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FAT PROPHETS GLOBAL CONTRARIAN FUND LIMITED ACN 615 414 849
Corporate Governance Statement

This statement outlines the Corporate Governance framework and practices adopted by the Board of Directors of Fat Prophets Global Contrarian Fund Limited (**the Board**) and in place for the financial year ended 30 June 2021, by reference to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (**the Recommendations**). The Statement was approved by the Board on 24 August 2021.

The Board and Senior Management of FPC are committed to acting responsibly, ethically and with high standards of integrity as the Company strives to create shareholder value. FPC is committed to implementing the highest standards of corporate governance appropriate for a company of its size and operations.

The Board considers and applies the Recommendations taking into account the circumstances of the Company. Where the Company's practices depart from a Recommendation, this Statement identifies the area of divergence and reasons for it, or any alternative practices adopted by the Company.

The Board has established a number of corporate governance documents consistent with the Recommendations which form the basis of the Company's corporate governance framework – these documents are referenced in this Corporate Governance Statement where relevant, and are as follows:

- Board Charter;
- Continuous Disclosure & Shareholder Communications Policy;
- Code of Conduct; and
- Securities Trading Policy.

The corporate governance documents are available on the FPC website https://fpcontrarian.com.au/documents/

ASX CG Principles	Compliance by the Company
Principle 1 – Lay solid foundations for management and oversight *A listed entity should establish and disclose the respective roles and responsibilities of board and management and how their performance is monitored and evaluated.*	
Recommendation 1 A listed entity should disclose the respective roles and responsibilities of its board and management, and those matters expressly reserved to the board and those delegated to management.	The primary role of the Board is to act in the best interests of the Company as a whole and the Board is accountable to shareholders for the overall direction, management and corporate governance of the Company. This involves monitoring the decisions and actions of the Manager who is responsible for the day-to-day management and investment activities of the Company in accordance with the Management Agreement. The Board has formalised its roles and responsibilities and guidelines for determining Director independence in the Board Charter. A copy of the Board Charter is available on the Company's website. The Board believes that the Company is fully compliant with the alternate requirements under Alternative Principle 1 and its recommendations.
Principle 2 – Structure the board to add value *A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.*	
Recommendation 2 A listed entity should disclose: 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 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,	Michael Gallagher and Katrina Vanstone are each considered to be independent Directors. Angus Geddes is not independent, being the Managing Director. All directors were appointed on 19 October 2016.

ASX CG Principles	Compliance by the Company
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.	
Principle 3 – Act ethically and responsibly *A listed entity should act ethically and responsibly.*	
Recommendation 3.1 A listed entity should articulate and disclose its values.	The Board has adopted a Code of Conduct which sets out the values.
Recommendation 3.2 A listed entity should: a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it.	The Code of Conduct sets out the values, commitments, ethical standards and policies of the Company and outlines the standards of conduct expected of the Company's business and people, taking into account the Company's legal and other obligations to its stakeholders. The Code of Conduct will apply to all Directors, as well as all officers, employees, contractors, consultants, other persons that act on behalf of the Company, and associates of the Company. The Code of Conduct is available on the Company's website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	The Company's Whistleblower Policy is disclosed on its website.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	The Company's Anti-bribery Policy is disclosed on its website.
Principle 4 – Safeguard integrity in corporate reporting *A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.*	
Recommendation 4.1 The board of a listed entity should: a) have an audit committee which: i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and ii. is chaired by an independent director, who is not the chair of the board, and disclose: iii. the charter of the committee; iv. the relevant qualifications and experience of the members of the committee; and 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 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.	The Board has adopted an audit and risk committee charter, which together with any other resolutions of the Board from time to time, sets out the authority and power to exercise the roles and responsibilities of the Audit and Risk Committee (**Audit and Risk Committee Charter**). Due to the size of the board and the Company's operations at present, a separate Audit and Risk Committee has not been established. Matters and functions normally assigned to the committee will be dealt with and discharged by the Board as whole, pending the establishment of a stand-alone committee. The Audit and Risk Committee Charter is available on the Company's website.

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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.	The Board will implement a process to receive written assurances from its CEO and Chief Financial Officer that the declarations that will be provided under section 295A of the *Corporations Act 2001* (Cth) are founded on a system of risk management and internal control and that the system is operating in all material respects in relation to financial reporting risks. The Board will seek these assurances prior to approving the annual financial statements for all half year and full year results that follow.
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.	The Company has adopted a formal Disclosure and Communication Policy, where there is an express requirement that the external auditor will attend the AGM and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.
Principle 5 – make timely and balanced disclosure *A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.*	
Recommendation 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.	Consistent with the Board's commitment to improving its disclosure policy, the Board has adopted a Disclosure and Communication Policy, which sets out the Company's commitment to the objective of promoting investor confidence and the rights of shareholders by: • complying with the continuous disclosure obligations imposed by law; • ensuring that company announcements are presented in a factual, clear and balanced way; • ensuring that all shareholders have equal and timely access to material information concerning the Company; and • communicating effectively with shareholders and making it easy for them to participate in general meetings. The Disclosure and Communication Policy is available on the Company's website.
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Copies of material market announcements are promptly provided to directors following their release.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	All presentations that are made to security holders or advisory groups are made only to wholesale investors and are first released to ASX
Principle 6 – Respect the rights of security holders *A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.*	
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	The Company recognises the rights of its shareholders and other interested stakeholders to have easy access to balanced, understandable and timely information concerning the operations of the Group. The Chief Executive Officer and the Company Secretary will be primarily responsible for ensuring communications with shareholders are delivered in accordance with this strategy and with its current market disclosure policy. The Company strives to communicate with shareholders and other stakeholders in a regular manner as outlined in

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	Principle 5 of this statement. However as stated above, for a period, the Company did not communicate with shareholders and other stakeholders in a timely manner. Information concerning the Company and its governance practices will be made available on its website in due course.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	As mentioned above under Recommendation 5.1, the Board has adopted a Disclosure and Communication Policy which supports its commitment to effective communication with its shareholders. In addition, the Company intends to communicate with its shareholders: • by making timely market announcements; • by posting relevant information on to its website; • by inviting shareholders to make direct inquiries to the Company; and • through the use of general meetings.
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.	The Board encourages participation of shareholders at the Annual General Meeting or any other shareholder meetings to ensure a high level of accountability and identification with the Company's strategy and goals. Shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors, issue of shares and changes to the constitution.
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.	The Company's Shareholders may elect to receive information from the Company and its registry electronically. Otherwise, the Company and its registry will communicate by post with shareholders who have not elected to receive information electronically.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	The Company's Shareholders may elect to receive information from the Company and its registry electronically. Otherwise, the Company and its registry will communicate by post with shareholders who have not elected to receive information electronically.
Principle 7 – Recognise and manage risk *A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.*	
Recommendation 7.1 The board of a listed entity should: a) have a committee or committees to oversee risk, each of which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director, and disclose: iii. the charter of the committee; iv. the members of the committee; and 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 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.	The Board has adopted an Audit and Risk Committee Charter, which together with any other resolutions of the Board from time to time, sets out the authority and power to exercise the roles and responsibilities of the Audit and Risk Committee which, amongst other things, is designed to ensure the Company has an effective risk management system in place and to manage key risk areas. Due to the size of the board and the Company's operations at present, a separate Audit and Risk Committee has not been established. Matters and functions normally assigned to the committee will be dealt with and discharged by the Board as whole, pending the establishment of a stand-alone committee. The Audit and Risk Committee Charter is available on the Company's website.
Recommendation 7.2 The board or a committee of the board should:	Under the Board Charter, the Board will ensure that the Company has in place an appropriate risk management framework and will set the appetite within which the

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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.	Board expects management to operate. The Board will regularly review and update the risk profile and ensure that the Company has an effective risk management system. As part of this process, the Board will review, at least annually, the Company's risk management framework in order to satisfy itself that it continues to be sound.
Recommendation 7.3 A listed entity should disclose: a) if it has an internal audit function, how the function is structured and what role it performs; or 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.	The Board is responsible for ensuring that the Company has appropriate internal audit systems and controls in place, and for overseeing the effectiveness of these internal controls. The Board will also be responsible for conducting investigations of breaches or potential breaches of these internal controls. In addition, the Board will be responsible for preparing a risk profile which describes the material risks facing the Company, regularly reviewing and updating this risk profile, and assessing and ensuring that there are internal controls in place for determining and managing key risks.
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	The Company may from time to time be exposed to economic, environmental and social sustainability risks. The Company has adopted a Risk Management Policy to assist with management of these risks
Principle 8 – Remunerate fairly and responsibly *A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives to align their interests with the creation of value for security holders.*	
An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	The Company has no employees. The management of the Company is performed by the Manager who is entitled to be paid management and performance fees. The Company pays the Manager a management fee of 0.95% p.a. (plus GST) of the net asset value of the investment portfolio. The management fee is calculated and accrued each month and paid semi-annually in arrears. In addition, the Manager will be entitled to receive a performance fee from the Company equal to 20% (plus GST) of the investment portfolio's outperformance of the S&P/ASX Small Ordinaries Accumulation Index, which is calculated and accrued monthly on a pretax basis and, where tests are satisfied, any positive performance fee amounts that are in excess of the minimum performance fee account balance (as defined in the Management Agreement) are paid annually. Further details of the fees paid to the Manager for the reporting period are set out in the Financial Statements of the Company in note The Board believes that the Company is fully compliant with the alternate requirements under Principle 8 and its recommendations.

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