

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

OTOC Limited

ABN / ARBN:

80 122 958 178

Financial year ended:

30 June 2016

Our corporate governance statement² for the above period above can be found at:³

☐ These pages of our annual report:

☒ This URL on our website:

www.otoc.com.au/uploads/Investors/2016_Corporate_Governance_Statement.pdf

The Corporate Governance Statement is accurate and up to date as at 16 August 2016 and has been approved by the board. The annexure includes a key to where our corporate governance disclosures can be located.

Date: 16 August 2016



Lisa Wynne

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 ☒ in our Board Charter at Section 2 of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... 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): ☒ in our Board Charter at Section 2 of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf	☐ 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 (b): ☐ in our Corporate Governance Statement OR ☒ in Appendix K of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... 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 ...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 (c) ☒ 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.	... a copy of the charter of the committee is located at: ☒ Appendix B of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... paragraph (b): NOT APPLICABLE	The entity does not comply with paragraph (a)(1): ☐ 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 OR ☐ at [insert location] ...the information referred to in paragraph (b): NOT APPLICABLE ... and the length of service of each director: ☐ in our Corporate Governance Statement OR ☒ in the Directors Report of the 2016 Annual Report which is located under the Reports Section of our website: www.otoc.com.au/investors	☐ 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 ☐ Appendix D and Appendix E of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf	☐ an explanation why that is so in our Corporate Governance Statement

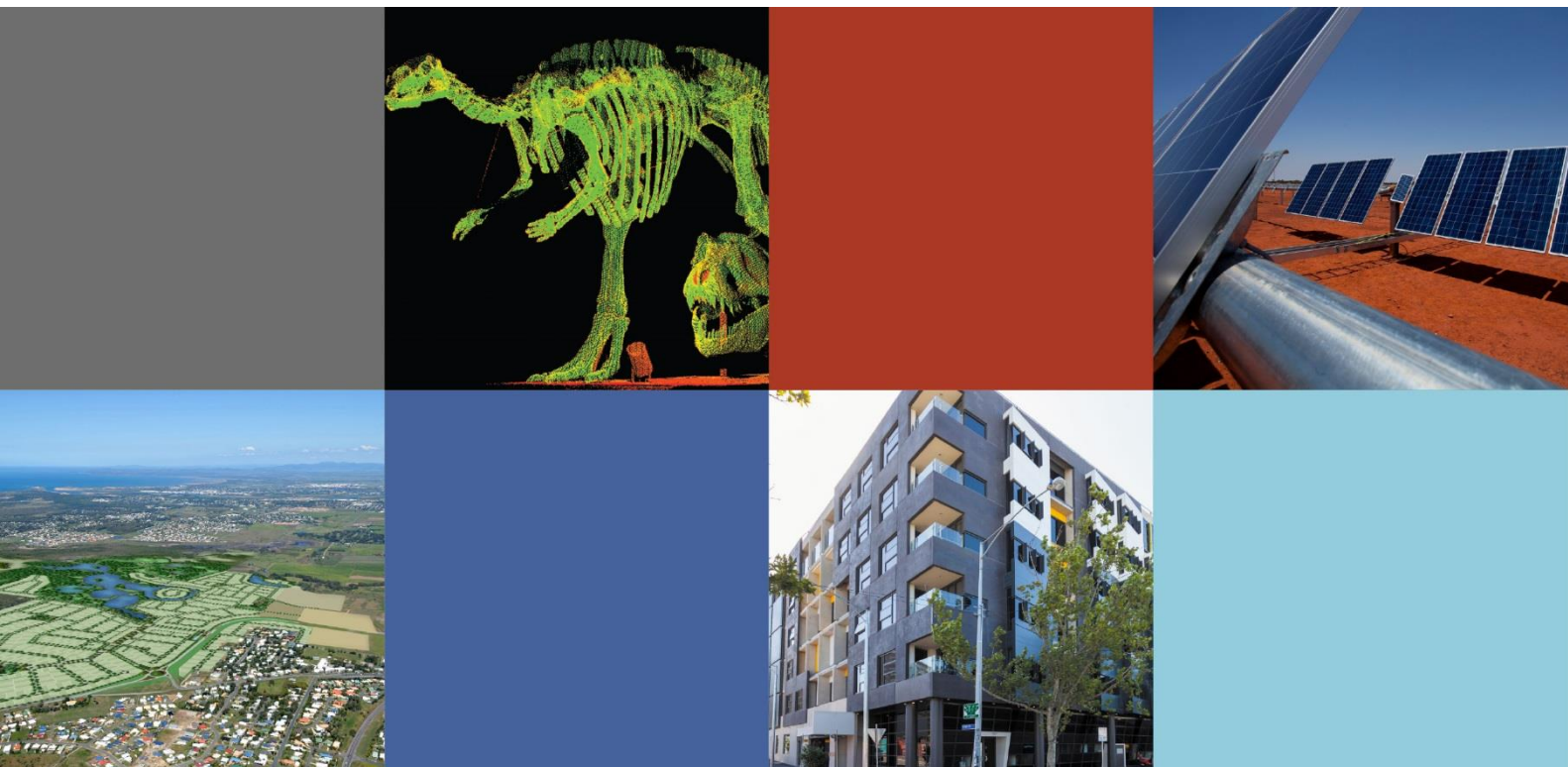
Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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.	The entity complies with paragraph (a)(2): ... the fact that we have an audit committee that complies with paragraph (2): ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> ... and a copy of the charter of the committee: ☐ in our Corporate Governance Statement OR ☒ Appendix C of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... and the information referred to in paragraph (4): ☐ in our Corporate Governance Statement OR ☒ in the Directors Report of the 2016 Annual Report which is located under the Reports Section of our website: www.otoc.com.au/investors ... and the information referred to in paragraph (5): ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> ... paragraph (b): NOT APPLICABLE	The entity does not comply with paragraph (a)(1): ☐ 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
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
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 AND ☒ at Appendix I of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf	☐ 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 is available: ☒ Under the Governance Section of our website: www.otoc.com.au/investors	☐ 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

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
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
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.	... the fact that we have a committee or committees to oversee risk that comply with paragraph (a)(2): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... and a copy of the charter of the committee: ☒ at Appendix c of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... paragraph (b): NOT APPLICABLE	...the entity does not comply with paragraph (a)(1): ☐ 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.	...the entity complies with paragraph (b): ☒ in our Corporate Governance Statement OR ☐ at [insert location]	...the entity does not comply with paragraph (a): ☒ 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 ☒ In the Operating and Financial Review section of the 2016 Annual Report which is located under the Reports Section of our website: www.otoc.com.au/investors	☐ 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.	... the fact that we have a remuneration committee that complies with paragraph (a)(2): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... and a copy of the charter of the committee: ☒ Appendix D of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... paragraph (b): NOT APPLICABLE	...the entity does not comply with paragraph (a)(1): ☐ 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 ☒ in the Remuneration Report that forms part of the Director's report in the 2016 Annual Report which is located under the Reports Section of our website: www.otoc.com.au/investors	☐ 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 AND ☒ at Appendix K of our Corporate Governance Charter on our website: www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf	☐ 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



OTOC Limited
Corporate Governance Statement
2016

The Board of OTOC Limited is committed to conducting its business in accordance with the highest standards of corporate governance to create and deliver value for OTOC's Shareholders. The Board has established a corporate governance framework, including corporate governance policies, procedures and charters to support this commitment. The framework is reviewed regularly and revised in response to changes in laws, developments in corporate governance and changes to OTOC's business. A copy of these charters, procedures and policies is available on the Investors page under the header, "Corporate Governance" at OTOC's website, www.otoc.com.au.

This Statement is current as at 16 August, 2016 and has been approved by the OTOC Board.

In March 2014, the ASX Corporate Governance Council released a third edition of the ASX Corporate Governance Council's Principles and Recommendations (ASX Principles). As required by the ASX Listing Rules, this Statement discloses the extent to which OTOC has followed the ASX Principles. Except where otherwise explained, OTOC followed the ASX Principles during the period. This Statement should be read in conjunction with the material on our website (www.otoc.com.au), including the 2016 Annual Report.

The eight ASX Principles and OTOC's position in respect of each of them, are set out below:

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Roles & Responsibilities

The Board is responsible for the overall management and strategic direction of the Company and for delivering accountable corporate performance in accordance with the Company's goals and objectives.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations and is available on our website at:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

The Board Charter sets out the matters expressly reserved to the Board and those delegated to management.

The Board delegates responsibility for the day-to-day management of OTOC to the CEO, but retains responsibility for the overall strategy, performance and governance of OTOC. The CEO, under a 'delegations of authority' then delegates authority to the appropriate senior managers across the organisation.

Appointment, Induction and Training

The Nomination and Remuneration Committee is responsible for the selection and recommendation of new appointments of Directors. Appropriate checks are undertaken prior to appointing a new Director. Information about a candidate standing for election or re-election as Director is provided to security holders via the Notice of Meeting and the information contained in the Annual Report.

Upon appointment, each Director receives a letter of appointment which sets out the terms of their appointment; along with a deed of indemnity, insurance and access and an induction pack containing information on the Company's vision, values, strategy, governance and risk management frameworks.

Directors are provided with the opportunity to participate in professional development, to develop and maintain the skills and knowledge needed to effectively perform their role as Directors.

Company Secretary

The Company Secretary plays an important role in supporting the effectiveness of the board and its committees. The Company Secretary is accountable to the Board through the Chairman on all matters regarding the proper function of the Board. This includes assisting the board and its committees on governance matters, monitoring compliance with policies and procedures, coordinating board and committee meetings and papers and acting as the interface between the Board and senior executives. Details regarding the Company Secretary, including experience and qualifications are set out in the Director's Report in our 2016 Annual Report.

Diversity

The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has developed a diversity policy which is available on the company's website:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The diversity policy outlines requirements for the Board to develop measurable objectives for achieving diversity. The objectives and the progress in achieving those objectives over time, as Director and senior management positions become vacant and appropriately qualified candidates become available, require annual assessment.

The Board established measurable targets for achieving gender diversity across the group during 2016. The Company is currently not of a size that justifies the establishment of measurable diversity objectives. The Board will seek to develop a reporting framework in the future, as the Company grows, to report the Company's progress against the objectives and

strategies for achieving a diverse workplace; which can be used as a guide to be used by the Company to identify new Directors, senior executives and employees.

The respective proportion of men and women employees across the whole organisation is 79% and 21%. Currently, the Board comprises four members and the CEO, all of whom are men. The respective proportions of men and women in senior executive positions is 83% and 17%. A senior executive office holding below the Board level, is the position of Company secretary, and is held by a female.

Performance Evaluation

The Nomination and Remuneration Committee is charged in the terms of a Charter with periodic review of the job description and performance of the CEO, according to agreed performance parameters and with board and board committee membership, succession planning and performance evaluation, as well as board member induction, education and development. The Group has adopted policies and procedures concerning the evaluation and development of its Directors, executives and Board Committee. Procedures include an induction protocol and a performance management system for the Board and its Directors. Each Board Committee also formally reports to the Board annually on its operations in the context of its remit. A performance evaluation of the Board in respect of the year ended 30 June 2016 has not yet taken place and will do so at the next meeting of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee conducts an annual review of the performance of the CEO with oversight reviews of the senior executives reporting directly to the CEO. The performance of the CEO and other senior executives is measured against pre-defined financial, safety and personal based KPI's. The performance evaluation of the CEO and other senior executives in respect of the year ended 30 June 2016 has taken place.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Nomination and Remuneration Committee

The Board has a Nomination and Remuneration Committee comprised of the following members throughout the year. Further details of the committee members' experience and qualifications are contained in the Director's Report in OTOC's 2016 Annual Report.

Name	Position
Karl Paganin	Chairman of Committee & Independent Non-Executive Director, appointed 19 October 2015
Derek La Ferla	Independent Chairman, appointed 2 November 2011
Tom Lawrence	Independent Non-Executive Director, appointed 13 October 2011

The Board recognises that the ASX Principles recommend the Nomination and Remuneration Committee comprise of at least three members, hence on Karl Paganin's appointment he joined the Committee, which now comprises three members.

The number of meetings and meetings attended by each of the Committee members during the financial year are:

Name	Attended	Meetings Held ^(A)
Derek La Ferla	3	3
Tom Lawrence	3	3
Karl Paganin	2	2

^(A) Number of meetings held during the time the director held office during the year

A summary of the Group's Nomination and Remuneration Committee charter is publicly available on the Group's website:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

Board Skills and Experience

OTOC's objective is to have an appropriate mix of skills, expertise, and experience on our Board to effectively discharge the duties of the Board and its Committees. This mix is outlined in the skills matrix below. Details of the skills, experiences and expertise of each Director are set out in the Director's Report in the 2016 Annual Report.

Expertise	Industry	Market
• Leadership	• Construction	• Surveying
• Commercial & Legal	• Mining	• Planning and Design Services
• Financial Knowledge	• Oil & Gas	• Construction
• Governance & Compliance	• Government	• Renewable Energy
• Strategy	• Utilities	• Development and Investment
• Risk Management	• Property	• Operations and Maintenance
• Health and Safety	• Infrastructure	
• Government Relations		
• Sustainability		
• Diversity		
• Investment Banking		
• Transaction Structuring		
• Mergers & Acquisitions		
• Leadership		
• Commercial & Legal		
• Financial Knowledge		
• Governance & Compliance		
• Strategy		

Independence

The Board has considered the guidance to Principle 2.3 of the ASX Principles and in particular the relationships affecting the independent status of Directors. In its assessment of independence, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when evaluating independence are whether a Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another Company member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another Company member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other Company member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has a material contractual relationship with the Company or another Company member other than as a Director;
- has close family ties with any person who falls within any of the categories described above; OR
- has been a Director of the entity for such a period that his or her independence may have been compromised.

The assessment of whether a Board member is independent is a matter of judgement for the Board as a whole and includes concepts of materiality. In the context of independence, materiality is considered from both a quantitative and qualitative perspective. An item is presumed to be quantitatively immaterial if it is equal to or less than 5% of an appropriate base amount. Qualitative factors considered include the nature of the relationship or contractual arrangement and factors that could materially interfere with the independent exercise of the director's judgement. In accordance with the definition of independence above and the materiality thresholds, the following Directors of OTOC are considered to be independent.

Name	Position
Derek La Ferla	Non-Executive Chairman
Tom Lawrence	Non-Executive Director
Karl Paganin	Non-Executive Director

The Board recognises the ASX Recommendations that the majority of the Board should be comprised of independent Directors and the chair should be an independent Director and the Company complies with this recommendation. Furthermore, the Board intends to appoint additional independent non-executive Directors, as appropriate, with relevant corporate and industry experience to further strengthen its Board and guide its corporate and development strategy.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

Ethical Standards

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment.

Conflict of Interest

Directors must keep the board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist Directors to disclose potential conflicts of interest. This matter is a standing agenda item at each Board meeting.

Where the board believes that a significant conflict exists for a director on a board matter, the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Each director is required by the Company to declare, on an annual basis, the details of any financial or other relevant interest they may have in the Company. There are procedures in place to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense. Details of director related entity transactions with the Group are set out in note 23 of the 2016 Annual Report.

Code of Conduct

The Group has developed a code of conduct which states the commitment of the Group and its employees to the conduct of its business with employees, customers, funders, retailers and other external parties.

The code is directed at maintaining high ethical standards and integrity. Employees are expected to adhere to the Group's policies, perform their duties diligently, properly use Group resources, protect confidential information and avoid conflicts of interest.

The Code is acknowledged by all employees and is publicly available on the Group's website www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Audit & Risk Committee

While the Board has overall responsibility for the establishment and oversight of the risk management framework, the Board has established the Audit & Risk Committee, which is responsible for approving and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

A summary of the Group's Audit & Risk Committee charter is publicly available on the Group's website www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

The Board recognises that the ASX Principles recommend the Audit Committee comprise of at least three members, hence on Karl Paganin's appointment as a Director he joined the Committee. The Committee now comprises three members all of whom are Non-Executive Directors.

Full details of the committee member's qualifications and experience are contained the Directors' Report in the 2016 Annual Report. The members of the Audit & Risk Committee throughout the year were as follows.

Name	Position
Tom Lawrence	Chairman of Committee & Independent Non-Executive Director of Company, appointed 13 October 2011
Derek La Ferla	Independent Chairman of Company, appointed 2 November 2011
Karl Paganin	Independent Non-Executive Director of the Company, appointed 19 October 2015

The number of meetings and meetings attended by each of the committee members during the financial year are:

Name	Attended	Meetings Held ^(A)
Derek La Ferla	2	2
Tom Lawrence	2	2
Karl Paganin	1	1

^(A) Number of meetings held during the time the director held office during the year

CEO & CFO Declaration

The Chief Executive Officer and the Chief Financial Officer have provided assurance, in writing to the board, that financial records of the Group have been properly maintained in accordance with the Corporations Act; that the financial statements and the notes for the financial year present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards and is 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.

External Auditor

OTOC's external auditor, KPMG, is invited to Audit & Risk Committee meetings and attends our AGM where they are available, to answer questions from security holders relevant to the audit.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

The board provides shareholders with information using a comprehensive Release of Price Sensitive Information Policy which includes identifying matters that may have a material effect on the price of the Group's securities, notifying them to the ASX, posting them on the Group's website, and issuing media releases. More details of the policy are available on the Group's website www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

OTOC communicates with shareholders in a transparent, regular and timely manner to ensure the market has sufficient information to make informed investment decisions. OTOC's investor relations programme includes:

- Actively engaging security holders at the AGM, promoting two-way interaction with shareholders, by encouraging security holder articulation during the AGM, including encouraging questions.
- Issuing regular Company Updates
- Sending and receiving security holder communications electronically both from OTOC and via OTOC's Share Registry.
- Maintaining the OTOC website, including posting all announcements, reports, notice of meetings and governance information.
- Engaging in scheduled interactions with institutional investors and analysts.
- Meeting with security holders upon request
- Response to direct queries from time to time
- Ensuring continuous disclosure obligations are understood across the OTOC Group.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

OTOC has established an Audit & Risk Committee and adopted new Terms of Reference for the Committee during 2016. A summary of the Group's Audit & Risk Committee charter is publicly available on the Group's website:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

The Committee has three members and is chaired by an Independent Director. Details of the member's qualifications and experience are contained the Directors' Report in the 2016 Annual Report. The members of the Audit & Risk Committee throughout the year were as follows.

Name	Position
Tom Lawrence	Chairman of Committee & Independent Non-Exec Director of Company, appointed 13 October 2011
Derek La Ferla	Independent Chairman of Company, appointed 2 November 2011
Karl Paganin	Independent Non-Executive Director of Company, appointed 19 October 2015

The number of meetings and meetings attended by each of the committee members during the financial year are:

Name	Attended	Meetings Held ^(A)
Derek La Ferla	2	2
Tom Lawrence	2	2
Karl Paganin	1	1

^(A) Number of meetings held during the time the director held office during the year

OTOC has focused on incorporating risk management into its decision making and business planning processes so that risks are identified, analysed, ranked and appropriate risk controls and risk management plans put into place to manage and reduce the identified risks, with all identified risk entered into a risk register. The risk identification and management system, including the risk register, is reviewed annually by senior management and the Audit & Risk Committee. Management undertook a major review of the OTOC Group Risk Framework during 2016, including engaging an external consultant and the review and refinery of the existing risk management system is in the process of being updated. Under its charter, the Audit & Risk Management Committee is required to review the Group Risk Framework at least annually to confirm it is both sound and defective. This review is ongoing and a review of the updated Risk Framework will be undertaken by the Board and the Audit & Risk Committee in FY2017.

Internal Audit

The Board has determined that, consistent with the size of the Company and its activities, an internal audit function is not currently required. The Board has adopted a Risk Management Policy and processes appropriate to the size of OTOC Group to manage the company's material business risks and to ensure regular reporting to the Board on whether those risks are being managed effectively in accordance with the controls in place.

Economic, Environmental and Social Risks

OTOC's key economic, environmental and social sustainability risks, together with our approach to managing those risks are outlined in the Operating and Financial Review section of the 2016 Annual Report.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Nomination and Remuneration Committee

The Board has a Nomination and Remuneration Committee comprised of the following three members throughout the year. Following Karl Paganin's appointment as Director, he joined the Committee and was subsequently appointed as Chair of the Committee, replacing Derek La Ferla who remains a member of the committee. Details of their experience and qualifications are contained in the Director's Report in OTOC's 2016 Annual Report.

Name	Position
Karl Paganin	Chairman of Committee & Independent Non-Executive Director, appointed 19 October 2015
Derek La Ferla	Independent Chairman, appointed 2 November 2011
Tom Lawrence	Independent Non-Executive Director, appointed 13 October 2011

The number of meetings and meetings attended by each of the Committee members during the financial year are:

Name	Attended	Meetings Held ^(A)
Derek La Ferla	3	3
Tom Lawrence	3	3
Karl Paganin	2	2

^(A) Number of meetings held during the time the director held office during the year

A summary of the Group's Nomination and Remuneration Committee charter is publicly available on the Group's website:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf

Remuneration Policies

The remuneration details of Non-Executive Directors, Executive Directors and senior executives is set out in the Remuneration Report that forms part of the Director's report in the 2016 Annual Report.

Trading in Securities by Directors and Employees

The Group's Policy on Trading of the Company's Shares explains and reinforces the Corporations Act 2001 requirements relating to insider trading.

The policy applies to all Directors, officers, key management personnel and employees of the Group, and their associates and closely related parties ("Relevant Persons").

The policy is compliant with the ASX Listing Rules and expressly prohibits Relevant Persons buying or selling OTOC securities where the Relevant Person or OTOC is in possession of price sensitive or 'inside' information and in any event without the prior approval of the Chairman or CEO. The policy also restricts participants in an equity-based incentive plan

from entering into any transaction which would have the effect of limiting the economic risk of participating in any equity-based remuneration scheme. More details of the policy are available on the Group's website:

www.otoc.com.au/uploads/investors/Corporate_Governance_Charter.pdf