ABN 26 133 623 962
Level 2, 137 Harrington Street
Hobart 7000
Tasmania Australia

13 September 2019

The Manager
Company Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

MyState Limited (MYS) – Corporate Governance Statement and Appendix 4G

In accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3, attached is the MyState Limited 2019 Corporate Governance Statement and Appendix 4G.

Yours faithfully,

Scott Lukianenko
Company Secretary

Rules 4.7.3 and 4.10.3[1]

Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity:

MyState Limited

ABN / ARBN:

26 133 623 962

Financial year ended:

30 June 2019

Our corporate governance statement[2] for the above period above can be found at:[3]

☐ These pages of our annual report:

☒ This URL on our website: http://mystatelimited.com.au/Home/?page=corporate-governance

The Corporate Governance Statement is accurate and up to date as at 23 August 2019 and has been approved by the board.

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

Date: 13 September 2019

Name of Director or Secretary authorising lodgement: Scott Lukianenko – Company Secretary

[1] Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

[2] "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.

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

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ 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 person, or putting forward to security holders a candidate 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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ 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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ 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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

[4] 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.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	… the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of our diversity policy or a summary of it: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance … and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	[If the entity complies with paragraph (a):] … the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☒ at https://www.mystatelimited.com.au/home/?page=reports [If the entity complies with paragraph (b):] … the fact that we do not have a nomination committee and the processes we employ 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: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	… our board skills matrix: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
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, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	… the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement **and** ☒ at https://www.mystatelimited.com.au/home/?page=board-of-directors … and, where applicable, the information referred to in paragraph (b): ☐ in our Corporate Governance Statement **OR** ☒ N/A … and the length of service of each director: ☐ in our Corporate Governance Statement **OR** ☒ at https://www.mystatelimited.com.au/home/?page=board-of-directors	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ 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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ 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 provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	… our code of conduct or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those 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.	[If the entity complies with paragraph (a):] … the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☒ at https://www.mystatelimited.com.au/home/?page=reports [If the entity complies with paragraph (b):] … the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
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 fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	… our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so 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.	… information about us and our governance on our website: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	… our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	[If the entity complies with paragraph (a):] … the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☒ at https://www.mystatelimited.com.au/home/?page=reports [If the entity complies with paragraph (b):] … the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	… the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and that such a review has taken place in the reporting period covered by this Appendix 4G: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] … how our internal audit function is structured and what role it performs: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	… whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	[If the entity complies with paragraph (a):] … the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☒ https://www.mystatelimited.com.au/home/?page=corporate-governance … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☒ at https://www.mystatelimited.com.au/home/?page=reports [If the entity complies with paragraph (b):] … the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	… separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	… our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable



Corporate Governance Statement

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ASX Corporate Governance Council Principles

Lay solid foundations for management and oversight
Establish and disclose the respective roles and responsibilities of the Board and Management.

Structure the Board to add value
Have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

Promote ethical and responsible decision-making
Actively promote ethical and responsible decision-making.

Safeguard integrity in financial reporting
Have a structure to independently verify and safeguard the integrity of the Company's financial reporting.

Make timely and balanced disclosure
Promote timely and balanced disclosure of all material matters concerning the Company.

Respect the rights of Shareholders
Respect the rights of Shareholders and facilitate the effective exercise of those rights.

Recognise and manage risk
Establish a sound system of risk oversight, management and internal control.

Remunerate fairly and responsibly
Ensure the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

GOVERNANCE FRAMEWORK

MyState Limited (MYS) is the ASX listed, Non-Operating Holding Company (NOHC) of MyState Bank Limited (MyState Bank) and Tasmanian Perpetual Trustees Limited (TPTL) a trustee and asset management company.

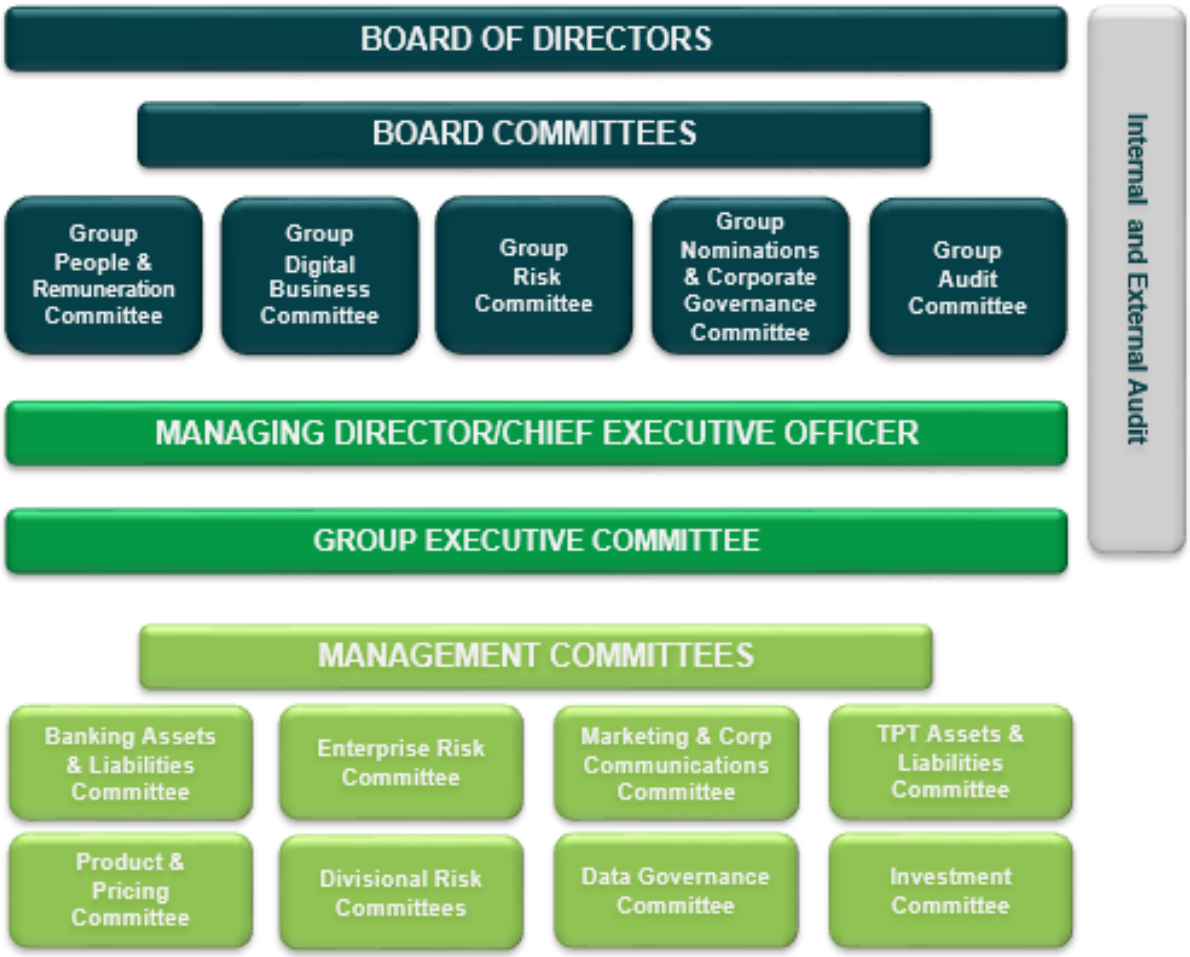
The Board of MYS is committed to upholding the highest levels of corporate governance and subscribes to the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council in order to promote investor confidence in the company and within the broader market.

In addition the Australian Prudential Regulation Authority (APRA) requires MYS, as the NOHC of a bank, to comply with the prudential obligations that apply directly to the bank including Prudential Standard CPS 510 *Governance*. To this end the Board of MYS has a governance framework whereby the appropriate Board policies, meeting the APRA prudential requirements, apply across the MYS Group of companies.

MyState Limited's Corporate Governance policies are available on the Company's website https://www.mystatelimited.com.au/home/?page=corporate-governance (*the website*). Unless otherwise stated, all additional documents and policies referred to in this Corporate Governance statement are located on *the website*.

This Corporate Governance Statement has been approved by the Board of MyState Limited and is current as at 23 August 2019. MyState Limited has complied with the principles and the underlying recommendations of ASX Corporate Governance Council for the full year to 30 June 2019.

Governance Framework



BOARD OF DIRECTORS

Role of the Board

The role of the Board is to:

- *appoint and monitor the performance of the CEO;*
- *set the strategic objectives and risk appetite of the Group in consultation with management;*
- *set the remuneration policy for the Group and determine executive remuneration;*
- *monitor the conduct of Group businesses for compliance with regulatory and statutory obligations and the achievement of unquestionably high ethical and transparency standards in our dealings with customers; and*
- *seek to deliver shareholders an appropriate return on their investment.*

The Board has a governance framework which includes control systems and procedures to identify, assess, monitor and manage business risks and compliance with regulatory requirements.

The Board is responsible for the appointment of the Chief Executive Officer (CEO), setting his/her remuneration and assessing his/her performance annually.

The CEO is responsible to the Board for the appointment of the Executive Management team and the day-to-day operation of the Company, with all powers, discretions and delegations authorised, from time to time by the Board.

The Board also reviews recommendations from the CEO and approves the Executive structure of the Company, including appointment, succession plan considerations, remuneration and annual performance assessments.

Further details regarding the role and responsibilities of the Board and the CEO are contained in the *Board Charter* and the *Role of the Managing Director/Chief Executive Officer* documents on *the website*.

Formal performance evaluations have been undertaken for the CEO and Executives during the current financial year in accordance with the process detailed in the Remuneration Report published within the 2019 Annual Report located in the Reports section of *the website*.

Board Structure

The Board of MyState Limited must comprise a majority of independent Directors and in addition, the Chair must also be independent and not the same person as the CEO. The Board currently comprises seven, independent, non-executive Directors, including the Chair, together with the CEO.

The profile of each Director including name, term of office, skills, experience and expertise are set out in Board of Directors section of *the website* and also in the 2019 Annual Report located in the Reports section of *the website*.

The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the board.

Director Independence

The Board has an 'Independent Director Standards' policy that complies with the ASX Corporate Governance Principles and Recommendations and is available on *the website*.

To qualify as being 'independent', a Director must, in the opinion of the Board, be independent of Management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of his/her unfettered and independent judgement.

The Board has reviewed the position and associations of each of the current non-executive Directors and considers that all are independent.

Board Skills, Knowledge and Experience

Each year the Board, through the Group Nominations and Corporate Governance Committee, reviews the key competencies required for the optimal composition of the Board.

The Board has assessed its collective skills and experience as being appropriate for effective oversight and guidance of the Group.

The Board provides Directors with the opportunity for professional development to maintain and develop the skills and knowledge required to effectively perform their role.

In addition, the Group Nominations and Corporate Governance Committee oversees the new Director induction process to provide new Directors with the necessary information and support upon commencement of their role.

APRA's Prudential Standard CPS 520 '*Fit and Proper*' also requires Directors, Senior Management and auditors of an authorised deposit-taking institution to be assessed before appointment to establish that they have the appropriate skills, experience and knowledge to perform their role.

The Board approved Fit and Proper policy is located on *the website* and all 'Responsible Persons', including all Directors, have been assessed as meeting the 'fit and proper' criteria.

Board Performance Evaluation

MyState Limited undertakes the following Board evaluation processes:

- An independent external review by appropriately skilled specialists is conducted at least every three years, which was most recently undertaken during 2019;
- In the intervening years Directors complete an internal evaluation. The results are collated and discussed by the Board; and
- Each Board Committee conducts an annual review of its performance against its Charter.

The Board and its respective committees have completed performance reviews during the reporting period.

Collective Board Skills and Experience	
Banking and Finance	Wealth Management
APRA Regulation	Trustee Services
Contemporary Remuneration Practices	Risk Management
Marketing & Communications	ASX Listing
Corporate Governace	Strategic Planning
Capital Markets & Securitisation	Digital Business

Board Renewal and Succession Planning

Board renewal and succession planning is a fundamental part of the Group's corporate governance framework and is conducted in accordance with the Board Renewal and Evaluation Policy located on *the website*.

The Group Nominations and Corporate Governance Committee reviews the composition of the Board in consideration of many factors including, but not limited to:

- The retirement by rotation of Directors in accordance with the Constitution; and
- The collective skills and experience around the Board table.

Meetings of Directors

The Board currently meets formally at least eleven times a year and on other occasions, as required. Management are invited to attend and make presentations at Board meetings as appropriate and respond to questions from Directors.

The Board also conducts separate non-executive Director discussions each month without Management present.

Strategic planning sessions are held at least annually with Management, to review and re-assess the Company's strategic plan, which focusses on the long term profitable growth of the Company.

The number of Board meetings and each Director's attendance at those meetings for the reporting period is detailed in the 2019 Annual Report located in the Reports section of *the website*.

Directors have access to appropriate and necessary Company records. The Board receives regular detailed financial and operational reports from Management to enable it to carry out its duties.

Each Director may, with the prior written approval of the Chair, obtain independent professional advice to assist the Director in the proper exercise of powers and discharge of duties as a Director or as a member of a Board Committee. The Company will reimburse the Director for the reasonable expense of obtaining that advice.

Board Committees

MyState Limited has five Board Committees to assist the Board in the oversight and control of the Company. These committees are the Group Audit Committee, the Group Risk Committee, the Group People and Remuneration Committee, the Group Digital Business Committee and the Group Nominations and Corporate Governance Committee.

Each Committee operates under a formal Charter approved by the Board which sets out matters relevant to the composition, responsibilities and administration of those Committees. The Charters are reviewed at least annually and are available on *the website*.

Membership of each Committee is reviewed by the Board on an annual basis. All Committees are comprised of at least three non-executive Directors, appointed by the Board, the majority being independent. Details of each Committee member's respective skills and qualifications are detailed in the 2019 Annual Report located in the Reports section of *the website*.

The performance of each Committee is reviewed annually by the respective Committee and reported to the Board.

Each Committee develops and maintains an annual 'Program of Events', which details major items of business to be considered at set times throughout the year, to support both the Committee's and the Board's objectives. Minutes of Committee meetings and Committee recommendations are provided to the Board.

Each Committee is empowered, with the prior approval of the Chair of the Board, to consult experts at the expense of the Company where the Committee considers it necessary to carry out its duties.

All Directors are entitled to attend the meetings of all Board Committees and have unrestricted access to the papers for each Committee meeting.

The number of Committee meetings that were held over the reporting period and the attendance of Committee members, both current and those retiring during the course of the reporting period, at these meetings, is contained in the 2019 Annual Report located in the Reports section of *the website*.

Group Audit Committee

The Group Audit Committee is comprised of at least three non-executive Directors with at least one member having professional accounting, or professional financial management expertise. The Chair of the Committee must be an independent non-executive Director. The Chair of the Board of Directors and the Chair of the Group Risk Committee are precluded from being the Chair of the Group Audit Committee.

The Committee members are Andrea Waters (Chair), Miles Hampton, Warren Lee, Stephen Lonie and, with effect from 1 September 2019, Vaughn Richtor.

The Committee meets five times per annum and otherwise as required.

The CEO, Chief Financial Officer (CFO), Chief Risk Officer (CRO), Company Secretary, internal auditor and external auditor are invited to attend meetings on a regular basis, as required.

Group Risk Committee

The Group Risk Committee is comprised of at least three non-executive Directors. The Chair of the Committee must be an independent non-executive Director.

The Committee members are Robert Gordon (Chair) Sibylle Krieger, Warren Lee and Andrea Waters.

The Committee meets at least four times per annum and otherwise as required.

The CEO, CRO, CFO and Company Secretary are invited to attend meetings on a regular basis, as required.

Group People and Remuneration Committee

The Group People and Remuneration Committee is comprised of at least three non-executive Directors. The Chair of the Committee must be an independent non-executive Director.

The Committee members are Sibylle Krieger (Chair), Miles Hampton and Stephen Lonie.

The Committee meets at least four times per annum and otherwise as required.

The CEO, General Manager People and Culture and the Company Secretary are invited to attend meetings on a regular basis, as required.

Group Nominations and Corporate Governance Committee

The Group Nominations and Corporate Governance Committee is comprised of at least three non-executive Directors. The Chair of the Board is the Chair of the Committee and is an independent non-executive Director.

The Committee members are Miles Hampton (Chair), Robert Gordon and Sibylle Krieger.

The Committee meets at least four times per annum and otherwise as required.

The CEO and Company Secretary are invited to attend meetings on a regular basis, as required.

Group Digital Business Committee

The Group Digital Business Committee is comprised of at least three non-executive Directors.

The Committee members are Stephen Lonie (Chair), Robert Gordon, Warren Lee and, with effect from 1 September 2019, Vaughn Richtor.

The Committee meets at least four times per annum and otherwise as required.

The CEO, General Manager Technology, Operations and Product, General Manager Digital and Marketing and the Company Secretary are invited to attend meetings on a regular basis, as required.

CONDUCT AND ETHICS

The Board expects that Directors will at all times conduct themselves in a manner appropriate to their roles as Directors and maintain the highest of ethical standards. A similar requirement is placed on Management and staff, as is respect for the privacy of customers and observance of the law.

A Code of Conduct is in place for the MyState Limited Group and clarifies the standard of behaviour that is expected of anyone who is employed by or works within the Group, including Directors and employees (both permanent and temporary), contractors, consultants and suppliers. The Code of Conduct is available on *the website*.

REMUNERATION POLICY

The Company's Remuneration Policy is available on *the website*. The Remuneration Policy details the remuneration practices for Executive and non-executive Directors and other Key Management Personnel.

In particular it prescribes that non-executive Directors receive only fees (including superannuation) for their services. Non-executive Directors are not entitled to receive any benefit on retirement or resignation other than superannuation. Unless approved by Shareholders, non-executive Directors cannot receive any shares, options or other securities in addition to or as part of their remuneration and are not eligible to participate in the Company's Employee Share Plan or any other incentive plan

The Remuneration Policy provides a considered balance between the capacity to pay and the need to attract and retain capable staff; aligns recognition and reward to strong performance; and details the process for reviewing the performance of Senior Executives. A performance review of Senior Executives has been undertaken this year in accordance with the Remuneration Policy.

In addition the 2019 Annual Report, located in the Reports section of *the website*, contains the Remuneration Report which includes details of the remuneration of Executive and non-executive Directors and other Key Management Personnel of the Company and details of the Company's Executive Short Term and Long Term Incentive Plans.

MyState has accountable persons registered with APRA under the Banking Executive Accountability Regime (BEAR). Any entitlement to variable remuneration (remuneration conditional on the achievement of objectives) for accountable persons is subject to the BEAR and that payment may be deferred, reduced or forfeited at the discretion of the Board.

All Directors and Senior Executives have a written agreement with the Company that sets out the terms of their appointment.

DIVERSITY

MyState Limited considers Workplace Diversity to be a valuable asset in creating a workplace culture for innovation and the quality of the customer experience. Through a strategic approach, MyState will achieve clear customer and shareholder benefits from embracing diversity.

The Company recognises that workplace diversity is achieved through systemic change comprising an inclusive culture that respects and values different backgrounds, skills and experiences to support business goals. Continuing to build diversity in the workforce will also drive employee engagement through fair and transparent work practices.

The Group Diversity Policy was reviewed in June 2017 and is available on *the website.*

Gender Diversity

The objective is to reflect similar proportions of women and men in the senior leadership levels of the organisation. At 30 June 2019, women account for 64% of the Group's workforce and gender diversity by role within the Group sat at the following levels with percentages representative of women placed in all roles available at that job level:

Role Category	% Women Representation (As at 30/6/19)
Non-Executive Directors	33.33%
Executives[1]	40.00%
Senior Managers[2]	29.03%
Managers	48.65%
Specialist Roles	53.51%
Generalist Roles	88.46%

[1] Executives comprise of direct reports to the Managing Director.

[2] Senior Managers comprise direct reports to members of the Group Executive.

In order to progress the Company's position on diversity, human resources practices and initiatives are designed to promote an inclusive culture. This process includes recruitment and selection, data collection and reporting; opportunities for networking, mentorship and advocacy, and access to development. MyState Limited has complied with its reporting obligations under the Workplace Gender Equality Act 2012 (Cth). Our WGEA report is available at: https://www.wgea.gov.au/public-reports-0.

Diversity Objectives

Objective
The MyState Limited Board to consist of no less than 30% of either gender by the FY20 Annual General Meeting.

Status
At 23 August 2019, the Board included two female non-executive Directors which, noting the new Director appointment from 1 September 2019 equates to 28.6%.

Objective
By FY20, partnerships with recruitment agencies and within the local community will be strengthened, in order to achieve 2.5% employee representation of Aboriginal or Torres Strait Islander people.

Status
2.34% of MyState's workforce is represented by Aboriginal and Torres Strait Islander people.

Objective
By FY20, through accessible and inclusive recruitment achieve at least 1% representation of the workforce with a disability and a 10% representation of people from diverse cultural backgrounds.

Status
Diversity in the workforce is assisted through contemporary recruitment processes that provide for accessible and inclusive selection practices. 2.34% of MyState's workforce is represented by employees with a disability. 6.51% of MyState's workforce identifies as being culturally diverse.

Objective
Maintain a 50% representation of women on the Company Succession Plan.

Status
Succession planning is an annual activity reviewed by the Board and includes an assessment of talent and development opportunities. There is a 38% representation of women on the Company Succession Plan.

Objective
Continue to support working families by recognising that all employees may have domestic responsibilities.

Status
The Company supports flexible work practices to assist its people to meet all responsibilities. MyState encourages flexible working arrangements and offers leave options to assist with achieving a work and home life balance.

FINANCIAL REPORTING

The Company's financial report preparation and approval process for the financial year ended 30 June 2019, involved both the Chief Executive Officer and Chief Financial Officer providing a written statement to the Board, that, to the best of their knowledge and belief:

- the financial records of the Company and its controlled entities for the financial year ended 30 June 2019 (Financial Period) have been properly maintained in accordance with section 286 of the Corporations Act;
- the financial statements and the notes referred to in section 295(3)(b) of the Corporations Act for the Financial Period comply with the accounting standards and other mandatory professional reporting requirements; and
- the Company's financial report presents a true and fair view, in all material respects, of the Company's financial condition and operating results.

In addition, the Company has in place a process whereby the Chief Executive Officer and the Chief Financial Officer provide a written statement to the Board that the financial statements are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

RISK MANAGEMENT

Through the Group Risk Committee, the Board monitors the Risk Management Strategy and Framework which is reviewed at least annually and operates through a Three Lines of Defense model. This model clearly establishes Line 1 risk management accountabilities and responsibilities for all staff through divisional risk committees. Line 2 oversight is provided by the Group's Risk Management team with Line 3 oversight provided by the Internal Auditor.

The Risk Management Strategy and Framework includes a Strategic Risk register and Risk Appetite Statement which are monitored regularly and reviewed at least annually. The requisite review of the Risk Management Strategy and Framework has been completed during the reporting period.

MyState is cognisant of environmental and social sustainability risks and such risks are managed with the Risk Management Strategy and Framework. An overview of MyState's approach to environmental and social responsibility is provided in the 2019 Annual Report. There are a number of material business risks that could adversely affect whether MyState can preserve and grow value for stakeholders over the short, medium and long term. Section 3 of the Notes to the Financial Statements in the 2019 Annual Report describes the key risks and how they are managed.

EXTERNAL AUDIT GOVERNANCE AND INDEPENDENCE

As part of the Company's commitment to safeguarding integrity in financial reporting, the Company has policies and procedures to monitor the independence of the Company's external auditors.

Appointment of Auditors

The Company's external auditor for the financial year was Wise Lord and Ferguson. The effectiveness, performance and independence of the external auditor is assessed annually by the Group Audit Committee and reviewed by the Board. If it becomes necessary to replace the external auditor for performance or independence reasons, the Group Audit Committee will commence a formal process to appoint a new external auditor.

Independence Declaration

The *Corporations Act* requires external auditors to make an annual independence declaration, addressed to the Board of Directors, confirming that the auditors have maintained their independence in accordance with the *Corporations Act 2001* and professional auditing standards.

In accordance with the *Corporations Act*, prior approval of the Group Audit Committee is required for the provision of any non-audit services to the Company or its businesses by the external auditor. The Group Audit Committee has also adopted guidelines to assist in identifying the types of services that may compromise the independence of the external auditor and regular reviews occur of the independence safeguards put in place by the external auditor.

Examples of services that could potentially compromise independence include valuation services and internal audit services.

The Group Audit Committee has assessed the other services provided by Wise Lord and Ferguson in the financial year and has concluded that the auditor's independence has not been compromised.

Remuneration of External Auditor

Information about the total remuneration of the external auditor, including details of remuneration for any non-audit services, is set out in the financial statements within the 2019 Annual Report located on *the website*.

Attendance of external auditor at Annual General Meeting

The external auditor attends the Company's Annual General Meeting and is available to answer Shareholder questions on:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by MyState Limited in relation to the preparation of the Financial Report; and,
- the independence of the auditor in relation to the conduct of the audit.

SHARE TRADING

The Board requires Directors and Senior Executives to own MyState Limited shares, to further align their interests with the interests of Shareholders. The Board also encourages employees generally to own shares.

The MyState Limited Share Trading Policy governs share dealings by Directors and employees in accordance with the requirements of the *Corporations Act* and:

- provides a summary of the insider trading prohibition and sets out the specific requirements in relation to the buying, selling or otherwise dealing in the Company's shares, or shares in other companies;
- establishes procedures relating to buying and selling shares that provides protection to the Company, Directors and employees, so that they do not abuse, and do not place themselves under suspicion of abusing, inside information that they have or may be thought to have, especially in periods leading up to an announcement of the Company's results; and,
- explains the type of conduct that is prohibited under the Corporations Act.

In addition the Share Trading Policy clearly prohibits the hedging of any economic exposure to MyState Limited shares whether that relates to unvested entitlements under the Executive Long Term Incentive Plan or to shares owned outright.

A copy of the Share Trading Policy is available on *the website*.

CONTINUOUS DISCLOSURE

MyState Limited understands that timely disclosure of price sensitive information is central to the efficient operation of the ASX's securities market and accordingly, has a Market Disclosure and Communications policy covering all announcements to the ASX which is located on the website.

The Company is committed to full compliance with its continuous disclosure obligations under ASX Listing Rules and the Corporations Act to provide all Shareholders and investors equal and timely access to material information concerning the Company, including its financial position, performance, ownership and governance.

The policy attributes accountability at Executive level for compliance and, in particular, it sets out how information will be identified, considered for disclosure and then (if necessary) disclosed by the Company to the market.

The website also contains a direct link to the ASX Company Announcements Platform. It also contains publications such as annual financial reports, half year results, notices of meeting, media releases and analyst and investor presentations, with the latter released prior to or simultaneously with the commencement of the relevant presentation.

The Company Secretary is the nominated disclosure officer and has responsibility for overseeing and coordinating disclosure of information to the ASX and administering the Market Disclosure and Communications Policy.

COMMUNICATIONS WITH SHAREHOLDERS

MyState Limited understands and is committed to the provision of relevant information to Shareholders in a timely manner.

The Company recognises the importance of its relationship with investors and analysts and therefore the investor relations program incorporates periodic investor and analyst briefings. In these cases the following protocols apply:

- no information which could be expected to have a material effect on the price or value of the Company's securities will be disclosed at these briefings unless it has been previously, or is simultaneously, released to the market and, if material information of this kind inadvertently released, it will immediately be released to the market via the ASX and be available on *the website*;
- questions at presentations that deal with material information not previously disclosed will not be answered; and,
- the Company publishes a copy of the presentation material on *the website*.

Where requested to do so, the Company may review analysts' research reports but will confine comments to factual matters and material previously disclosed. The Company may comment on analysts' earnings estimate to the extent of:

- acknowledging the current range of estimates;
- questioning an analyst's assumptions or

sensitivities if the analyst's estimate is significantly at variance from current market range estimates; and,

- advising factual errors where data is already in the public domain.

Forecast information will not be provided by the Company unless it has already been disclosed to the market.

Annual General Meeting (AGM)

The Company's AGM is a forum for Shareholders to ask questions about the performance of the Company and also provides an opportunity for Shareholders to provide feedback to the Company about information provided to Shareholders.

The AGM allows Shareholders to vote on a range of matters including the election of Directors. The company provides Shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

The 2019 Notice of Annual General Meeting will be provided to all Shareholders, lodged on the ASX Company Announcements Platform and posted on the website. MyState provides the option for Shareholders to receive communications from, and send communications electronically to, the company and our share registry manager, Computershare, and takes every opportunity when communicating with Shareholders to encourage the use of this service.

For Shareholders unable to attend, an AGM Question Form accompanies the Notice of Meeting, giving Shareholders the opportunity to forward questions and comments to the Company or the external auditor prior to the AGM.

ADDITIONAL COMPANY POLICIES

In addition to the policies and procedures already discussed above, the Company has also implemented a wide range of policies encompassing such areas as safety, health, environment, security, employment and fair trading. These policies form part of the Company's broader governance documentation suite.

Where appropriate, these policies are supplemented by supporting Company procedures for compliance and monitoring effectiveness. Copies of key policies are available on the website.