

## 1. ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

The Board has evaluated the Company's current corporate governance policies and practices in light of the ASX Corporate Governance Principles and Recommendations.

The table below briefly addresses the areas where the Company has departed from the recommendations contained in the ASX Corporate Governance Principles and Recommendations. The Board is of the view that with the exception of the departures set out below, it otherwise expects to comply with all of recommendations in the ASX Corporate Governance Principles and Recommendations.

ASX RECOMMENDATION	COMPLIANCE STATUS	EXPLANATION
<b>Principle 1: Lay Solid Foundations for Management and Oversight</b>		
<p>Recommendation 1.1</p> <p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Compliant	<p>The Company has adopted a Board Charter that defines the roles and responsibilities of the Board, the Chairman, the executive directors and management. The Board charter also establishes the relationships, reporting structure and delegation of power between the Board and its Chief Executive Officer and the management team.</p> <p>The Board Charter sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>A copy of the Company's Board Charter is available at <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p>
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Compliant	<p>The Company has established a Nomination and Remuneration Committee (<b>NR Committee</b>). A function of the NR Committee is to identify suitable candidates with appropriate skills, experience and expertise and diversity to complement the existing board.</p> <p>The Company's Nomination and Remuneration Committee Charter (<b>NRC Charter</b>) requires the NR Committee to ensure appropriate checks (including checks with respect to character, experience, education, criminal record and bankruptcy history as appropriate) are undertaken before appointing a person or putting forward to security holders a candidate for election, as a Director.</p>

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		All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Compliant	<p>The Company's NRC Charter requires the NR Committee to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director or senior executive's appointment.</p> <p>The Company has written agreements with each of its Directors and senior executives.</p>
<p>Recommendation 1.4</p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	Compliant	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary.</p> <p>The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p> <p>The Company Secretary is responsible for the day to day operations of the secretarial duties of the Company and oversees the compliance obligations of the Company.</p> <p>The Secretary is the contact person with the ASX and ASIC.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set</p>	Partially - Compliant	<p>The Company is committed to fostering gender diversity at all levels within the Group. The Board members and the employees of the Company are made up with diverse skills, backgrounds and experiences and this diversity is valued and respected.</p> <p>The Board is monitoring the situation and acknowledges that it may be desirable to establish measurable objectives for achieving gender diversity should the Company's circumstances make that appropriate.</p>

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<p>for that period to achieve gender diversity;</p> <p>(2) the entity’s progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>Compliant</p>	<p>The Board Charter and the NRC Charter requires the Company’s NR Committee to evaluate the performance of the Board, its committees and individual Directors at annually. It may do so with the aid of an independent advisor.</p> <p>The NR Committee intends to carry out its review processes purposefully and to provide the findings and recommendations to the Board this financial year.</p>

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<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Compliant	<p>The Company's NR Committee is responsible for evaluating the performance of the Company's senior executives on an annual basis.</p> <p>The Board Charter and the NRC Charter requires the Chief Executive Officer to report to the Board annual on the performance of its senior executives.</p> <p>The NR Committee intend to carry out its evaluations purposefully and to provide the findings and recommendations to the Board this financial year.</p>
<p><b>Principle 2: Structure the board to be effective and add value</b></p>		
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p>	Partially compliant	<p>The Company's NRC Charter provides for the creation of an NR Committee which has at least three members, a majority of whom ideally are to be independent Directors, and which must be chaired by an independent Director. To the extent that the Committee does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually. Given the size and stage of the Company, the Board considers the composition of the NR Committee to be appropriate.</p> <p>The NR Committee is currently comprised of the following members:</p> <p style="padding-left: 40px;">Bryce Wedemeyer (Chair)</p> <p style="padding-left: 40px;">Lou Panaccio</p> <p style="padding-left: 40px;">Wei Huang</p> <p>The Charter is available at: www.adventhealth.com.au.</p> <p>The NRC Charter obliges the NR Committee to meet at least twice a year, or more</p>

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<p>or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>		<p>frequently as circumstances dictate, to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p>Partially compliant</p>	<p>The Board has been structured to be comprised of experienced executives with a broad and diverse range of business experience.</p> <p>It has appointed the NR Committee to make recommendations to the Board to ensure the most appropriate mix of skills, expertise and experience to effectively govern the Group.</p> <p>Although the Board Charter requires that the Board be composed of members which have a broad range of financial and other skills, as well as the experience and knowledge necessary to guide the organisation the Board does not consider it is necessary to develop a board skills matrix at this time.</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 of the ASX guidelines but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p>	<p>Compliant</p>	<p>The independent directors are considered to be:</p> <p style="text-align: center;">Lou Panaccio</p> <p style="text-align: center;">Wei Huang</p> <p>None of these directors have an interest, position, or association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations.</p>

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(c) the length of service of each director.		
<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	Non-compliant	2 of the 4 directors are independent directors.
<p>Recommendation 2.5</p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	Compliant	The Chairman, Lou Panaccio, is an independent director and is not the CEO/Managing Director.
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Non-compliant	The Company is working to develop a program for inducting new directors and to provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as director effectively.
<b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>		
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	Partially compliant	<p>While the Company has not yet developed a formal statement articulating the Company's values, as part of its commitment to recognising the legitimate expectations of stakeholders and promoting practices necessary to maintain confidence in the Company's integrity, the Company has an established Code of Conduct (the Code) to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices or circumstances where there are breaches of the Code.</p> <p>These stakeholders include employees, clients, customers, government authorities,</p>

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		<p>creditors and the community as a whole.</p> <p>This Code governs all of the Company's commercial operations and the conduct of Directors, employees, consultants, contractors and all other people when they represent the Company. This Code also governs the responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices which is also set out in the Company's Whistle Blower Policy</p> <p>The Code of conduct and the Whistle Blower Policy are available at:  <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p> <p>Further, the Board Charter requires the board to support and encourage policies with the Company that require employees to observe high standards of personal integrity.</p>
<p>Recommendation 3.2</p> <p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>Compliant</p>	<p>The Company's Code of Conduct applies to each Director, Officer, Consultant and all employees.</p> <p>A copy of the Code is given to all employees, contractors and relevant personnel, including directors. Adherence to the Code is a condition of employment.</p> <p>The Code requires all directors, officers, managers and employees to report any material breaches of the Code, law or other policies to the board.</p>
<p>Recommendation 3.3</p> <p>A listed entity should:</p> <p>(a) have and disclose a whistle blower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported</p>	<p>Compliant</p>	<p>The Company's established Whistle Blower Policy is available at:  <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p> <p>Pursuant to the Whistle Blower Policy a consolidated report which contains all material incidents reported under the policy will be provided to the Board at least annually.</p>

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under that policy.		
<p>Recommendation 3.4</p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	Compliant	<p>The Code of Conduct sets out the Company's policy on preventing bribery and corruption.</p> <p>Any breaches of the Code of Conduct involving bribery or corruption, actual or perceived, must be reported to the Company Secretary immediately.</p>
<b>Principle 4: Safeguard the integrity of corporate reports</b>		
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p>	Compliant	<p>The Company has established an ARC Charter that provides for the creation of an AR Committee with at least three members, all of whom shall be non-executive and independent as previously determined by the board; and is chaired by an appropriate individual nominated by the Board (who is not also the chair of the Board).</p> <p>The AR Committee provides advice and assistance to the Board in fulfilling the Board's responsibilities relating to the Company's financial statements, financial reporting processes, continuous disclosure, internal accounting control systems, internal audit, external audit, risk management and such other matters as the Board may request from time to time. The Committee may also undertake any other special duties as requested by the Board.</p> <p>The responsibilities of the AR Committee include assisting the Board to fulfil its fiduciary responsibilities by:</p> <ul style="list-style-type: none"> <li>- considering the effectiveness of the Company's accounting and internal control systems and management reporting, which are designed to safeguard Company assets;</li> </ul>



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<p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<ul style="list-style-type: none"> <li>- serving as an independent and objective party to review the financial information;</li> <li>- reviewing the accounting policies adopted within the Group;</li> <li>- reviewing the quality of the internal and external audit functions; and</li> <li>- reviewing and approving internal audit plans including identified risk areas.</li> </ul> <p>The ARC Charter is available at:  <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p> <p>The present members of the AR Committee are:</p> <p style="padding-left: 40px;">Lou Panaccio (Chair)</p> <p style="padding-left: 40px;">Wei Huang</p> <p>The ARC Charter, obliges the AR Committee to meet at least twice a year, or more frequently as circumstances dictate, to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>
<p>Recommendation 4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management</p>	<p>Compliant</p>	<p>The Directors require the Chief Executive Officer/ Managing Director and any chief financial officer (or equivalent) to provide an annual written declaration to the Board prior to the Board's approval of the Company's full year financial results.</p> <p>This declaration will confirm whether, in their opinion:</p> <ul style="list-style-type: none"> <li>- the financial records have been properly maintained;</li> <li>- the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of</li> </ul>

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and internal control which is operating effectively.		<p>the Group; and</p> <ul style="list-style-type: none"> <li>- that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</li> </ul>
<p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	Compliant	The ARC Charter sets out the process for verifying the integrity of any corporate periodic report released to the market that have not been audited or reviewed by an external auditor.
<b>Principle 5: Make timely and balanced disclosure</b>		
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	Compliant	<p>The Company has established a Continuous Disclosure Policy outlining its compliance with the continuous disclosure obligations under listing rule 3.1. Under this policy all shareholders and investors have equal access to the Company's information.</p> <p>To ensure compliance with listing rule 3.1 the Board has enlisted the Company Secretary, in consultation with the Chairman, as the person responsible for all communication with ASX. However, the Board remains ultimately responsible for ensuring that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporations Act and ASX Listing Rules.</p> <p>In addition, directors, management and staff are required to inform the Company Secretary of any price sensitive or material information as they become aware of it.</p> <p>The Company confirms that upon publication by ASX, it will post announcements on their website, and email investors who have elected to subscribe to the Company's email notifications.</p> <p>The Continuous Disclosure Policy outlines that disciplinary action may be taken should an employee breach this policy (Ref).</p> <p>The board is required to review the policy at</p>

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		appropriate times.
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	Compliant	<p>The Company confirms that it will comply with this Recommendation.</p> <p>The Company's Continuous Disclosure Policy requires the AR Committee to ensure that the board receives copies of all material market announcements promptly after they have been made.</p>
<p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	Compliant	<p>The Company confirms that it will comply with Recommendation.</p> <p>The Company's Continuous Disclosure Policy requires the AR Committee to ensure copies of the presentation materials for any substantive investor or analyst presentation is released on the ASX Market Announcements Platform ahead of that presentation.</p>
<b>Principle 6: Respect the rights of security holders</b>		
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	Compliant	<p>The Company provides information about itself and its corporate governance on its websites which is available to investors at: <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p>
<p>Recommendation 6.2</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	Compliant	<p>The entity has developed and implemented a strategy which includes ensuring timely and appropriate access to information for all investors by:</p> <ul style="list-style-type: none"> <li>- issuing shareholder communications such as financial reports and an Annual Report to address the Company's strategy and performance ;</li> <li>- placing on its website all ASX announcements and relevant news releases and any other information that is an official release of material information to the market as soon as reasonably practicable;</li> <li>- sending and receiving shareholder communications electronically or by post to keep shareholders and the</li> </ul>

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		<p>relevant markets informed of relevant information from the Company in a timely manner; and</p> <ul style="list-style-type: none"> <li>- providing access to the Shareholders Communication Policy for viewing via the Company website.</li> </ul>
<p>Recommendation 6.3</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>Compliant</p>	<p>The Directors aim to ensure that shareholders are informed of all major developments affecting the Company's affairs.</p> <p>Information will be communicated to shareholders through the annual report, AGMs, half-yearly announcements, ASX announcements.</p> <p>Shareholders are forwarded the Company's Annual Report, if requested (it is otherwise made available on the Company's website), and documents relating to each general meeting, being the notice of meeting, any explanatory memorandum and a proxy form and shareholders are invited to attend these meetings.</p> <p>The Board regards each general meeting as an important opportunity to communicate with shareholders and it provides a key forum for shareholders to ask questions about the Company, its strategy and performance.</p> <p>At shareholder meetings, the Company will provide an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, management and if applicable our external auditor.</p>
<p>Recommendation 6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>Compliant</p>	<p>The Chairman of the meeting of shareholders will ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>
<p>Recommendation 6.5</p> <p>A listed entity should give security holders the option to receive</p>	<p>Partially compliant</p>	<p>The Company partially complies with recommendation.</p> <p>The Company intends to offer shareholders</p>

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<p>communications from, and send communications to, the entity and its security registry electronically.</p>		<p>the choice of receiving shareholder communications from the Company via email.</p> <p>Shareholders who elect for this option will receive an e-mail advice with a link to the relevant part of the Company's website when annual reports are released, when notices of meetings and other shareholder communications are sent and each time a relevant announcement is made by the Company and posted on the Company's website.</p> <p>Additionally, shareholders may e-mail Proxy Forms for AGMs and general meetings of the Company to the Company or Share Registry as directed.</p>

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<b>Principle 7: Recognise and Manage Risk</b>		
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>Partially compliant</p>	<p>The Company's ARC Charter provides for the creation of an Audit and Risk Committee with at least three members, all of whom shall ideally be non-executive and independent as previously determined by the board; and is chaired by an appropriate individual nominated by the Board (who is not also the chair of the Board). To the extent that the Committee does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually. Given the size and stage of the Company, the Board considers the composition of the AR Committee to be appropriate</p> <p>The Company's Audit and Risk Committee is responsible for establishing policies on risk oversight and management, and risk management and internal control systems, including non-financial risks, which must be approved by the Board.</p> <p>The present members of the Audit and Risk Committee are:</p> <p style="padding-left: 40px;">Lou Panaccio</p> <p style="padding-left: 40px;">Wei Huang</p> <p>The Audit and Risk Committee Charter is available at: <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p> <p>The Committee must regularly meet and report to the Board on compliance with any risk and audit policies and protocols in place at the time.</p>
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board;</p>	<p>Compliant</p>	<p>Audit and risk matters including the Company's risk management are reviewed by the AR Committee regularly and reported to the Board.</p> <p>The Board confirms it will disclose at each reporting period whether such a review has taken place.</p>

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<p>and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>		
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	Compliant	<p>The AR Committee is given the responsibility to undertake regular review of the internal control and risk including the following aspects of the internal audit and risk management:</p> <ul style="list-style-type: none"> <li>- Assess the internal processes for determining, managing and reporting on key risk areas;</li> <li>- Ensure that the Company has an effective risk management system and that macro risks to the Company are reported at least annually to the Board;</li> <li>- Address the effectiveness of the Company's internal control and risk management systems with management and the internal and external auditors;</li> <li>- Assess whether management has controls in place for unusual types of transactions and/or any potential transactions that may carry more than an acceptable degree of risk; and</li> <li>- Meet periodically with key management, internal and external auditors and compliance staff to understand and discuss the Company's control environment.</li> </ul>
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	Compliant	<p>Under the continuous disclosure regime the Company discloses all the relevant information in regards to any material exposure to economic, environmental and social sustainability risks.</p> <p>The Board currently manages all of the risks associated to any material exposure to economic, environmental and social sustainability affecting the Company.</p>

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<b>Principle 8: Remunerate fairly and responsibly</b>		
<p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Partially compliant	<p>The Company's has established the NRC Charter which provides for the creation of a Nomination Committee, with at least three members, a majority of whom ideally are independent Directors, and which must be chaired by an independent Director. To the extent that the Committee does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually. Given the size and stage of the Company, the Board considers the composition of the NR Committee to be appropriate</p> <p>The members of the NR Committee are:</p> <p style="padding-left: 40px;">Bryce Wedemeyer (Chair)</p> <p style="padding-left: 40px;">Lou Panaccio</p> <p style="padding-left: 40px;">Wei Huang</p> <p>The Remuneration Committee Charter is available at <a href="http://www.adventhealth.com.au">www.adventhealth.com.au</a>.</p> <p>The Committee must regularly meet and report to the Board on compliance with remuneration policies and protocols in place at the time. The Board confirms it will disclose at each reporting period the number of times the committee met throughout the period and the individual attendances of the members at those meetings</p>
<p>Recommendation 8.2</p> <p>A listed entity should separately</p>	Compliant	<p>The Company's policies and practices will be disclosed in the Remuneration report</p>



ASX RECOMMENDATION	COMPLIANCE STATUS	EXPLANATION
disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.		<p>contained in its annual report.</p> <p>The Board will ensure that the different roles and responsibilities of non-executive Directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Compliant	The Company does not have an equity-based remuneration scheme.