



Corporate Governance Statement

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Introduction

Our approach to corporate governance is based on a set of values and behaviours that underpin our day-to-day activities, and are designed to promote transparency, fair dealing and the protection of stakeholder interests, including our customers, our shareholders, our lender panel, our employees and our community. It includes aspiring to the highest standards of corporate governance, which LMG sees as fundamental to the sustainability of our business and our performance.

Purpose, Values and Culture

Ethical and responsible decision making is critical at LMG. Our Purpose, Values and Culture, together with our Code of Conduct and related policies and frameworks, are focused on instilling and reinforcing an ethical and responsible decision-making culture across LMG, Loan Market, NZ Financial Services Group (NZFSG), and LMG Asset Finance.

Our Purpose, Values and Culture set our direction by providing clarity on what we value most and how we want our people to behave. Our Board and Executive Leadership Team recognise that they have a critical role in setting our cultural tone. This culture, anchored in our values, is instilled and reinforced by the Executive Leadership Team and we expect leaders at all levels to help create and sustain a culture of equality where everyone can advance and thrive.

Our Purpose	To help grow outstanding broker businesses so that Australians and Kiwis can get a fair go with finance				
Our Values	Be curious and think openly	Compassion for our customers	Go further together	Hungry but humble	We do what we say
Our Culture	We believe in an inclusive culture that values making a positive difference for our brokers/advisers, their customers and our people.				



Our Corporate Governance Framework

Our Corporate governance is the framework of systems, policies and processes by which we operate and through which our people are both empowered and accountable for making decisions that affect our business, operations, customers and stakeholders.





Roles and Responsibilities

The Board

The role of the Board is to provide leadership and to set the strategic objectives for LMG and its related bodies: Loan Market, NZFSG, and LMG Asset Finance. The Board Charter outlines the roles and responsibilities of the Board.

Key responsibilities are:

- **Strategic Direction:** Collaborate with the executive team to set and monitor the Group's objectives and strategic initiatives.
- **Performance Oversight:** Evaluate the operational and financial performance of the Group including the Board, its Committees, related entities and executives.
- **Risk Management:** Identify the principal risks and set the appetite for risk in pursuit of Group objectives. Ensure appropriate control and monitoring systems are in place to foster a risk culture that encourages management to report and allocate appropriate resources to treat issues and incidents.
- **Compliance and Ethics:** Review and monitor high level compliance obligations, industry codes of conduct and community expectations setting the tone from the top for the Executive and Management teams to ensure the policies implemented meet the standards expected of our Group.
- **Executive Leadership:** Appoint, set key performance indicators and assess the performance of the CEO and Executive Team. Monitor the impact of the Executive Team on the organisational culture.
- **Financial Oversight:** Approving the annual financial targets and financial statements, and monitoring financial performance against forecast and prior periods.
- **Stakeholder Engagement:** Oversee engagement with shareholders and regulators ensuring transparency and accountability.



The Chairman

The Board elects the Chairman. The LMG Group Board Chairman is Sam White. The NZFSG Board Chairman is Brendon Smith.

Key responsibilities are:

- Board Leadership and Facilitation:** Collaborate with the CEO and company secretary to set the agenda for board meetings ensuring relevant matters are considered. Ensure that information provided to the Board is relevant, timely, accurate and sufficient to keep the Board informed of the Group and related entities' performance and any developments that may have a material impact on the Group's strategic objectives.
- Agenda Setting and Information Management** Collaborate with the CEO and company secretary to set the agenda for board meetings ensuring relevant matters are considered. Ensure that information provided to the Board is relevant, timely, accurate and sufficient to keep the Board informed of the Group and related entities performance and any developments that may have a material impact.
- Stakeholder and Public Communication:** In conjunction with the CEO, accurately and effectively communicate the views of the Board to shareholders, the Executive Team, broader stakeholders including regulators and the public.
- CEO/COO Oversight and Leadership Succession:** The Chairman acts as the primary contact point between the Board and the Executive Team. Through oversight and facilitation of Executive Team and Board Member reviews the Chair is responsible for succession planning to maintain Board composition that has sufficient capability to effectively govern the Group.

Non-Executive Directors

LMG Groups non-executive directors (NEDs), Nicola Riordan (Australia and New Zealand) and Therese Singleton (New Zealand), play a key role in providing independent oversight, strategic guidance, and governance to NZFSG and LMG, without being involved in our day-to-day operations. Their roles include:

- Independent Oversight and Monitoring:** impartial members of the board, providing objective scrutiny of the executive team's performance and ensuring the LMG Groups and NZFSG activities align with strategic goals. Their independence allows them to



question and challenge executive decisions constructively, helping to prevent excessive risk-taking and ensuring accountability

- **Strategic Guidance:** NEDs contribute to setting our overall strategy and long-term objectives. They use their experience and expertise to advise on critical business decisions, market opportunities, and strategic risks, bringing an external perspective that can enhance the company’s strategic planning and resilience
- **Risk Management and Compliance:** Non-executive directors are responsible for ensuring that effective risk management systems are in place. They oversee the LMG’s adherence to regulatory and legal requirements, assess risk appetite, and ensure the board adheres to high standards of corporate governance. This involves regularly reviewing financial and operational performance to manage risk effectively
- **Board Committees:** NEDs often serve on or chair key board committees, such as the audit, remuneration, and risk committees. These committees have specific responsibilities for areas like financial oversight, executive compensation, and risk management, where independent judgement is particularly valued.
- **Mentoring and Supporting the Executive Team:** While their primary role is oversight, NEDs also provide mentorship and advice to executive leaders, offering guidance based on their knowledge and industry experience. This can support the CEO, COO, and senior management in their roles and facilitate leadership development within the company

Chief Executive Officer and Chief Operating Officer

Our CEO’s are David McQueen (Loan Market), Baden Martin (NZFSG), Tom Caesar (LMG Asset Finance) and our COO is Ewen Stafford (LMG). Their roles include:

- **Leadership development:** of the Loan Market, NZFSG, LMG Asset Finance, and LMG management teams and, with the Board, overseeing succession planning for the management team;
- **Strategic vision:** the development of strategic objectives for the business and achievement of the planned results; and
- **Operational and Resource Management:** Responsible for the day-to-day management of the Group’s operations, subject to the specified delegations of authority approved by the Board.



Company Secretary

LMG's Company Secretary attends Board and Audit and Risk Committee meetings and is responsible for the operation of the Secretariat function, including advising the Board on governance and, in conjunction with management, giving practical effect to the Board's decisions. The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

Key Policies

The Group's policies play a vital role in guiding decision-making and conduct across the Group. LMG remains focused on enhancing the Group's policy framework to ensure our policies and supporting procedures are fit for purpose.

Code of Conduct

LMG's Code of Conduct is grounded in our purpose and values and provides all of our people with a set of guiding principles to help them make the right decision each and every day. The Code applies to all employees of LMG and sets out the standards that we hold ourselves to and that shape our behaviour at work. There is nothing here that will come as a surprise: this is about making the right choices and doing the right thing.

We do this to ensure that we continue to flourish, to grow and to enjoy the reputation that we have today for doing business with integrity, to be trusted, to always do our best and to confidently support our network to do the same. This includes acting with integrity, courtesy and respect.

LMG's Code of Conduct can be found [here](#).

Whistleblowing

LMG always strives for a culture that encourages openness, integrity and accountability through both our purpose and our values. Our Whistleblowing policy and program is designed to ensure compliance with regulation, and to prevent and detect misconduct.

Not only is the Whistleblowing policy part of the internal control and risk management framework, it is an important part of driving continuous improvement and ultimately



improving outcomes for our people, the brokers/advisers we support and their customers. It is critical that any party contracting with any of the LMG entities has the confidence to raise problems and speak up.

The Board receives reporting on whistleblowing matters, including reports of any material incidents reported under the Whistleblower policy, at each Board meeting and further information is available in the Whistleblower policy.

LMG's Whistleblowing policy can be found [here](#).

Modern Slavery

Slavery is a crime and violates fundamental human rights. Ethical and sustainable business practices are key elements of LMG's values and we are committed to combating any exploitation of vulnerable people.

LMG seeks to engage with suppliers and partners who have a similar ethical approach to doing business. We take our compliance obligations under the Australian *Modern Slavery Act 2018* (Cth) seriously and our Modern Slavery Statement describes the actions we are taking to minimise the risks of modern slavery in our operations and supply chains.

LMG's modern slavery statement can be found [here](#).

Anti Bribery and Corruption

Consistent with our values, LMG has zero tolerance for any form of bribery and corruption. Our Code of Conduct, Risk Frameworks and Whistleblower Program outlines our expectations and approach to identifying and preventing the risks of bribery and corruption. Any breaches of this would be reported through the Audit and Risk Committee to the Board.

Diversity and Inclusion

LMG believes in an inclusive culture that embraces diversity. We recognise that this enables us to form stronger connections with our people, our brokers and more broadly, and it enables us to make better decisions. Diversity, in this context, includes age, caring responsibilities, cultural identity, disability, gender expression and identity, ethnicity, education, family/relationship state, sexual orientation, religious beliefs and/or



socioeconomic background. Diversity also encompasses the many ways people differ in terms of their education, life experience, location, personality, way of thinking and work experience.

LMG are committed to:

- building an inclusive and diverse culture;
- supporting flexible work practices;
- providing our people, regardless of their gender, age, sexual orientation, ethnicity or other identities, characteristics or experiences; and
- rewarding our people appropriately.

Diversity and Inclusion is the responsibility of the People, Remuneration and Nomination Committee in connection with the Board with guidance from the Chief People Officer.

Risk Governance

Risk management is critical to the long-term success of LMG. The Board is responsible for approving LMG's risk appetite, including the risk appetite statement and risk management strategy. This responsibility extends to ensuring that Management establishes a sound risk management culture to enable effective risk management throughout the Group.

Risk Management Framework

LMG has an integrated Risk Management Framework that enables us to monitor and manage our risks. The Risk Management Framework is reviewed annually by the Audit and Risk Committee to assess whether it remains sound and reflects the risk appetite set by the Board.

The Group's Risk Management Framework describes our approach for managing the material risks we face and is underpinned by a strong risk culture. The Risk Management Framework and Board Risk Appetite Statement are reviewed annually by the Board Risk Committee.

The Audit and Risk Committee oversees Group's operations to ensure that it is operating with due regard to the Group's risk appetite.

LMG Group Board



Executive Team	Audit and Risk Committees (LMG Group and NZFSG)				
	Risk Council Committee (LMG Group and NZFSG)				
KEY RISK CATEGORIES					
Financial	Strategic	Regulatory and Compliance	Operational	People and Culture	Reputational

LMG’s day to day operations involves managing a range of material business risks. The following categories of risk have been identified as the material business risks of LMG under its Risk Management Framework: Financial; Strategic; Regulatory and Compliance; Operational; People and Culture; and Reputational. The Risk Report outlines further information on our framework and actions taken to improve risk management during the year.

LMG has a Risk Management Framework which provides guidance to all of our people through defining our commitment to risk management. The Audit and Risk Committee review the Company’s risk management framework on an annual basis to ensure that the framework continues to be sound and effectively identifies all areas of potential risk, and that the Group is operating within the risk appetite set by the Board.

Whilst LMG does not have an internal audit function, our Risk team ensures we maintain an extensive internal key controls assurance program focusing on key risks across the Group. Where required, the Group will engage external independent advice to assist with meeting these requirements.

The Board and Board Charter

The role of the Board is to set LMG’s strategic direction, risk appetite, approve the Code of Conduct and set a tone from the top to assist in instilling our desired culture.

The Board has adopted a Board Charter which outlines the role, responsibilities and composition of the Board and the manner in which it discharges its responsibilities. The



Charter also sets out the respective roles and responsibilities of the Board and management, those matters expressly reserved to the Board and those delegated to management.

The primary purpose of the Board is to ensure sound and prudent management of the Group, provide leadership and strategic objectives, and delivery of the Group's purpose.

The Board Charter provides an in depth overview of the above.

Audit and Risk Committee and Charter

In recognition of its importance and the need for deeper assurance, LMG also has an Audit and Risk Committee. This committee has a formal charter that is approved by the Board. This charter details the committee's duties, reporting procedure and its authority. Minutes from Committee meetings are made available to the Board and are included in the next set of Board papers for noting.

There are also a number of management committees, including the Risk Council (in Australia and New Zealand), the Operations Forum and the Product and Service forum, which provide minutes and outcomes to the Board or the Audit & Risk Committee.

Risk Committee

The Risk Committee assists the Board:

- by independently overseeing Management's implementation of the Risk Management Framework and its related operation;
- by taking a Group-wide view of LMG's current and future risk position relative to the Group's risk appetite and capital strength;
- in discharging its responsibilities for business, financial, operational and reputational risk management and for the management of the Group's compliance obligations; and
- by advising the Board on current and future risk appetite and risk management strategy.

The Chief Risk Officer is responsible for assisting the Chair of the Committee (the Executive Director & COO) with the operation of the Committee.