

2023 Corporate Governance Statement

The Board of Joyce Corporation Ltd (the **Company**) is committed to fulfilling its governance obligations and responsibilities in the best interests of the Company and its stakeholders. This commitment is built on a foundation of high ethical standards and a professional corporate culture.

The Company's corporate governance framework complies with the framework outlined in the ASX Corporate Governance Council's Principles and Recommendations (4th Edition) (ASX Principles). The Company regularly reviews its governance framework and practices. Refer to the Company's most recent Appendix 4G ASX Announcement for details.

Further information about the Company's charters, policies and other key corporate documents can be found on the Company's website at:

- <https://joycegroup.com.au/board-charters/>.
- <https://joycegroup.com.au/corporate-policies/>.
- <https://joycegroup.com.au/key-corporate-documents/>.

1. FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

- 1.1 Roles and Responsibility of the Board and Management;
- 1.2 Structure and Composition of the Board;
- 1.3 Director's Skills and Experience;
- 1.4 Board Succession Planning;
- 1.5 Appointment, Induction and Training;
- 1.6 Remuneration;
- 1.7 Company Secretary; and
- 1.8 Board and Management Performance Evaluation.

1.1 Roles and Responsibility of the Board and Management

The Company's Constitution provides that the business and affairs of the Company are to be managed by, or under the direction of, the Board. The Board Charter sets out the role, responsibilities, duties and functions of the Board.

The Board is responsible for setting the overall strategy, governance and performance of the Company. The Company seeks to make a meaningful positive difference to the lives of our shareholders, partners, franchisees, employees and customers and believes that working together is the key to success to prosper in business. The Joyce Board is committed to the Company's core values of Family, Teamwork and Passion. In performing its role, the Board is committed to a high standard of corporate governance practice and fostering a culture of compliance.

The CEO is responsible for the day-to-day management of the Company and its businesses and works closely with Key Management Personnel (KMP) and senior executives.

1.2 Structure and Composition of the Board

The Board currently comprises five directors, all of which are non-executive. The Board regularly reviews the independence of each non-executive director. The Board's assessment of independence and the criteria by which it determines the materiality of any facts, information or circumstances is formed by having regard to the ASX Principles.

Those non-executive directors with shareholdings in the Company of less than 5% and who are not associated with any major shareholder are classified as independent.

As of the date of the 2023 Annual Report, three of the five directors were considered to be independent, including the Chair of the Board.

A detailed biography of the Directors is set out in the Annual Report.

At the date of the 2023 Annual Report:			
Name of director	Role	Term in office	Independence
Jeremy Kirkwood	Non-Executive Director	Jan 2020 to current	Independent
	Chair	Dec 2020 to current	Independent
Karen Gadsby	Non-Executive Director	Jul 2017 to current	Independent
	Deputy Chair	May 2019 to current	Independent
Daniel Smetana	Non-Executive Director	Nov 1984 to current	Not independent ^{1,3}
Travis McKenzie	Non-Executive Director	Jul 2019 to current	Not independent ^{2,3}
Nicholas Palmer	Non-Executive Director	Sep 2022 to current	Independent

¹ The Board have determined that Mr Smetana is not an independent director by virtue of his significant shareholdings in Joyce Corporation Ltd. Mr Smetana possesses an intimate understanding of the Company's operations, culture and competitive position and the Board does not consider Mr Smetana's independence status to impact his ability to act in the best interests of Joyce shareholders as a whole.

² The Board have determined that Mr McKenzie is not an independent director by virtue of his close personal relationship with Mr Smetana (Mr McKenzie is Mr Smetana's son-in-law). The Board does not consider Mr McKenzie's independence status to impact his ability to act in the best interests of Joyce shareholders as a whole. Mr McKenzie brings to Joyce deep industry knowledge, experience, and expertise that provides valuable insights and guidance to the Company.

³ In instances where the Board are of the opinion that either Mr Smetana's or Mr McKenzie's independence status would create a potential conflict of interest, Mr Smetana and Mr McKenzie are excused from any meetings or discussions relating to the potential conflict.

1.3 Director's Skills and Experience

The Board's objective is to have an appropriate mix of skills, expertise, diversity and experience on the Company's Board and Board Committees. The Board also aims to strike a balance between long-serving directors with experience and knowledge of the Company's business history and new directors who bring an external perspective and different insights.

The Board is of the view that the current directors possess a broad mix of experience and skills across a number of industries and sectors. This mix of skills and experience is considered appropriate to enable the Board to discharge its responsibilities and deliver the Company's strategy. Further information on the qualifications and experience of each director and their attendance at Board and Committee meetings is included in the Company's Annual Report. The most recent of which can be accessed from the Company's website at:

<https://joycegroup.com.au/annual-half-year-reports/>.

The Board considers the skills, experience and expertise listed below to be those necessary to discharge its responsibilities:

- CEO / Senior Executive level experience;
- ASX-listed company experience;
- Financial and commercial acumen including capital management and banking;
- Broad cross-section of industries and sector experience;
- Strategy;
- Governance;
- Technology;
- Executive performance and remuneration;
- Health and safety; and
- Risk management and compliance.

The Board has determined that the current members have skills which adequately cover each of these items. Specialised skills which are not represented on the Board are sought from management or external advisors.

1.4 Board Succession Planning

As part of the Nomination Committee's oversight of Board succession planning, it is responsible for identifying suitable candidates to fill Board vacancies as and when they arise or to identify candidates to complement the existing Board and make recommendations to the Board on their appointment. Where appropriate, external consultants are engaged to assist in searching for candidates.

Where a candidate is recommended by the Nomination Committee, the Board will assess that candidate's suitability against a range of criteria to ensure the candidate's skills augment those of the existing Board. The Company also conducts appropriate reference checks before a candidate is recommended to the Board. If the criteria are met and the Board appoints the candidate as a director, the director will enter into a written contract with the Company. The director must then seek to have their appointment approved by shareholders at the Company's next Annual General Meeting.

1.5 Appointment, Induction and Training

As part of the induction program, a new director is provided with an induction pack covering the Company's financial position, strategies, operations and risk management policies. They also meet with the Board Chair, the CEO, KMP and other senior executives to gain insights into relevant operational and corporate matters.

Ongoing director education is provided through regular presentations (facilitated by management) on key business functions and activities and through site visits to Company operations. Professional development and training programmes are available to directors to enable them to further develop and maintain their skills and knowledge. To ensure directors are informed on all material matters impacting the Company, board papers are prepared for each meeting.

1.6 Remuneration

Information regarding the Company's remuneration framework for the directors, KMP's and senior executives is set out in the Remuneration Report section of the Company's Annual Report. The Remuneration Report includes a summary of Company policies and practices for determining the nature and amount of remuneration and the relationship between those policies and Company performance.

Shareholders are invited to consider and approve the Remuneration Report at the Company's Annual General Meeting.

1.7 Company Secretary

The Group Company Secretary supports the effective operation of the Board. All directors have access to the Group Company Secretary.

The Group Company Secretary is accountable to the Board through the Chair on all matters regarding the proper functioning of the Board. This includes assisting the Board and Committee members with meetings and directors' duties, advising the Board on corporate governance matters and acting as an interface between the Board and senior executives. A detailed biography of the Group Company Secretaries is set out in the Annual Report.

1.8 Board and Management Performance Evaluation

The Board ensures that evaluations are undertaken annually to assess the performance and effectiveness of the Board and Board Committees. The last performance evaluations were completed in May and June 2023. These evaluations form a key part of the Company's continuous improvement program relating to governance.

The Chair of the Board conducts reviews of the CEO's performance, while the CEO facilitates the evaluations of KMP and senior executive performance against relevant performance measures. The outcomes of these reviews are reported to the Remuneration Committee. All KMP's received at least one review in the year ended 30 June 2023.

2. BOARD COMMITTEES

2.1 Committees of the Board

The Board has established an Audit & Risk Committee, a Nomination Committee and a Remuneration Committee as standing Committees to assist with the discharge of its responsibilities.

These Committees review matters on behalf of the Board.

Details of the current membership and composition of each Committee is set out below. Details of attendance by members for each Committee are set out in the Director's Report section of the Company's Annual Report. The roles and responsibilities of each Committee are set out in the respective Committee charter. These charters can be found on the Company's website at: <https://joycegroup.com.au/board-charters/>.

Committee	Members	Composition
Audit & Risk Committee	Karen Gadsby (Chair) All other directors	<ul style="list-style-type: none"> - Members, who between them, have accounting and financial expertise and a sufficient understanding of the industries in which the Company operates, to enable them to discharge the Committee's mandate effectively; - A majority of independent non-executive directors; and - Chaired by an independent non-executive director who is not the Chair of the Board.

Committee	Members	Composition
Nomination Committee	Jeremy Kirkwood (Chair from 1 July 2023)	– A majority of independent non-executive directors; and – Chaired by an independent non-executive director.
	Timothy Hantke (Chair to 30 June 2023)	
	All other directors	
Remuneration Committee	Travis McKenzie (Chair from 1 July 2023)	– A majority of independent non-executive directors; and – Chaired by an independent non-executive director for the 2023 Financial Year.
	Timothy Hantke (Chair to 30 June 2023)	
		– Chaired by a non-executive director who is not independent from 1 July 2023.
	All other directors	

3. RISK MANAGEMENT AND CORPORATE REPORTING

3.1 Recognising and Managing Risk

The Company is committed to the identification, monitoring and management of material risks associated with its business activities.

The Board recognises that effective risk management is key to achieving and maintaining the Company’s operational and strategic objectives. The Company’s core values of Family, Teamwork and Passion encourage a highly ethical work culture. The Company’s Risk Identification and Management Framework was last reviewed in full in June 2023 and is the subject of continual improvement initiatives.

The division of the key risk management functions are set out below.

Function	
Board	Review and oversee systems of risk management, internal control and compliance. Approve and monitor the process for identifying significant risks. Ensure that appropriate controls, monitoring and reporting mechanisms are in place.
CEO and CFO	To provide a declaration (in accordance with s295A of the <i>Corporations Act (2001)</i>) to the Board in respect of the half and full-year financial statements. Assess and provide assurance to the Board that the Company’s risk management and internal control systems are operating effectively in all material respects.
Audit & Risk Committee	Review and assess the Company’s processes designed to ensure the integrity of financial statements and reporting and associated compliance with legal and regulatory standards, including Accounting Standards. Ensure adequate internal controls, assurance, policies and procedures exist to identify and manage business risk.

Function	
	Review and assess the appointment, qualifications, independence, performance and remuneration of and relationship with the Company's external auditors. Make recommendations to the Board.
Management	Designing, implementing and reporting on the adequacy of the Company's risk management and internal control systems. Reporting to the Audit & Risk Committee on the effectiveness of the systems and processes in place to manage material business risks.

More information regarding the Company's material risks and management of those risks is set out in the Company's Annual Report.

3.2 Written Declarations

At the end of each six-monthly financial reporting period, the CEO and CFO provide a written declaration to the Board that, in their opinion, the Company's financial reports have been properly maintained in accordance with s295A of the Corporations Act (2001) and that the financial statements and the notes for the period comply with relevant accounting standards while providing a true and fair view of the financial position and performance of the Company.

3.3 Integrity of Financial and Corporate Reporting

At each meeting, the Board receives reports on the financial performance of the Company, including key financial metrics and business results reported against budget. The Board also receive periodic updates on annual forecasts.

3.4 External Auditor

The Company's external auditor, BDO Audit WA Pty Ltd (BDO), was first appointed in 2013. BDO's policy is to rotate audit engagement partners on listed companies at least every five years. The most recent rotation was undertaken for the 2023 financial year end.

Representatives of BDO are invited to relevant Audit & Risk Committee meetings and all Audit & Risk Committee papers are made available to BDO. The Audit & Risk Committee members have direct and un-restricted access to BDO representatives.

BDO attends each Annual General Meeting and a representative is available to answer any questions from shareholders. BDO is required to assess and make an independence declaration which is contained in the Half-Year Financial Report and Annual Report.

3.5 Internal Audit

The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion with management on material business risks at Board and Committee meetings.

4. ETHICAL AND RESPONSIBLE BEHAVIOUR

4.1 Code of Conduct

The Ethics and Code of Conduct (last reviewed in June 2023) outlines the values required by directors and staff (employees and contractors). The Company seeks to make a meaningful positive difference to the lives of our shareholders, partners, franchisees, employees and customers and believes that working together in line with the Company's core values of Family, Teamwork and Passion is the key to success. The Board Charter (last reviewed in June 2023) outlines the code of conduct required by directors to ensure responsible decision making and ethical behaviour. The Board Charter also sets out the obligations of each director to disclose conflicts of interest to the Board.

4.2 Securities Trading Policy

The Company has established a Securities Trading Policy (last reviewed in June 2023). It outlines the restrictions, closed periods and processes required when directors, KMP's and senior executives wish to trade Company securities.

4.3 Anti-Bribery and Anti-Corruption Policy

The Company has established an Anti-Bribery and Anti-Corruption Policy (last reviewed in June 2023). The Company is committed to preventing any form of bribery and corruption and to upholding all laws relevant to these issues, including the Anti-Corruption Legislation. In order to support this commitment, the Company has adopted its Anti-Bribery and Anti-Corruption Policy to ensure that it has effective procedures in place to prevent bribery and corruption.

5. TIMELY DISCLOSURE AND RESPECTING SHAREHOLDERS

5.1 Continuous Disclosure

The Company has established a Continuous Disclosure Policy (last reviewed in June 2023). It outlines the requirements for immediate internal reporting of matters which could be market sensitive information and includes processes to make that information public where appropriate. It also lays out how engagement with the investment community and other third party stakeholders is managed to ensure engagement and confidentiality.

5.2 Integrity of Periodic Corporate Reports

The process the Company uses to verify the content of any periodic corporate report issued that is not audited or reviewed by an independent auditor (such as the Directors' Report, this Corporate Governance Statement and investor presentations), varies depending on the nature of the report, but typically includes:

- non-financial components of the report are initially prepared by or under the supervision of the Company Secretary or by investor relations specialists, based on matters known to them and instructions from the Company's CEO, CFO and other staff with first-hand information as to the matters reported;
- financial components of the report are initially prepared by or under the supervision of the Company's CFO, based on first-hand information of the Company's financial position, with input from staff with first-hand information of the matters being reported;
- where appropriate, initial drafts are prepared with assistance from legal, governance, finance and other expert advisers as appropriate to the subject matter;
- each of the individuals engaged in the preparation of or commentary on initial drafts are a professional with duties to identify any material that is potentially misleading, having regard to their knowledge of the Company's activities and position;
- all sections of the report are then confirmed as either:
 - verified first-hand knowledge of the person preparing the report; or

- o supported by evidence (such as an original document or confirmation from another person with appropriate first-hand knowledge and accountability);
- the whole of each report (or group of reports released together) is subject to a preliminary review by the Company Secretary (for non-financial matters) and Company CFO (for financial matters) and, as appropriate, the Company's CEO;
- final review is conducted by the Company's CEO and CFO before being circulated for consideration by the appropriate Board committee (if relevant) for recommendation to the Board (if relevant); and
- the report is then considered by all members of the Board.

For investor presentations that accompany the annual and half-yearly financial results, the same process is followed.

The Company's Continuous Disclosure Policy outlines how the Company prepares and releases other market announcements.

5.3 Investor Engagement

The Company has established an Investor Engagement Policy (last reviewed in June 2023). The Company recognises the importance of providing shareholders and prospective investors access to current, high quality information. To keep shareholders informed about the affairs of the Company and its important developments, the Company:

- Encourages its shareholders to attend the Annual General Meeting.
- Decides all substantive resolutions by a poll rather than by a show of hands.
- Has a website (<https://joycegroup.com.au/>), containing information about the Company, its activities, its Board, its performance, media releases, research reports and its key policies. The website also displays the Company's Annual Report and its current share price.
- Places Australian Securities Exchange (ASX) releases and other relevant information it has supplied to the ASX on its website.
- Invites shareholders to direct general comments and queries about the Company using the "Contact Us" page of its website.
- Uses the services of a share registry to assist in responding to shareholder queries.

6. DIVERSITY

The Board recognises its talented and diverse workforce as a key competitive advantage. It has developed a Diversity and Inclusion Policy (last reviewed in June 2023) and aims to foster diversity across the Company.

The Company understands and recognises the value in having a diverse workforce from which to draw on. The Company is committed to treating all staff equally irrespective of their gender, race, age, ethnicity, sexual orientation, disability or religious belief. The Board encourages a corporate culture where all staff feel equally welcome and are not discriminated against in the employment process (including the appointment of directors) based on a potential candidate's gender, race, age, ethnicity, sexual orientation, disability or religious belief.

The Company's diversity objectives are to:

- a) ensure recruitment from a diverse range of candidates based on merit;
- b) ensure all employees have equal access to opportunities in the workplace;
- c) ensure there is equal pay for equal work; and
- d) continue to build environments that are accepting of diverse backgrounds and views.

Details of female representation across the Company are set out below:

Percentage of female employees	30 June 2023
Board	20%
Senior Executive ⁽¹⁾	32%
Administration	84%
Operational	57%
Total workforce	54%

(1) Senior Executive is defined as someone who is a KMP of the Company or someone who reports directly to a KMP.

The Board has not set specific measurable objectives for gender diversity. The Board recognises the benefits and importance that diversity brings to the Company, our customers and other key stakeholders and regularly reviews the diversity of the workforce, including gender diversity, to ensure that the workforce is made up of people with diverse values, backgrounds, skills, experiences and needs. The Board will continue to regularly assess the application of measurable gender diversity objectives as required and as part of its annual governance review.

The Company has lodged all due compliance reports with the Workplace Gender Equality Agency. A copy of these reports can be obtained from the WGEA website.