is required to undertake its role effectively. In FY20, the ARC met four times.

A copy of the ARC Charter is available on the Company's corporate website.

CERTIFICATION OF FINANCIAL REPORTS

The Board receives written assurances from the Group CEO and Group CFO, prior to the Board's approval of the Company's financial statements confirming that, in their opinion, the Company's financial records had been:

- properly maintained;
- complied with the appropriate accounting standards and presented a true and fair view of the financial position and performance of the Company; and
- their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

RELEASES TO MARKET

Periodic reports to the market which are not audited or reviewed by external auditors are subject to management review to ensure all content is materially accurate and appropriate. The Board reviews and approves all material market announcements prior to the release to the market.

EXTERNAL AUDITOR

Due to the Company's growth and development, the Board determined that an audit firm with the ability to provide more extensive services across both Australia and New Zealand was required. Following a thorough process the Directors resolved to appoint KPMG as the external auditor of the Company. The appointment of KPMG was approved at the Company's Annual General Meeting on 20 November 2019.

KPMG provided a Statement of Independence to the Board, confirming that they have maintained their independence in accordance with the provisions of APES 110 Code of Ethics for Professional Accountants and the applicable provisions of the *Corporations Act 2001*.

An analysis of fees paid to the external auditor, including a breakdown of fees for non-audit services, is provided in the Company's Annual Report and in the notes to the financial statements. The performance of the external auditor is reviewed annually.

The external auditor is required to attend the Annual General Meeting and to be available to respond to Shareholder questions about the conduct of the audit and the preparation and content of the audit report. This requirement was complied with in respect of the Company's 2019 Annual General Meeting and representatives of KPMG will attend the 2020 Annual General Meeting.

5. MAKE TIMELY AND BALANCED DISCLOSURE

The Board aims to ensure that Shareholders and other stakeholders are informed of all material matters and developments affecting the Company's state of affairs, and that the Company complies with its disclosure obligations under the *Corporations Act 2001* and the ASX Listing Rules. As such, the Company has adopted a Continuous Disclosure Policy in relation to providing timely, full and accurate disclosure of all matters concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

All material market announcements are reviewed and approved by the Board prior to release. All Directors receive confirmation of the release of all market announcements from the ASX Markets Announcements platform.

It is Company policy that any new or substantive investor or analyst presentation is released on the ASX market announcement platform prior to the presentation being made to investors or analysts.

A copy of the Continuous Disclosure Policy is available on the Company's corporate website.



6. RESPECT THE RIGHTS OF SECURITY HOLDERS

The Board promotes effective communication with its Shareholders. Information is communicated to Shareholders through the lodgement of all relevant financial and other information with the ASX in accordance with its continuous disclosure obligations as well as in the investor section of the Company's corporate website following release to the ASX. The Company's corporate website also contains general information relating to the Company and its business.

To ensure prompt and efficient Shareholder communication as well as reducing costs and promoting environmentally best practice, the Company encourages its Shareholders to opt to receive communications from and send communications to the Company and its share registry electronically.

To encourage participation, the Notice of each Annual General Meeting invites Shareholders to submit relevant questions to the Company prior to the Company's Annual General Meeting being held.

Following the release of its half-year and full year financial results announcements, the Company conducts investor briefings and investor roadshows with institutional investor groups and analysts. These processes facilitate two-way communication with Shareholders and together with other scheduled and ad-hoc interactions and meetings with institutional investor groups and analysts throughout the year, form the basis of the Company's managed investor relations program.

To recognise the votes of Shareholders present at the Annual General Meeting and those who vote by proxy, consistent with the approach in 2019, at the 2020 Annual General meeting all items of business will be decided on a poll.

7. RECOGNISE AND MANAGE RISK

The Board is responsible for overseeing and approving the Company's risk management strategies and policies. The Board has delegated to the ARC responsibility for risk management to provide assurance that material business risks are identified, assessed and appropriately addressed.

The CEO's of each business assesses, implements and regularly monitors appropriate risk mitigation measures relevant to and appropriate for the respective business operations.

Due the growth of the business, the Board and Management determined that an internal audit function be established. Following assessment, it was agreed that the internal audit function be outsourced and in February 2020, PriceWaterhouseCoopers was engaged to perform the Company's internal audit function to provide a level of independent and objective assurance to Management and the ARC regarding the effectiveness of the Company's internal compliance and control systems. Each year, an internal audit plan will be established. Due to the restrictions imposed by the COVID-19 pandemic, FY20 scheduled internal audit procedures have been delayed until approximately September 2020. During this time, the business has relied on existing controls and systems in place throughout the business.

The ARC Charter will be reviewed regularly and is available on the Company's corporate website.

The Company monitors its exposure to all risks including economic, environmental and corporate social sustainability risks. The Board acknowledges that the Company faces risks inherent to its business which include economic risks, which may materially affect the Company's ability to preserve value for Shareholders. The Board does not consider that it has any material exposure to environmental or social sustainability risks, however, acknowledges that material exposure outside of its control may arise.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Through the delivery of a number of engagement programs and partnerships, AMA Group is continuously improving its level of social and ethical responsibility to create positive change within the Community, Environment and Workplace.

COMMUNITY

AMA Group connects with and supports local communities in which it has customers, shareholders, employees and other stakeholders. In addition, AMA Group and its employees provide support via donations, fundraising events and community partnerships such as the Walk for Winter program, a new AMA Group initiative that raises the awareness of mental health and contributes vital funds for BeyondBlue with AMA Group making a donation per kilometre for each employee who participates in the month-long program.

AMA has a particular focus on 'closing the gap' in relation to making opportunities available to young people, woman, Indigenous Australians, people with disabilities and those over the age of 45 and AMA proudly employs several employees with varying disabilities.

AMA Group partnered with the North Queensland Cowboys community foundation in Townsville to provide Indigenous Australians from remote communities with an opportunity to gain employment through apprenticeships in a career in Spray Painting or Panel Beating creating life-changing opportunities for these communities. Our first indigenous apprentice joined the AMA Group in 2019.

ENVIRONMENT

AMA is committed to operating in an environmentally responsible and sustainable way through implementing best-practice business, which includes:

- Complying with all environmental legislative and regulatory obligations and implementing a high standard of compliance monitoring;
- Promoting a culture of environmental responsibility and providing awareness training and support to employees;
- The ACM parts business is Green Stamp accredited – a voluntary assessment of its environmental initiatives and programs.
- AMA is leading the way on environmental protection through our partnership with Torque. Torque is a pioneering program specific to the collision repair business which assists management and employees to improve environmental behaviours. AMA aims to have all sites Torque-accredited by the end of 2020.
- Awareness and education has minimised the business' environmental impact by identifying, implementing and endorsing processes and procedures in relation to printing, stationery, travel, water and energy consumption, waste management and procurement.
- AMA is a founding member of the Waste-Motive Initiative. This initiative will lead the way in ensuring automotive plastic waste in the collision industry is disposed of through registered specialist recyclers achieving a significant reduction in our carbon footprint.



WORKPLACE AND MARKETPLACE

AMA Group is aligned with various governing bodies and associations to assist in the attraction, development and promotion of industry skills as well as developing and enhancing the operational expertise of the industry.

AMA has established and supports a number of initiatives promoting career development at all levels of the business, which include:

- Analysis of ongoing individual training and development.
- The Group is committed to the well-being of its workforce and has implemented an Employee Assistance Program as an additional support mechanism for its employees and family members. This program was widely promoted across the Group during the COVID-19 pandemic.
- Recognising the benefit that diversity including gender diversity brings to the business, AMA works in partnership with multiple Registered Training Organisations aimed at attracting mature age and female apprentices into our industry. Further promoting women in the industry, the group's apprentice program was recognised with an industry first female finalist in the World Skills Competition held in Russia.
- 'Grow our own' apprenticeship and graduate programs focus on hiring, at least, one painter and one panel apprentice at each of our sites across Australia and New Zealand. To date there are approximately 300 apprentices in the program which include mature age apprentices.
- AMA Group works with universities to attract business graduates who participate in an 18-month program learning all aspects of operating an autobody site aimed at developing leadership within the Group.
- AMA Group has established a 'Future Leaders Training Program'. This program provides opportunities for Centre Managers, on a collaborative basis, to learn and contribute to business improvements in key focus areas of the business including - safety, financial performance, people skills, customer satisfaction and service quality.
- Specific technical skills training programs, such as Estimator Training, Parts Management Training and Customer Service Training are also provided.

WH&S

AMA Group is dedicated to developing and implementing continuous improvement processes and measures to protect the health and safety of our employees in the workplace. The business has implemented various workplace health and safety governance platforms - Gemsafe, which facilitates ongoing compliance with Workplace, Health and Safety obligations relative to our business and assists in ensuring our workforce operates in a healthy and safe environment; and Donesafe a Management tool recording incidents, actions and training outcomes.

During the COVID-19 pandemic, the Group adopted and continues to adopt the highest health and safety measures including those implemented by Government to ensure the health and safety of its employees, customers and all stakeholders.



8. REMUNERATE FAIRLY AND RESPONSIBLY

PEOPLE, CULTURE, REMUNERATION AND NOMINATION COMMITTEE (PCRNC).

During the year, the Board expanded the Remuneration Committee to incorporate broader aspects of People, Culture and Nomination under a PCRNC. The Members at reporting date are:

- Anthony Day (Chair)
- Leath Nicholson
- Nicole Cook (appointed 1 December 2019)

At the reporting date, the structure of the Committee:

- comprised Independent Non-Executive Directors
- is chaired by an Independent Non-Executive Director; and
- has at least three members.

During the year, Nicole Cook was appointed as a member of the PCRNC. Nicole brings relevant experience and skills with a particular focus on People and Culture to the Committee. The Board believes that, the Committee has, as a collective, an appropriate level of expertise to achieve its objectives and that each member brings independent judgement to the Committee's deliberations.

DIRECTORS AND KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION

At the 2019 Annual General Meeting, to provide the Board with the flexibility to remunerate, attract and retain high quality Non-Executive Directors commensurate with their skills and expertise, an increase in the aggregate maximum annual fee for Non-Executive Directors to \$1,100,000 was approved by the Shareholders of the Company.

Full details of KMP remuneration for FY20 is included in the Remuneration Report of the Company's Annual Report.

The PCRNC assists the Board in overseeing the Company's nomination and remuneration policies and practices which aim to attract, retain and motivate high quality Senior Management and ensure that their interests are aligned with those of Shareholders.

During the year, the Board granted performance rights to nominated Senior Management and as approved at the 2019 Annual General Meeting to the Group CEO (Executive Director) of the Company, in accordance with the Company's Performance Rights Program which is subject to performance measures in line with industry standard.

The PCRNC undertakes to meet as frequently as required to fulfil its role effectively. In FY20, the PCRNC met four times.

The PCRNC's role, duties and responsibilities are set out in the PCRNC Charter which is reviewed regularly and is available on the Company's corporate website.

SECURITIES TRADING POLICY

The Company's Securities Trading Policy, aimed at minimising the risk of actual or the appearance of insider trading, applies to Employees of the Company which includes all Non-Executive and Executive Directors, officers, employees and their associates, contractors, consultants, advisors and auditors.

The Company's Securities Trading Policy outlines conduct, procedures, closed trading periods and restrictions (including restrictions which limit entry by equity-based remuneration scheme participants into transactions which limit the economic risk of participating in the scheme) in relation to dealings in the Company's securities by Employees.

