

## Ryder Capital Limited (ACN 606 695 854) (Company) Corporate Governance Statement

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's 3rd edition Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory. However, the Company will be required to provide a statement in future annual reports disclosing the extent to which the Company has followed the Recommendations.

Recommendations	Compliance	Comment
<b>1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1 A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) the respective roles and responsibilities of its board and management; and</li> <li>(b) those matters expressly reserved to the board and those delegated to management.</li> </ul>	Complies	The Prospectus sets out the specific responsibilities of the Board and those delegated to Ryder Investment Management Pty Limited (ACN 131 333 394) ( <b>Manager</b> ). The functions of the Board are set out in the Company's Board Policy.
1.2 A listed entity should: <ul style="list-style-type: none"> <li>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</li> <li>(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.</li> </ul>	Complies	The Company's Board Policy: <ul style="list-style-type: none"> <li>➤ sets out what the Board will consider when appointing a director, including the results of an appropriate background check, which the Company will undertake; and</li> <li>➤ requires the Company to 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.</li> </ul>
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Does not comply	Peter Constable and David Bottomley are remunerated as executives of the Manager and therefore do not have written agreements with the Company. Ray Kellerman has been appointed pursuant to a letter of engagement setting out the terms of his appointment. Under the Company's Board Policy, when the Board considers the appointment of any new director, the terms of appointment of a director must be recorded in a letter of appointment which takes into consideration the ASX Recommendations. This will form the basis of the written agreement entered into between the Company and a director. The Company does not have any senior executives.

	Recommendations	Compliance	Comment
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.	Complies	The Board Policy states that the Company Secretary will be accountable to the Board, through the chair, on all matters to do with the proper functioning of the Board.
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(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;</li> <li>(b) disclose that policy or a summary of it; and</li> <li>(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: <ul style="list-style-type: none"> <li>(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</li> <li>(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.</li> </ul> </li> </ul>	Complies / will comply	<p>The Company has a Diversity Policy. However, at present, the Company does not have any employees or management and such policy will only apply to the Board.</p> <p>The Board will determine the appropriate policy concerning diversity from time to time. This policy will include a recommendation as to whether it is appropriate for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually.</p>

Recommendations		Compliance	Comment
1.6	<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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Complies	<p>The Board will review its performance by discussion and by reference to generally accepted Board performance standards.</p> <p>A performance evaluation of the Board will be undertaken annually in light of the Corporate Governance Charter.</p> <p>The Company will disclose in its annual report if a performance evaluation was undertaken in the relevant reporting period.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Does not comply	The Board does not have any senior executives.

Recommendations	Compliance	Comment	
<b>2. STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination 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>	Does not comply	<p>The Board does not have and does not intend to establish such a committee because the formation of such a committee would be inefficient given the Company's size and nature. It would not serve to protect or enhance the interest of shareholders. The Board will deal with this issue as a whole. Should the size of the Company change, the Board will consider establishing a separate nomination committee.</p> <p>The Board Policy sets out how the Company addresses succession issues.</p>
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.	Complies	The Prospectus sets out the skills and diversity of its Board and the Annual Report will disclose these matters.

Recommendations		Compliance	Comment
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, 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</p> <p>(c) the length of service of each director.</p>	Complies	<p>The Prospectus discloses the matters in 2.1(a) and (b) in sections 6.1 and 6.5 and the Annual Report will disclose these matters in the Future.</p> <p>Messrs Peter Constable, David Bottomley and Ray Kellerman have been Directors since the Company was incorporated on 26 June 2015.</p>
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	Does not comply	<p>The Company does not comply with ASX recommendation 2.4 as the majority of the Board are not independent by virtue of Mr Constable and Mr Bottomley's appointment as directors of the Manager. However, given the size and the nature of the Company and the wealth of knowledge and experience of Mr Constable and Mr Bottomley, the Board is confident that Mr Constable is the most suitable person to occupy the position of Chairman of the Company, and that both Mr Constable and Mr Bottomley are eminently suitable to act as a Directors of the Company. The Board is confident that it will be in the best interests of shareholders of the Company to be guided by the leadership of Mr Constable and Mr Bottomley and that the current structure of the Board will best enable the Company to effectively develop and implement its strategic objectives. Refer to section 6.5 of the Prospectus for further information.</p>
2.5	<p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	Does not comply	<p>The Company does not comply with ASX recommendation 2.5 as the chair of the Board is not independent by virtue of Mr Constable's appointment as a director of the Manager. See 2.4 above and section 6.5 of the Prospectus for further information.</p>
2.6	<p>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.</p>	Complies	<p>Under the Board Policy:</p> <ul style="list-style-type: none"> <li>➤ The Company Secretary is responsible for arranging for a new Director to undertake an induction program enabling the new director to understand specified elements of the business; and</li> <li>➤ The Directors are entitled to receive appropriate professional development opportunities.</li> </ul>

Recommendations	Compliance	Comment
<b>3. ACT ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	Complies
The Company has a code of conduct which is available on the Corporate Governance page of the Company's website at <a href="http://rydercapital.com.au/ryder-capital-ltd-corporate-governance/">http://rydercapital.com.au/ryder-capital-ltd-corporate-governance/</a>		

Recommendations	Compliance	Comment
<b>4. SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
<p>4.1 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, 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> <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>	<p>Does not comply</p>	<p>Due to the size and the current composition of the Company's Board, the Company will not comply with Principles 2, 4 and 7 relating to the recommendation that the Board's governance committees comprise at least three members, the majority of whom are independent.</p> <p>However, the Audit and Risk Committee is chaired by the sole Independent Director, Mr Kellerman.</p> <p>The Board policy is available on the Corporate Governance page of the Company's website at <a href="http://rydercapital.com.au/ryder-capital-ltd-corporate-governance/">http://rydercapital.com.au/ryder-capital-ltd-corporate-governance/</a></p>

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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.	Will comply	The Manager is responsible for preparing the declaration pursuant to section 295A of the Corporations Act as the Company does not have a chief executive officer (or equivalent) or a chief financial officer (or equivalent). Accordingly, the Board will seek to procure that the Manager puts in place sound systems of risk management and internal controls and ensure that the systems are operating effectively in all material respects in relation to financial reporting risks.
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.	Will Comply	The Company will ensure that when it has an AGM its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

<b>5. MAKE TIMELY AND BALANCED DISCLOSURE</b>			
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.	Complies	The Company will operate under the continuous disclosure requirements of the ASX Listing Rules as set out in its Continuous Disclosure Policy. The Company will ensure that all information which may be expected to affect the value of the Company's securities or influence investment decisions is released to the market in order that all investors have equal or timely access to material information concerning the Company. The Company Secretary has the responsibility for ensuring that all relevant information is released to the market in a timely manner in consultation with the Board. The Company will make this policy publicly available at <a href="http://rydercapital.com.au/wp-content/uploads/2015/08/Continuous-Disclosure-Policy.pdf">http://rydercapital.com.au/wp-content/uploads/2015/08/Continuous-Disclosure-Policy.pdf</a>
<b>6. RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Complies	The Company does provide information about itself and will provide information about its governance to investors via its website, <a href="http://rydercapital.com.au/">http://rydercapital.com.au/</a>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complies	The Board has developed a strategy within its Continuous Disclosure Policy to ensure that the shareholders are informed of all major developments affecting the Company's performance, activities and state of affairs. This includes having a website to facilitate communications with shareholders via electronic methods. The Company's Shareholder Communications Policy is located at <a href="http://rydercapital.com.au/wp-content/uploads/2015/08/Shareholder-Communications-Policy.pdf">http://rydercapital.com.au/wp-content/uploads/2015/08/Shareholder-Communications-Policy.pdf</a>
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.	Complies	The Board encourages full participation of shareholders at the Company's annual general meetings and any general meetings to ensure a high level of accountability and identification with the Company's strategy. The external auditor will also be invited to attend the annual general meeting of shareholders and will be available to answer any questions with regard to the conduct, preparation and content of the auditor's report.
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.	Will comply	The Company will give shareholders the option to receive and send communications electronically.

7. RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, 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>	Complies / will comply	<p>Due to the size of the Company, the responsibility for the effectiveness of risk management and internal compliance and control will rest with the Board. The risk management and reporting policy of the Company is set out in the Board Policy. In addition the Manager will be primarily responsible for managing the risk of the Portfolio.</p> <p>The Managers risk policies and controls are designed to be robust and relevant to the Company's investment objectives and strategy (refer Prospectus).</p> <p>The Company's Risk Management Policy is located at <a href="http://rydercapital.com.au/wp-content/uploads/2015/12/RCL-Risk-Management-Policy-vNov-15.pdf">http://rydercapital.com.au/wp-content/uploads/2015/12/RCL-Risk-Management-Policy-vNov-15.pdf</a></p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Will comply	<p>The Board will review the entity's risk management framework at least annually to satisfy itself that it continues to be sound. The entity will disclose whether the review has taken place in each annual report.</p>

7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Will comply	The Board does not have an internal audit function. The process for evaluation and improving the effectiveness of its risk management are set out in the Board Policy.
7.4	<p>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.</p>	Complies	The entity has economic risk. The risks and how they will be managed are set out in the Prospectus.

<b>8. REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Does not comply	<p>The Board does not have and does not intend to establish such a committee because it would be inefficient given the Company's size and as it does not have any paid employees. Should the size of the Company change it will consider establishing a separate remuneration committee. In addition, the executive directors of the Company are not currently receiving any remuneration.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Does not comply	<p>Refer above. The remuneration of the directors is set out in the Prospectus. The executive directors of the Company are not currently receiving any remuneration but will be remunerated as set out in section 9.1 of the Prospectus as Executives of the Manager. The non-executive director receives remuneration as outlined in the Prospectus.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	N/A	<p>The Company does not have an equity based remuneration scheme.</p>