

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Boyuan Holdings Limited

ABN / ARBN:

92 608 897 963

Financial year ended:

31 December 2018

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.bhlgroup.com.au

The Corporate Governance Statement is accurate and up to date as at 20 March 2019 and has been approved by the board.

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

Date: 20 March 2019

Name of Director or Secretary authorising
lodgement: Jia Chen Wang

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 ...
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... 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): <input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and a copy of our diversity policy or a summary of it: <input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/ ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the information referred to in paragraphs (c)(1) or (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
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,</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; 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in our 2018 Annual Report</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.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
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>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY		
3.1	A listed entity should: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING		
4.1	<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, 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>If the entity complies with paragraph (a):</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in our 2018 Annual Report</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
5.1	<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p>
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.	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p>
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.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: http://www.bhlgroup.com.au/</p>
PRINCIPLE 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,</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; 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location: https://bhlgroup.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location: Directors' Report in our 2018 Annual Report</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>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
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>	<p>If the entity complies with paragraph (b):</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
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>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
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,</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; 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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at: https://bhlgroup.com.au/corporate-governance/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location: Remuneration Report in our 2018 Annual Report</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>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location: Remuneration Report in our 2018 Annual Report</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>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> Not applicable</p>



FY18 Corporate Governance Statement

Boyuan Holdings Limited ACN 608 897 963 ("Company")

The Board of the Company is committed to principles of best practice in corporate governance and is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its Shareholders and other stakeholders.

This statement sets out the Company's current compliance with the third edition of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 2014* (**Principles** or **Recommendations**). The Principles are not prescriptive regarding the conduct of ASX listed companies. Rather, an ASX listed company is required to disclose the reasons why it is not complying fully with its obligations under the Principles. To the extent that they are relevant to the organisation, the Company has adopted the Principles.

The Board considers that the Company has complied with the Principles and Recommendations which are set out below.

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Principle 1- Lay solid foundations for management and oversight		
Recommendation 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.	Compliant	<p>The Board's responsibilities are contained in the Company's Board Charter. The Board Charter also sets out the responsibilities of the CEO. The functions of the Board, Chairman and CEO are also specifically set out in the Board Charter. The Board Charter also explains the relationship between the Board and management.</p> <p>The Board has appointed committees to oversee certain functions, including the Audit and Risk</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
		<p>Committee and the Nomination and Remuneration Committee.</p> <p>A copy of the Board Charter is available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p>
<p>Recommendation 1.2: A listed entity should:</p> <ul style="list-style-type: none"> (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. 	Compliant	<p>The Board undertakes appropriate checks, including police clearance checks, bankruptcy searches, verification of qualifications and experience of potential Directors before appointing a Director or putting forward to Shareholders a candidate for election as a Director.</p> <p>All material information in relation to potential Directors will be provided to Shareholders as the need arises, including in the form of disclosures contained in an explanatory memorandum to a notice of meeting, seeking the approval of Shareholders for the election or re-election of Directors.</p>
<p>Recommendation 1.3: 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 has entered into non-executive Director appointment letters with Dr Saliba Sassine, Mr David Paul Batten and Mr Xiaofeng Chen which sets out the terms of their appointments as non-executive Directors.</p> <p>The Company entered into an executive services agreement with Mr Yading Wan and Mr Tin Ching</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
		Shum in respect of their appointment as CEO and Executive Director respectively, the latter resigning on 26 June 2018.
Recommendation 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.	Compliant	<p>The Company Secretary, Jia Chen Wang, is directly accountable to the Board in relation to matters of governance. His role includes advising the Board and its committees on governance matters, monitoring that policy and procedures are followed, coordinating the timely completion and despatch of Board papers and ensuring that the business at meetings is accurately captured in the minutes.</p> <p>The Company Secretary is accessible to all Directors. The Board is responsible for the appointment and removal of the Company Secretary.</p>
<p>Recommendation 1.5: A listed entity should:</p> <p>(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;</p> <p>(b) disclose that policy or a summary of it; and</p>	Compliant	<p>A copy of the Diversity Policy is available on the Company's website at https://bhlgroup.com.au/corporate-governance/</p> <p>In the current reporting period, BHL has established an experienced Human Resources Team who in partnership with the Executive Team has committed to eliminating barriers to career development and progression for women in the workplace. This has allowed BHL to deliver better outcomes to its staff.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>(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:</p> <p>(i) 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</p> <p>(ii) 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>The following diversity initiatives were implemented during 2018:</p> <ul style="list-style-type: none"> • Recruitment: BHL requires shortlisted candidates for vacant positions to be gender balanced; • Development: BHL continues to participate in events such as International Woman's Day to raise awareness and educate the workplace; and • Support: BHL has partnered with AccessEAP, an Employee Assistance Program (EAP) which provides confidential counselling for work related or personal concerns to support the well-being of our team.
	<p>Pursuant to the Workplace Gender Equality Agency, a relevant employer is a non-public sector employer with 100 or more employees in Australia for any six months or more of a reporting period. As at the end of FY18, BHL had less than 100 employees and therefore is not yet considered a relevant employer.</p> <p>BHL's workplace gender profile as at 31 December 2018 was as follows:</p>	

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not			
	BHL Level	Number of Board/ employees (2018)	Number of women (2018)	% of women (2018)	
	Board	4	0	0%	
	Executive	4	3	75%	
	Manager	13	4	31%	
	Supervisor	2	1	50%	
	Employee	37	17	46%	
	Entire company	56	25	45%	
	<p><i>Definitions</i> Executives – Executives report directly to the CEO and include the CEO. Managers – Managers report two layers below the CEO. Supervisors – Supervisors report three layers below the CEO. Employee – Employees report four layers below the CEO</p> <p>Currently 45% of our entire organisation is held by women with 75% in Executive roles. Our continuous goal at BHL is to embed diversity and inclusion into the workplace. BHL will continue to invest in education, equality in recruitment, the promotion of an equal culture and career development programs.</p> <p>BHL anticipates the introduction of an E-learning program to educate the workplace on a range of key priorities including workplace diversity and inclusion.</p>				
Recommendation 1.6: A listed entity should:	Compliant	The Board has a Nomination and Remuneration Committee to oversee the process of appointment and			

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<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>		<p>remuneration of the Non-executive Directors and Managing Director.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter which specifies the authority of the Nomination and Remuneration Committee and sets out its role and responsibilities.</p> <p>The Board reviews its corporate governance policies and processes regularly and performs an evaluation of the Board's performance at appropriate intervals.</p>
<p>Recommendation 1.7: 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>	Compliant	<p>The Board or the Nomination and Remuneration Committee reviews the remuneration arrangement of its senior executives from time to time, and takes into account company and personal performance metrics and industry benchmarks.</p>
Principle 2 – Structure the board to add value		
Recommendation 2.1: The Board of a listed entity should:	Compliant	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment and remuneration of the Directors and</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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> <p>(b) if it does not have a nomination committee, disclose that fact and the process 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>Company Secretary, CFO and other senior executives of the Company.</p> <p>The Nomination and Remuneration Committee comprises three members, being Dr Saliba Sassine, Mr David Paul Batten and Mr Yading Wan, the majority whom are independent.</p> <p>The Nomination and Remuneration Committee is chaired by Dr Saliba Sassine, who is an independent Director.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter which specifies the authority of the Nomination and Remuneration Committee and sets out its role and responsibilities.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p> <p>The information referred to in paragraphs (4) and (5) are also disclosed in the Directors' Report section in the Annual Report for the period ended 31 December 2018</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 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.</p>	Compliant	<p>The Company has a strong commitment to diversity in business which is evidenced through its Diversity Policy. A copy of the Diversity Policy is available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p> <p>The Board also has a mix of skills and expertise including property development in Australia and overseas, financial, management, operations, investment, corporate governance, audit and risk management, and strategy.</p> <p>In view of the size of the Company and the nature of its activities, the Board considers that the current mix of skills, qualifications and experience on the Board is consistent with the Company's current circumstances and its long-term interests. The Company considers that the Managing Director possesses the skills and experience suitable for building the Company.</p> <p>The Board intends to review its composition as the Company's operations evolve and may in the future appoint additional independent Directors as it deems appropriate.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 2.3: A listed entity should disclose:</p> <ul style="list-style-type: none"> (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 the Principles 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. 	Compliant	<p>The Board considers that the following Directors to be independent:</p> <ul style="list-style-type: none"> (a) Dr Saliba Sassine; (b) Mr David Paul Batten; and (c) Mr Xiaofeng Chen. <p>Each of these Directors were appointed in October 2015 when the company was first established.</p>
<p>Recommendation 2.4: A majority of the board of a listed entity should be independent directors.</p>	Compliant	<p>The Board comprises of one Executive Director and three independent Non-executive Directors.</p>
<p>Recommendation 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.</p>	Compliant	<p>The Company's Chair is Dr Saliba Sassine. Dr Saliba Sassine is not the CEO and is considered to be independent.</p>
<p>Recommendation 2.6: A listed entity should have a program for inducting new directors and provide appropriate professional development</p>	Compliant	<p>The Nomination and Remuneration Committee will be responsible for the induction program for new directors and the development of a director's education program.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.		
Principle 3 – Act ethically and responsibly		
Recommendation 3.1: A listed entity should: <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 	Compliant	<p>The Board has established and adopted a Code of Conduct.</p> <p>The Code of Conduct sets out the Company's commitment to making positive economic, social and environmental contributions to each of the communities in which it operates, while complying with all applicable laws and regulations and acting in a manner that is consistent with the Company's foundational principles of honesty, integrity, fairness and respect.</p> <p>A copy of the Code of Conduct is available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Principle 4 – Safeguard integrity in corporate reporting		
<p>Recommendation 4.1: The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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</p>	Compliant	<p>The Board has an Audit and Risk Committee. The Audit and Risk Committee currently comprises Mr David Paul Batten, Dr Saliba Sassine, and Mr Xiaofeng Chen.</p> <p>The Audit and Risk Committee is chaired by Mr David Paul Batten, who is an independent Director and is not the chair of the Board. The relevant qualifications, experience and attendance of members of the Audit Risk Committee are disclosed in the Directors' Report section of the 2018 Annual Report.</p> <p>The Board has adopted an Audit and Risk Committee Charter to assist with ensuring the integrity and reliability of information prepared for use by the Board.</p> <p>A copy of the Audit and Risk Committee Charter is available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
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.		
Recommendation 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.	Compliant	<p>The Board Charter and Audit and Risk Committee Charter make provision for the CEO and CFO to provide this declaration.</p> <p>Copies of each of the Board Charter and the Audit and Risk Committee Charter are available on the Company's website at https://bhlgroup.com.au/corporate-governance/.</p> <p>The Company ensures compliance in its financial reporting as part of its corporate governance process and procedure for the Board's consideration prior to the approval of the Company's financial statements for a financial period.</p>
Recommendation 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.	Compliant	Deloitte Touche Tohmatsu, BHL's external auditors, attend the AGM and are available to answer from security holders relevant to the audit.
Principle 5 – Make timely and balanced disclosure		

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 5.1: A listed entity should:</p> <ul style="list-style-type: none"> (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. 	Compliant	<p>The Company has adopted a Continuous Disclosure and Shareholder Communications Policy. This policy sets out, amongst other matters, the manner in which the Board will ensure compliance with the ASX Listing Rule disclosure requirements.</p> <p>A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at https://www.bhlgroup.au/corporate-governance</p>
Principle 6 – Respect the rights of security holders		
<p>Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.</p>	Compliant	<p>A page on the Company's website, https://www.bhlgroup.com.au/corporate-governance, is dedicated to corporate governance, and includes links to the latest Company's corporate governance policies.</p>
<p>Recommendation 6.2: A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	Compliant	<p>The Company has adopted the Continuous Disclosure and Shareholder Communications Policy which sets out, amongst other things, the manner in which the Company will promote effective communication with Shareholders and encourage their participation at general meetings.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
		A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at https://www.bhlgroup.com.au/corporate-governance .
Recommendation 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.	Compliant	<p>The Company has adopted the Continuous Disclosure and Shareholder Communications Policy which sets out, amongst other things, the manner in which the Company will promote effective communication with Shareholders and encourage their participation at general meetings.</p> <p>A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at https://www.bhlgroup.com.au/corporate-governance.</p>
Recommendation 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.	Compliant	<p>Security holders have the additional option to receive communications from, and send communications to, BHL and its share registry, Boardroom, via the BHL website at https://bhlgroup.com.au/investors/.</p> <p>Security holders can also register to receive relevant announcements or updates electronically via email using BHL's website at https://bhlgroup.com.au/contact/.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Principle 7 – Recognise and manage risk		
<p>Recommendation 7.1: The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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 paragraph (a) above, disclose that fact and the</p>	Compliant	<p>The Board has adopted the Audit and Risk Committee Charter which sets out the functions of the Audit and Risk Committee.</p> <p>The Audit and Risk Committee currently comprises Mr David Paul Batten, Dr Saliba Sassine, and Mr Xiaofeng Chen, the majority whom are independent.</p> <p>The Audit and Risk Committee is chaired by David Paul Batten, who is an independent Director.</p> <p>A copy of the Audit and Risk Committee Charter is available on the Company's website at https://www.bhlgroup.com.au/corporate-governance.</p> <p>The relevant qualifications, experience and attendance of members of the Audit Risk Committee are disclosed in the Directors' Report section of the 2018 Annual Report.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
processes it employs for overseeing the entity's risk management framework.		
<p>Recommendation 7.2: The board or a committee of the board should:</p> <ul style="list-style-type: none"> (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. 	Compliant	<p>The Audit and Risk Committee is responsible for the review of the Company's risk management program.</p> <p>The Company has developed a strong and comprehensive Risk Management Framework and has assessed its risk exposures which are maintained in the Risk Matrix found within the Company's Risk Management Policy. This policy, together with the Incident & Breach policy and Operational Policy describe in detail, the Risk Framework.</p> <p>The policy and matrix are reviewed at least annually, with other risk assessments completed as part of the due diligence process when assessing the suitability of an opportunity or development.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 7.3: 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>	Compliant	<p>BHL does not currently have an internal audit function.</p> <p>The Company has developed a comprehensive Risk Management Framework to assess its exposure to risks. It continues to assess risk exposure against the company's Risk Appetite Statement when applying its due diligence processes to any opportunities that may arise.</p> <p>Within the business processes, the company uses a three (3) layers of assurance model. The first layer, business operations layer, uses a Control Self Assessment (CSA) methodology to monitor and assess the internal process controls to constantly improve its processes.</p>
<p>Recommendation 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.</p>	Compliant	<p>The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation. The Group undertakes an environmental due diligence and risk assessment of all properties it acquires. Further, compliance with environmental regulations is monitored on a regular basis.</p>
Principle 8 – Remunerate fairly and responsibly		

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 8.1: The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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>	Compliant	<p>The Board has established a Nomination and Remuneration Committee.</p> <p>The Nomination and Remuneration Committee comprises three members, being Dr Saliba Sassine, Mr David Paul Batten and Mr Yading Wan, the majority who are independent.</p> <p>The Nomination and Remuneration Committee is chaired by Dr Saliba Sassine, who is an independent Director.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at https://www.bhlgroup.com.au/corporate-governance.</p> <p>The attendance of members of the Nomination and Remuneration Committee are disclosed in the Directors' Report section of the 2018 Annual Report.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Recommendation 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.	Compliant	The details of the remuneration of BHL's Non-executive and Executive Directors and Senior Executives, are set out in the Remuneration Report section in BHL's 2018 Annual Report.
Recommendation 8.3: A listed entity which has an equity-based remuneration scheme should: <ul style="list-style-type: none"> (a) have a policy on whether participants are permitted to enter into transactions (and 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. 	Not applicable.	The Company does not have an equity-based remuneration scheme.