

Fleetwood Corporate Governance Statement 2021

This Corporate Governance Statement (**Statement**) describes Fleetwood Limited's (**Fleetwood or Company**) corporate governance framework, policies and practices. This statement has been approved by the Board and is current as at 25 August 2021.

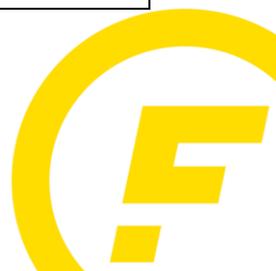
Fleetwood complies with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**), which is reflected in this statement. Further information about governance at Fleetwood (including Fleetwood's corporate governance policies and charters) can be found in the corporate governance section of our website at <https://www.fleetwoodlimited.com.au/corporate-governance/>.

Fleetwood regularly reviews its corporate governance framework and is committed to ensuring that its policies and practices reflect market practice, expectations and regulation as appropriate.

ASX Recommendation	Reference / Comment
<p>Principle 1: Lay solid foundations for management and oversight</p> <p><i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance</i></p>	
<p>1.1</p> <p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>The Board has adopted a Board Charter which describes the roles and responsibilities of the Board and management, including those matters expressly reserved to the Board and delegated to management.</p> <p>Under the Board Charter, the Board's responsibilities include:</p> <ul style="list-style-type: none"> • demonstrating leadership for Fleetwood and its subsidiaries (Group); • approving the Group's statement of values and code of conduct to underpin the desired culture within the Group; • setting and overseeing the strategic direction of the Group and monitoring implementation of the strategy; • appointing the Chair; • selecting and appointing the Chief Executive Officer (CEO), determining conditions of service and monitoring performance; • approving the conditions of service and monitoring performance of the Chief Financial Officer (CFO), Company Secretary and other senior executives; • monitoring financial outcomes and the integrity of reporting; • setting limits of authority for committing to expenditure, entering into contracts or acquiring businesses; • ensuring effective audit, tax, risk management and compliance systems are in place; • ensuring the Group has appropriate corporate governance structures in place, including standards of ethical behaviour; and



		<ul style="list-style-type: none"> ensuring the Board is and remains appropriately skilled to meet the changing needs of the Group. <p>As set out in the Board Charter, the CEO is responsible for the day-to-day management of the Group. A formal delegations structure is in place which sets out the powers delegated to the CEO.</p> <p>The Board reviews the Board Charter at least once in each financial year and in doing so, ensures that it meets best practice standards and the needs of Fleetwood.</p> <p>A copy of the Board Charter is available on Fleetwood's website.</p>
1.2	<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 Board has established and operates a Nominations & Diversity Committee. The Nominations & Diversity Committee assists the Board with the selection and appointment of Directors and senior executives and in doing so, ensures that appropriate background checks are undertaken prior to putting any candidate forward for election or appointment.</p> <p>Fleetwood provides information to shareholders about Directors seeking election or re-election at a general meeting, to ensure shareholders can make an informed decision on whether or not to elect or re-elect a Director. Specifically, the Company provides details relevant to each Director's qualifications, experiences, skills and whether they are considered independent, including a recommendation by the Board as to whether it recommends the election or re-election of the Director.</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Fleetwood has written agreements with all Directors and senior executives in their personal capacities setting out the terms of their appointment.</p> <p>Specifically, each Non-Executive Director is provided with a letter of appointment which outlines the term of appointment, the duties and responsibilities of the Director, remuneration, expected time commitments and notification of Fleetwood's governance materials.</p> <p>Senior executives have a formal written employment agreement with Fleetwood describing their duties, rights and responsibilities, remuneration and entitlements on termination.</p>
1.4	<p>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.</p>	<p>Fleetwood has appointed joint Company Secretaries. The Company Secretaries are responsible for advising the Board and its Committees on governance matters and to coordinate all Board business, including the administration of Board and Committee meetings, manage filings with the ASX and ASIC and monitor compliance with Board policies and procedures.</p> <p>The Company Secretaries are accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.</p>



<p>1.5</p>	<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;</p> <p>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>The Board has adopted a Diversity Policy which supports and promotes the achievement of diversity in gender, ethnicity, religion, culture, language, sexual orientation, disability and age. A copy of the Diversity Policy is available on Fleetwood's website.</p> <p>In accordance with the Diversity Policy and ASX Recommendations, Fleetwood has implemented, adopted policies to address, or is otherwise progressing the following measurable objectives towards improved gender diversity.</p> <table border="1" data-bbox="715 593 1422 1400"> <thead> <tr> <th>Objective</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Adopt a Flexible Work Policy</td> <td>Implemented</td> </tr> <tr> <td>Provide training to managers and teams on how to manage flexible work practices successfully</td> <td>Implemented</td> </tr> <tr> <td>Aim for over 5% of men in any manager category to have formal flexible working arrangements in place</td> <td>In progress</td> </tr> <tr> <td>Provide unconscious bias training for key management personnel</td> <td>Implemented</td> </tr> <tr> <td>Undertake an annual gender pay gap analysis</td> <td>In progress</td> </tr> <tr> <td>Proactively identify female candidates for senior vacancies by aiming for 20% of women in any manager category</td> <td>Implemented</td> </tr> <tr> <td>Ensure equal career development for women and men</td> <td>In progress</td> </tr> </tbody> </table> <p>The Diversity Policy and progress toward achieving the objectives are reviewed and assessed by the Board and the Nominations & Diversity Committee annually.</p> <p>The Group complied with the Workplace Gender Equality Act 2012 by submitting its annual compliance report, a copy of which is available on Fleetwood's website.</p>	Objective	Status	Adopt a Flexible Work Policy	Implemented	Provide training to managers and teams on how to manage flexible work practices successfully	Implemented	Aim for over 5% of men in any manager category to have formal flexible working arrangements in place	In progress	Provide unconscious bias training for key management personnel	Implemented	Undertake an annual gender pay gap analysis	In progress	Proactively identify female candidates for senior vacancies by aiming for 20% of women in any manager category	Implemented	Ensure equal career development for women and men	In progress
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<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</p>	<p>The Nominations & Diversity Committee is responsible for the development and implementation of a process for evaluating the performance of the Board, its Committees and Directors.</p> <p>In August 2021, the Board undertook an assessment and review of the skillset and experience of each Director individually and as a whole.</p> <p>A formal annual review of the Board and each Committee's performance was not undertaken for FY21 due to various</p>																



	during or in respect of that period.	<p>organisational changes, including the appointment of a new Non-Executive Chair and the recruitment of a new CEO who commenced on 1 July 2021.</p> <p>Performance evaluations for the Board and the Committees are expected to take place in December 2021 by an external independent consultant.</p>
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>A review of the performance of all senior executives is undertaken annually by the CEO in consultation with the Board. Executive performance is evaluated by reference to the financial results of the applicable operating entity and relevant key performance indicators.</p> <p>Individual performance targets are derived from position descriptions, key responsibilities and objectives, which are in turn aligned with business strategies identified annually during the business planning process following the Board's sign-off of budgets. Financial performance targets are derived from budgeted or forecast EBITA above a qualifying gate, which is considered an appropriate measure of the Company's profitability.</p> <p>A performance evaluation of the senior executives was undertaken by the Remuneration Committee in respect of FY21.</p>
<p>Principle 2: Structure the board to be effective and add value</p> <p><i>The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value</i></p>		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination</p>	<p>The Board has established a Nominations & Diversity Committee.</p> <p>The Nominations & Diversity Committee is comprised of the following independent Non-Executive Directors:</p> <ul style="list-style-type: none"> • Adrienne Parker (Chair); • John Klepec; • Mark Southey; • Martin Monro; and • Jeff Dowling. <p>The Nominations & Diversity Committee Charter provides further details regarding the Committee's primary duties, running of meetings and the process followed in the appointment and re-appointment of Directors.</p> <p>The Nominations & Diversity Committee Charter requires the Committee to meet at least twice each year and more frequently if determined appropriate by the Chair of the Committee or the Board. Details of the members' attendance at the Nominations & Diversity Committee meetings are set out</p>



	<p>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>in Fleetwood's 2021 Annual Report.</p> <p>A copy of the Nominations & Diversity Committee Charter is available on Fleetwood's website.</p>
<p>2.1</p>	<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 composition of the Company's Board is designed to ensure each Director brings a level of skill and experience that helps deliver Fleetwood's strategy and provides value to shareholders.</p> <p>Matters relating to the Board's composition are considered by the Board and the Nominations & Diversity Committee in accordance with the framework set out in the Nominations & Diversity Committee Charter.</p> <p>The Board recently assessed each Director's skill level against the following key competences, which the Board considered necessary to achieve its strategic objectives, meet its regulatory and legal requirements and for succession planning purposes:</p> <ol style="list-style-type: none"> 1. Business planning 2. Governance and compliance 3. Risk management 4. Monitoring the CEO 5. Long-term industry vision 6. Communications and corporate affairs 7. Financial reporting and forecasts 8. Safety 9. Talent, succession and remuneration 10. Organisational culture 11. Change and major project delivery 12. Legal 13. Marketing and sales 14. Sustainability 15. Manufacturing and construction industry knowledge 16. Government relations 17. Technology <p>The Board's assessment demonstrates that each Director is considered to have advanced or expert knowledge in a number of key areas. The Board determined that it currently</p>



		<p>has the appropriate mix of skills, diversity and experience needed to support Fleetwood and oversee the standard of corporate governance, integrity and accountability required of Fleetwood. Details of the Directors (including their qualifications, experience and expertise) are set out in the 2021 Annual Report.</p> <p>To the extent that any skills are not directly represented on the Board, they are supplemented by management.</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 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 is comprised of the following independent Non-Executive Directors:</p> <ul style="list-style-type: none"> • John Klepec (Chair); • Jeff Dowling; • Adrienne Parker; • Mark Southey; and • Martin Monro. <p>The Board acknowledges the importance of independent Directors to a high-functioning Board. Fleetwood's Board Charter requires that a majority of the Board be comprised of Non-Executive Directors and that the Chairman be an independent Non-Executive Director.</p> <p>The Board has considered the circumstances of each Director and determined that all Directors are independent Directors on the basis that he or she is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, their capacity to bring an independent judgment to bear on the issues before the Board and act in the best interests of Fleetwood as a whole. In making this determination, the Board has considered the Board Charter, the ASX Recommendations and specifically the items set out in Box 2.3 of the ASX Recommendations.</p> <p>Details of the Directors (including their qualifications, experience and length of service) are set out in the 2021 Annual Report.</p>
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Board is comprised of five Directors, all of which are independent Non-Executive Directors.</p>
2.5	<p>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.</p>	<p>John Klepec, Chair of the Board, is an independent Non-Executive Director. The positions of Chair of the Board and CEO are held by separate persons. Bruce Nicholson is Fleetwood's CEO.</p>
2.6	<p>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</p>	<p>The Nominations & Diversity Committee is responsible for the inductions of, and continuing professional development programs for, Directors.</p>



	<p>to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Newly appointed Directors participate in an induction program which includes the provision of Company due diligence documents, meetings with executives and management, site visits to key operations, and discussions with other Directors. The induction program introduces the Director to the financial, strategic, operational, and risk management systems, as well as the culture and values of Fleetwood.</p> <p>The Board received various presentations and briefings throughout FY21 on a range of topics tailored to professional development, key industry events and the ongoing responsibilities of the Board. The Board also has access to all relevant information, including joint and independent discussions with management and subject matter experts in addition to site visits to observe operations.</p> <p>The Board collectively, and each Director individually, is also entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of their responsibilities as a Director.</p>
<p>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</p> <p><i>A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly</i></p>		
<p>3.1</p>	<p>A listed entity should articulate and disclose its values.</p>	<p>Fleetwood's Code of Conduct sets out the standard of conduct and behaviour that the Board expects and requires of our people. The Board expects the Code of Conduct is followed in word and spirit and also to guide employee decisions.</p> <p>'Delivering the Promise' sets out Fleetwood's values, a copy of which is available on Fleetwood's website. The Code of Conduct together with 'Delivering the Promise' seeks to enhance shareholder confidence in the Company by clearly articulating the acceptable practices of the Board, senior executives and employees.</p>
<p>3.2</p>	<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>	<p>In FY21, the Board approved an updated Code of Conduct, which applies to all representatives of Fleetwood including Directors, officers and employees of Fleetwood as well as contractors acting on behalf of Fleetwood, its suppliers and other business partners. A copy of the Code of Conduct is available on Fleetwood's website.</p> <p>The Board expects all Fleetwood representatives to act with integrity, honesty and fairness and be responsible for their conduct. The Code of Conduct sets out the standards of behaviour that the Board expects and also to ensure Fleetwood and its representatives are complying with legal obligations.</p> <p>In accordance with the Code of Conduct, any material breaches of the Code are reported to the Board by the General</p>



		Counsel & Company Secretary.
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>Fleetwood's Whistleblower Policy provides a number of channels for employees and external parties to confidentially raise concerns about improper conduct, including an externally managed service. A copy of the Whistleblower Policy is available on Fleetwood's website.</p> <p>All concerns raised under the Whistleblower Policy are assessed and where appropriate, investigated.</p> <p>In accordance with the Whistleblower Policy, the Board is informed of any material incidents reported under the Policy.</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>Fleetwood does not engage in or tolerate corrupt business practices and is committed to maintaining and implementing appropriate measures to prevent bribery and corruption by Fleetwood and any person representing Fleetwood.</p> <p>Fleetwood's Fraud, Bribery and Corruption Policy prohibits the actual or attempted use of any form of fraud, bribery or corruption (directly or indirectly) on Fleetwood's behalf to advance its business interests or those of its associates. A copy of the Fraud, Bribery and Corruption Policy is available on Fleetwood's website.</p> <p>The General Counsel & Company Secretary is responsible for notifying the Board of any material breaches of the Policy.</p>
<p>Principle 4: Safeguard the integrity of corporate reports</p> <p><i>A listed entity should have appropriate processes to verify the integrity of its corporate reports</i></p>		
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</p>	<p>The Board has established an Audit Committee. The Audit Committee oversees the adequacy of the accounting, tax and financial policies and controls of the Company.</p> <p>The Audit Committee is comprised of the following independent Non-Executive Directors:</p> <ul style="list-style-type: none"> • Jeff Dowling (Chair); • John Klepec; • Adrienne Parker; • Mark Southey; and • Martin Monro. <p>The Audit Committee Charter sets out the Committee's responsibilities in regard to internal and external reporting processes and frameworks. A copy of the Audit Committee Charter is available on Fleetwood's website.</p> <p>All members of the Audit Committee have appropriate business and financial expertise. Details of the experience and qualifications of the members of the Audit Committee, together with the number of times the Audit Committee met</p>



	meetings; or (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.	throughout FY21 and the individual attendance of the members at those meetings are set out in the 2021 Annual Report. The Audit Committee reviews its Charter annually and recommends any changes necessary to the Board. The Audit Committee Charter requires the Committee to meet at least twice during the year.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	The Board has a process to receive written assurances from the CEO and CFO: <ul style="list-style-type: none"> that in their opinion, the Group's financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company; and that the opinion has been formed on a sound system of risk management and internal control which is operating effectively. The Board seeks these assurances prior to approving the Company's financial statements for all half year and full year results.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Periodic corporate reports that are not audited or reviewed by an external auditor are verified internally by management prior to release to market (including by the CFO).
<p>Principle 5: Make timely and balanced disclosure</p> <p><i>A listed entity should make timely and balance disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price of value of its securities</i></p>		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Fleetwood is committed to timely, transparent and effective communication to its shareholders, market participants and other external parties. Fleetwood has a Continuous Disclosure Policy, a copy of which is available on Fleetwood's website. The Board has established a Disclosure Committee, which may be convened to consider matters that may require disclosure to the ASX under ASX Listing Rule 3.1.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	The Board receives copies of material market announcements promptly after they have been released to the ASX.
5.3	A listed entity that gives a new and substantive investor or analyst	In accordance with the Company's Continuous Disclosure Policy, Fleetwood does not permit selective disclosure of



	<p>presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>material information.</p> <p>Information provided to analysts and investors during a one-on-one or group briefing (such as slides) will be provided to the ASX for release to the market and posted on Fleetwood's website as soon as practicable to ensure all shareholders and investors have equal access to Fleetwood's Information.</p>
<p>Principle 6: Respect the rights of security holders</p> <p><i>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively</i></p>		
6.1	<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Fleetwood has established an Investor section on its website to provide key information about its governance processes and policies.</p> <p>The Investor section includes information about Fleetwood relevant to shareholders including:</p> <ul style="list-style-type: none"> • all announcements lodged with the ASX in the last three years; • biographies and photographs of the Board and Executive team; • Fleetwood's Constitution; • the Board and Committee Charters and key corporate governance policies; • Fleetwood's half-year and annual reports; • an event calendar with important dates for shareholders; and • information about Fleetwood's Annual General Meeting.
6.2	<p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>The Board acknowledges the importance of regular, proactive and effective two-way communication with investors to ensure they remain fully informed about Fleetwood's activities.</p> <p>The Continuous Disclosure Policy sets out Fleetwood's investor relations approach to communicating with shareholders, investors and analysts.</p> <p>Following the release of Fleetwood's half year and full year results, the CEO and CFO hosts an investor briefing which the public are invited to attend and are given the opportunity to ask questions of the CEO and CFO. Fleetwood also conducts regular investor and analyst briefings.</p> <p>In communications received directly from shareholders or other interested parties, the CEO and/or Company Secretaries endeavour to respond to such communications provided the information requested is not price sensitive, or already publicly available.</p>



6.3	<p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>Fleetwood facilitates and encourages participation at meetings of shareholders by conducting teleconferences for shareholders and interested parties, as well as one-on-one and group briefings with investors or analysts, upon the release of half year and full year results.</p> <p>Shareholders are also provided with an opportunity to put questions to the Board and to Fleetwood's external auditor at each Annual General Meeting.</p> <p>In response to COVID-19 and in line with the restrictions on travel and public gatherings at the time, Fleetwood decided to hold its 2020 Annual General Meeting online. Shareholders were given the opportunity to participate in the meeting live through a facility that enabled shareholders to vote and ask questions online.</p>
6.4	<p>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.</p>	<p>Fleetwood's practice is that voting on each proposed resolution at a meeting is conducted by poll.</p>
6.5	<p>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>	<p>Shareholders are encouraged to elect to receive communications electronically by contacting Fleetwood's share registry.</p>
<p>Principle 7: Recognise and manage risk</p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework</i></p>		
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of 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>(6) if it does not have a risk committee or committees that satisfy (a) above,</p>	<p>The Board has established a Risk Committee which is comprised of the following independent Non-Executive Directors:</p> <ul style="list-style-type: none"> • Martin Monro (Chair); • John Klepec; • Jeff Dowling; • Adrienne Parker; and • Mark Southey. <p>The role of the Risk Committee is to assist the Board to oversee Fleetwood's risk management framework and support a prudent and risk aware approach to business decisions across the Company.</p> <p>The Risk Committee's role and responsibilities is set out in the Risk Committee Charter, a copy of which is available on Fleetwood's website.</p> <p>The Risk Committee reviews its Charter annually and recommends any changes necessary to the Board. Members' attendance at the Risk Committee meetings is set out in the</p>



	disclose that fact and the processes it employs for overseeing the entity's risk management framework	2021 Annual Report.
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>Fleetwood's risk framework is based on International Standard ISO 31000:2018 and forms the basis for the Company's risk management activities. The Board reviews Fleetwood's risk management framework on an annual basis.</p> <p>The Board is provided with a risk management report twice a year.</p> <p>A review of Fleetwood's risk management framework and risk register was undertaken during FY21.</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>The Audit Committee monitors the need for an internal audit function having regard to the size and complexity of operations. Currently, Fleetwood does not have a formal internal audit function.</p> <p>The Company manages its operations as autonomous divisions. Management of each division is required to design and implement risk management policies and internal control systems, based on Fleetwood's Enterprise Risk Management Framework (ERMF), to mitigate and manage the material risks of the division.</p> <p>The ERMF ensures that each business division takes accountability for risk management. There are certain specific auditing requirements across the divisions. For example, the Building Solutions division is quality accredited under ISO 9001 which requires a specific internal audit. This internal audit is then externally audited every nine months.</p> <p>In respect of financial risks, Fleetwood utilises accounting controls and reconciliations, segregation of duties, documented policies and procedures, regular management reporting, annual budgeting as well as physical security over Company assets as part of its internal control environment. Fleetwood periodically undertakes an internal review of these controls and implements any improvements which are identified. Board interaction with the Company's external auditor also provides additional oversight.</p> <p>In respect of health and safety risks, Fleetwood has implemented a comprehensive Workplace Health and Safety Management System, which is reviewed and audited annually.</p> <p>Other risks are monitored and managed by management as overseen by the Risk Committee.</p> <p>During the reporting period, the effectiveness of the internal control systems of each division in mitigating and managing the material risks were periodically reported to and reviewed</p>



		<p>by the Risk Committee.</p> <p>The CEO, CFO and the external auditor attend Audit Committee meetings at the discretion of the Committee.</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>Fleetwood is committed to the identification, monitoring and management of material risks (including economic, environmental and social sustainability risks) associated with its business activities.</p> <p>Social sustainability and environmental risks, if and when they arise, are identified and managed within the Group risk management processes.</p> <p>Fleetwood has adopted a Group Risk Management Policy and Environmental Policy.</p> <p>The Building Solutions division also has an environmental accreditation under ISO 14001, which is internally audited and externally audited every 9 months.</p>
<p>Principle 8: Remunerate fairly and responsibly</p> <p><i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite</i></p>		
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</p>	<p>The Remuneration Committee is comprised of the following independent Non-Executive Directors:</p> <ul style="list-style-type: none"> • Mark Southey (Chair); • John Klepec; • Martin Monro; • Jeff Dowling; and • Adrienne Parker. <p>Fleetwood's executive remuneration objectives and approach are set out in the 2021 Annual Report.</p> <p>The Remuneration Committee's role and responsibilities are set out in the Remuneration Committee Charter, a copy of which is available on Fleetwood's website.</p> <p>The Remuneration Committee's role is to assist the Board in setting the level and composition of remuneration for Directors and senior executives, ensuring it is appropriate and not excessive.</p> <p>The Remuneration Committee has authority to seek independent legal, financial, remuneration or other advice it considers necessary to achieve its objectives and fulfil its responsibilities. In doing so it may invite external consultants and/or executives to its meetings to seek input on the Group's remuneration policies, however no senior executive is directly</p>



	<p>that such remuneration is appropriate and not excessive.</p>	<p>involved in deciding their own remuneration.</p> <p>The Remuneration Committee Charter requires the Committee to meet at least twice during the year. Members' attendance at the Remuneration Committee meetings is set out in the the 2021 Annual Report.</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>Remuneration of Non-Executive Directors and other senior executives is governed by the Remuneration Committee Charter.</p> <p>In discharging its role and responsibilities, the Committee has regard to establishing and implementing remuneration policies that attract and retain high quality Directors and attract, retain and motivate high quality senior executives, that is aligned with the creation of value for shareholders.</p> <p>Non-Executive Directors do not receive any equity in the Group in addition to their base salaries. There are also no minimum shareholding requirements for Directors.</p> <p>Details of the Directors' and key senior executive's remuneration are set out in the Remuneration Report of the 2021 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>Fleetwood has adopted a Long Term Incentive Plan. The objective of this plan is to retain and reward executives and senior personnel and to align their long term interests with those of shareholders.</p> <p>The Company has a Securities Trading Policy, a copy of which is available on the Company's website.</p> <p>The Securities Trading Policy prohibits Directors, the CEO and other senior executives and their closely related parties from entering into any arrangement (including margin lending, hedging or any other secured financing arrangement in relation to Fleetwood's securities or derivatives) that would have the effect of limiting their exposure to the risk in relation to the Long Term Incentive Plan.</p>

