



# Boldly backing business.

Corporate Governance Statement  
2023



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## Principle 1.

### Lay solid foundations for management and oversight.

#### Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

- (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 Board has adopted a charter that sets out the role, composition and responsibilities of the Board and Management Board, a copy of which is available on Judo Capital Holdings Limited's (**Judo**) website: <https://www.judo.bank/corporate-governance>.

The charter clearly defines the matters expressly reserved for the Board and delegates the day-to-day management and administration of Judo to the Chief Executive Officer (CEO), within approved limits, and other specified delegations of authority approved by the Board as outlined in the Board Delegation Framework.

According to the charter, the Board is ultimately responsible for matters including:

- (a) approving the business strategy and the financial objectives of Judo, and monitoring their implementation;
- (b) approving Judo's annual budgets (and any re-forecasts) and financial statements and monitoring financial performance against forecast and prior periods;
- (c) approving the capital management of Judo including approval of the Internal Capital Adequacy Assessment Process;
- (d) overseeing Judo's operational and financial performance;
- (e) approving, with the guidance of the Board Risk Committee, Judo's Risk Management Strategy (**RMS**) and Risk Appetite Statement (**RAS**);
- (f) forming a view of Judo's risk culture and the extent to which the risk culture supports the ability of Judo to operate consistently within Judo's RAS; and

- (g) overseeing, with the guidance of the Board Risk Committee, the management of material risks consistent with the strategic objectives, RAS and Board-approved policies, that Judo's operational structure facilitates effective risk management, risk policies and procedures are developed that are consistent with the RMS and RAS, and sufficient resources are dedicated to risk management.

The day-to-day responsibility for the operation of the business is delegated to the CEO and Management Board.

The Board generally holds meetings every month. The annual report discloses the names and tenure of Directors, the number of times the Board and Board Committees met for the financial year ending 30 June 2023 (FY23) and individual attendances at those meetings.

#### Recommendation 1.2

A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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.

Judo undertakes appropriate checks before appointing a person as a director or senior executive, including requiring them to complete a 'Fit and Proper Questionnaire and Declaration', which is reaffirmed annually. The checks undertaken include criminal and bankruptcy checks and checks of relevant disqualification and banned registers. The steps taken are outlined in Judo's Fit and Proper Policy, which is prepared in line with Prudential Standard CPS520 *Fit and Proper*.

Judo provides shareholders with all material information in its possession relevant to a decision to elect or re-elect a director. These details are included in the Notice of Annual General Meeting (**AGM**) sent to shareholders in relation to the items of business for the election or re-election of directors and includes the relevant director biographies.

#### Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Judo requires each Director and senior executive to execute a formal written agreement setting out the terms of their appointment, including their respective responsibilities such as:

- the requirement to disclose other business interests prior to appointment;
- to continue to disclose any actual or potential conflicts of interest;
- to exercise due care and diligence and comply with all legal duties and obligations; and
- confidentiality obligations.

#### 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.

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The Company Secretary is responsible for coordination of all Board and Board Committee business, including:

- coordinating and circulating agendas and papers for all Board and Board Committee meetings;
- ensuring all material discussions and decisions are captured in the minutes of the relevant meetings; and
- coordinating induction and training for Directors.

# Corporate Governance Statement

## Recommendation 1.5

A listed entity should:

- (a) have and disclose a diversity policy;
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
- (c) disclose in relation to each reporting period:
  - (1) the measurable objectives set for that period to achieve gender diversity;
  - (2) the entity's progress towards achieving those objectives; and
  - (3) either:
    - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or
    - (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.

Judo has an Inclusion, Equity and Diversity Policy which sets out our commitment to a strong and diverse workforce. Judo's work on inclusion, equity and diversity is part of our overall Environmental, Social and Governance (ESG) strategy

Judo has set measurable objectives to achieve gender diversity, specifically a target of 40% women, 40% men and 20% open (defined as non-gender specific, and it could include women, men, non-binary, intersex or gender-diverse identities) by the end of FY26. These targets are set across the entire Judo workforce, people leadership roles and senior leadership roles (including the Management Board and the Board).

At 30 June 2023, Judo's gender composition was as follows:

- 43% of women on the Board
  - 33% of women in senior leadership roles\* (including the Management Board)
  - 31% of women in people leadership roles
  - 37% of women across the entire Judo workforce
- \* Defined as those employees who are members of the Senior Leadership Group, typically direct reports of all Management Board members who are in General Manager/Managing Director positions

Judo is also a 'relevant employer' under the *Workplace Gender Equality Act 2012* (Cth) and has submitted reports on the standardised gender equality indicators to the Workplace Gender Equality Agency for each of FY21, FY22 and FY23.

## Recommendation 1.6

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

Judo has a Board Assessment Framework which includes several elements to support the Board's commitment to continuous improvement in governance processes at the individual Director level, as well as at the Board and Board Committee levels. This includes:

- Annual Board and Board Committee self-assessment;
- Director skills self-assessment against Judo's Director Skills Matrix;
- Individual Director assessment via one-on-one discussions with the Board Chair; and
- Individual Director Fit & Proper certification.

In FY23, the Board completed its performance self-assessment and skills assessment, and engaged an external consultant to undertake an independent review of the effectiveness of Board composition and structure, skill mix, key strengths, and opportunities for improvement. Results from the self-assessment and independent assessment were discussed by the Board and an action plan developed for improvement opportunities that were identified through the review. The Board Chair also met with all Directors individually at the conclusion of the independent review.

Further, each Board meeting includes a standing agenda item for Directors to provide feedback on meeting conduct.

## Recommendation 1.7

A listed entity should:

- (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

Judo assesses the performance of its senior executives, and all employees, via the annual performance management process, Judo Tracks. Performance is assessed against milestones/initiatives agreed with the CEO, which reflect each senior executive's area of accountability for the relevant year. Values, risk and conduct requirements are also core to the annual performance assessment, and form eligibility requirements for our short-term incentive program, Judo Grows.

Performance reviews for senior executives were conducted in FY23 in accordance with this process.

## Principle 2.

### Structure the Board to be effective and add value

#### Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

- (1) has at least three members, a majority of whom are independent directors; and
- (2) is chaired by an independent director,

and disclose:

- (3) the charter of the committee;
- (4) the members of the committee; and
- (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

(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.

The Board has established a combined Remuneration and Nominations Committee, governed by the Remuneration and Nominations Committee Charter, to advise and assist the Board to fulfil its responsibilities in relation to Board composition, Judo's Management Board, people and remuneration matters, including remuneration strategies, policies, frameworks for implementation and how these support Judo's strategy and culture.

Clause 4 of the charter requires that the committee comprise at least three non-executive Directors, of which a majority must be independent directors. The Chair of the committee must also be an independent Director.

Judo's Remuneration and Nominations Committee currently comprises Jennifer Douglas (independent non-executive Director and Chair), John Fraser (independent non-executive Director member), Peter Hodgson (independent non-executive Director member) and Malcolm McHutchison (non-executive Director member).

The committee charter and the members of the committee are disclosed on Judo's website. Judo's annual report discloses the number of times the committee met throughout the relevant period and the individual attendances of the members at those meetings.

#### Recommendation 2.2

**A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.**

Judo has a board skills matrix, which sets out the industry knowledge and experience, technical skills and experience, and governance and risk competencies required across Board Directors. The skills matrix is reviewed at a minimum annually and updated for any changes in Directors' skills and experience. The skills matrix is published in the corporate governance section of Judo's annual report.

#### Recommendation 2.3

**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, affiliation 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 or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

As Judo is an authorised deposit-taking institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA), the Board has adopted a definition of independence in line with the term as defined in APRA Prudential Standard CPS 510 *Governance*, which sets out the interests and relationships to be considered by the Board in assessing the independence of each Director.

The Board assesses the independence of Directors upon appointment, and annually, through an attestation by each Director, in light of the Principles and Recommendations and CPS 510. Directors are expected to provide updates to the information as it changes.

The Board considers that Peter Hodgson, John Fraser, Mette Schepers, Manda Trautwein, and Jennifer Douglas are independent.

The following Directors are not considered by the Board to be independent for the reasons outlined below:

- David Hornery, due to his former role as Judo co-CEO; and
- Malcolm McHutchison, on the basis that he was previously a nominee director of one of Judo's major shareholders, however he is no longer associated directly with that major shareholder in respect of their interests in Judo.

Judo has disclosed the details of each Director (including their length of service) in its annual report.

# Corporate Governance Statement

## Recommendation 2.4

**A majority of the board of a listed entity should be independent directors.**

Clause 2.3 of the Board Charter requires that the Board comprise at least six Directors, the majority of whom must be non-executive Directors and independent, unless otherwise agreed and approved by APRA at the appropriate time.

The Board is comprised of seven Directors, of whom five are independent. Judo has disclosed details of which Directors are independent in its annual report.

## 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.**

Clause 5 of the Board Charter requires that the Chair be an independent non-executive Director and not be the CEO of Judo. Peter Hodgson is the Chair and an independent non-executive Director, and Joseph Healy is the CEO.

## Recommendation 2.6

**A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.**

Following their appointment, Directors undertake an induction program and are provided with relevant materials on Judo.

Directors are also required to undergo further training, where required, to improve or enhance the requisite skills and knowledge. Judo has a Board education schedule that is maintained on an annual basis.

## Principle 3.

### Instil a culture of acting lawfully, ethically and responsibly

#### Recommendation 3.1

**A listed entity should articulate and disclose its values.**

Judo has disclosed its statement of values on its website at <https://www.judo.bank/about-judo>.

Judo's values are:

- **Accountability** – We are a challenger business bank determined to lead the way. We own our decisions, and we do what we say.
- **Teamwork** – The sum of the whole is greater than its parts. A one-to-one relationship bank that works hand in hand with our customers.
- **Performance** – We are building a strong bank to deliver successful outcomes. We strive to make today better, stronger and more productive than yesterday.
- **Trust** – Trust is the foundation of our business and core to our relationships. We value trust above all else; without it, we lose our purpose.

#### Recommendation 3.2

**A listed entity should:**

- have and disclose a code of conduct for its directors, senior executives and employees; and**
- ensure that the board or a committee of the board is informed of any material breaches of that code.**

Judo has adopted a Code of Conduct, which applies to all Directors and employees, a copy of which is available on Judo's website: <https://www.judo.bank/corporate-governance>.

Judo's purpose is to be Australia's most trusted SME business bank. To do so, it is important that our people conduct themselves in ways that align with our values, and that we strive to meet the obligations we have to the Australian community and our customers, to act with integrity, and be guided by the principles of trust and ethics as signatories to the Banking and Financial Services Oath.

In the event that there are any material breaches of the Code of Conduct, such breaches will be brought to the attention of the Board through the Board Risk Committee. Any breaches must also be dealt with in accordance with Judo's Operational Risk Incidents and Breach Policy and, where applicable, Judo's consequence management policy "Off Tracks" and logged in Judo's Governance Risk and Compliance System (JCAR).

#### Recommendation 3.3

**A listed entity should:**

- have and disclose a whistleblower policy; and**
- ensure that the board or a committee of the board is informed of any material incidents reported under that policy.**

Judo has a Whistleblower Policy, a copy of which is available on Judo's website: <https://www.judo.bank/corporate-governance>.

The purpose of the Whistleblower Policy is to document Judo's commitment to maintaining an open working environment of honesty and integrity, and the requirement for Judo's people to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

Judo encourages its employees to speak up about improper conduct and commits to ensuring that our people can do so without fear of intimidation, disadvantage or reprisal. This is to allow us to detect and address wrongdoing, as soon as possible. Judo also has an independent whistleblower hotline, Stopline, which employees can contact to make disclosures anonymously.

The Board Risk Committee is responsible for receiving any notification and reports of disclosures and determining an appropriate response to the outcome of any investigation.

# Corporate Governance Statement

## 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.

Judo has an Anti-Bribery and Corruption Policy, which applies to all Directors, officeholders, employees

(including temporary and permanent employees), consultants, agents and contractors and is available on Judo's website: <https://www.judo.bank/corporate-governance>.

Judo has zero tolerance for bribery and corruption and the purpose of this Policy is to outline our approach to identifying, managing and preventing bribery and corruption in our business dealings and business relationships.

In the event that there are any material breaches of the Anti-Bribery and Corruption Policy, such breaches will be brought to the attention of the Board through the Board Risk Committee. Any breaches must also be dealt with in accordance with Judo's Operational Risk Incidents and Breach Policy and logged in JCAR.

## Principle 4.

### Safeguard the integrity of corporate reports

#### Recommendation 4.1

The board of a listed entity should:

- (a) have an audit committee which:

- (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
- (2) is chaired by an independent director, who is not the chair of the board,

and disclose:

- (3) the charter of the committee;
  - (4) the relevant qualifications and experience of the members of the committee; and
  - (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
- (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 established an Audit Committee to advise it on the effectiveness of Judo's financial and regulatory reporting and overall internal control frameworks. The Audit Committee has a formal charter, which is reviewed at a minimum annually and approved by the Board.

The Audit Committee Charter is available on Judo's website.

Clause 4 of the Audit Committee Charter requires that the committee comprise at least three non-executive Directors, of which a majority must be independent Directors. The Chair of the committee must also be an independent Director.

The Audit Committee currently consists of Manda Trautwein (independent non-executive Director and Chair), Peter Hodgson and Mette Schepers (independent non-executive Director members), and David Horny (non-executive Director member).

Judo has disclosed the relevant qualifications and experience of the members of the Audit Committee in its annual report.

Judo has disclosed in its annual report the number of times the Audit Committee met throughout the period and the individual attendances of the members at those meetings.

#### 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.**

Before approving Judo's financial statements, the CEO and CFO provide a written declaration to the Board that, in their opinion, Judo's financial records have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of Judo's financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### Recommendation 4.3

**A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.**

The Company Secretary is responsible for reviewing proposed external announcements and overseeing and coordinating the disclosure of information in accordance with Judo's Continuous Disclosure Policy. A copy of the Policy is available on Judo's website: <https://www.judo.bank/corporate-governance>.

# Corporate Governance Statement

## Principle 5.

### Make timely and balanced disclosure

#### Recommendation 5.1

**A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.**

Judo has a Continuous Disclosure Policy to enable it to comply with its continuous disclosure obligations under the *Corporations Act 2001* (Cth) and ASX Listing Rules.

Judo's policy outlines our processes for complying with our obligations to enable Judo to be clear and transparent and able to provide investors and the market with timely, balanced and equal access to

information that a reasonable person would expect to have a material effect on the price or value of Judo's securities (subject to any applicable ASX Listing Rules exemptions) and to promote investor confidence in Judo and its securities.

A copy of the Policy is available on Judo's website: <https://www.judo.bank/corporate-governance>.

#### Recommendation 5.2

**A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.**

Judo's Continuous Disclosure Policy provides that the Company Secretary,

or a person appointed by them, will lodge announcements with the ASX electronically and will ensure that the Board receives copies of all material market announcements promptly after they have been made.

#### 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.**

Judo's Continuous Disclosure Policy provides that market sensitive information must be publicly released through the ASX before disclosing it to analysts or others outside Judo.

## Principle 6.

### Respect the rights of security holders

#### Recommendation 6.1

**A listed entity should provide information about itself and its governance to investors via its website.**

Judo provides information about itself and its governance to its investors on Judo's website via the following URL: <https://www.judo.bank/investor>.

Judo's website contains information including:

- ASX announcements, regulatory disclosures, annual and half-year reports, and presentations;
- Information for shareholders to help them manage their shareholdings;
- Corporate governance material, including policies and charters; and
- Judo's leadership and governance information.

#### Recommendation 6.2

**A listed entity should have an investor relations program that facilitates effective two-way communication with investors.**

As noted for Recommendation 6.1, Judo provides shareholders with information via the investor section of Judo's website and through the option to receive email communications and send email communications directly to Judo and to Judo's share registry. In May 2023, Judo also held its second investor day. Judo also communicates with shareholders through its AGM, where shareholder participation is actively encouraged and facilitated.

Judo seeks to use numerous modes of communication, including electronic methods, to ensure that its communication with shareholders is frequent and relatively accessible.

#### Recommendation 6.3

**A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.**

All shareholders are invited to attend Judo's AGM. Shareholders have an opportunity to submit questions to the Board or Judo's external auditor prior to the AGM and ask questions in person at the AGM.

#### Recommendation 6.4

**A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.**

All substantive resolutions at the 2022 AGM were decided by poll and the same process will be followed at the 2023 AGM.

#### 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.**

Judo has given all its shareholders the option to receive all communications from its share registry, Link Market Services (**Link**), via email. Judo encourages shareholders to submit questions or requests for information (including related to their shareholdings) to Judo via Judo's share registry, Link. Shareholders can also contact Judo via its website at <https://www.judo.bank/contact-us>.

## Principle 7.

### Recognise and manage risk

#### Recommendation 7.1

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- (1) has at least three members, a majority of whom are independent directors; and
- (2) is chaired by an independent director,

and disclose:

- (3) the charter of the committee;
- (4) the members of the committee; and
- (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

(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 established a Risk Committee to advise it on the effectiveness of Judo's risk management including strategies, frameworks and policies and how these support Judo's business strategy and risk culture. The Risk Committee has a formal charter which is reviewed at a minimum annually and approved by the Board.

Clause 4 of the Risk Committee Charter requires that the committee comprise at least three non-executive Directors, of which a majority must be independent Directors. The Chair of the Risk Committee must also be an independent Director.

The Risk Committee currently comprises John Fraser (independent non-executive Director and Chair), Peter Hodgson and Mette Schepers (independent non-executive Director members), and David Hornery (non-executive Director member). Manda Trautwein (independent non-executive Director and Board Audit Committee Chair) attends Risk Committee meetings as an observer.

The Risk Committee Charter and the members of the committee are disclosed on Judo's website.

Judo has disclosed in its annual report the number of times the Risk Committee met throughout the period and the individual attendances of the members at those meetings.

#### Recommendation 7.2

The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

Under clause 2.3 of the Risk Committee Charter, the Committee must recommend to the Board annually the annual risk management declaration required under APRA Standard CPS 220 *Risk Management*, which considers the design and operating effectiveness of Judo's Risk Management Framework (RMF). The Risk Committee also reviews results from the independent comprehensive review of the RMF undertaken at least once every three years.

Judo's RMS, which describes Judo's RMF, was last approved by the Board in December 2022.

#### 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 governance, risk management and internal control processes.

Judo has an internal audit function, which is currently outsourced to Ernst & Young.

Internal Audit is the third line of defence in Judo's RMF and provides independent assurance of the effectiveness of Judo's RMF to the Board and Audit Committee. Internal Audit has a dual reporting line to the Chair of the Audit Committee and the CEO, who delegates the day-to-day operational management of the Internal Audit function to the relevant subject matter expert.

#### 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.

As a cloud native ADI, Judo has not identified any material exposures to environmental or social risks from its operations. We acknowledge the potential impact our customers have on Judo's exposure to environmental and social risks. Our initial assessment indicates the presence of any environmental or social risks within our value-chain have not had a material adverse effect on Judo's:

- business model and value chain;
- strategy and decision-making; or
- financial position, financial performance and cash flows.

As Judo continues to scale, we recognise the risk of potential exposures to financial losses and/or brand damage from the adverse impacts of environmental and social risks or from failing to meet community or regulatory expectations in relation to environmental and social issues. The Board-approved RMS and RMF set out the totality of systems, structures, policies, processes and people that identify, measure, monitor, control or mitigate and report on all material sources of risk, including ESG risks. The Board's appetite and tolerance for these risks is articulated through the RAS.

Further details of Judo's process for the ongoing monitoring and management of environmental and social risks is set out in the sustainability section of the annual report.



## Principle 8.

### Remunerate fairly and responsibly

#### Recommendation 8.1

The board of a listed entity should:

- (a) have a remuneration committee which:
- (1) has at least three members, a majority of whom are independent directors; and
  - (2) is chaired by an independent director,

and disclose:

- (3) the charter of the committee;
  - (4) the members of the committee; and
  - (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
- (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.

The Board has established a combined Remuneration and Nominations Committee, governed by the Remuneration and Nominations Committee Charter (see response to Recommendation 2.1 above).

#### 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.

Judo has adopted a Remuneration Policy. The Policy applies to Directors and senior executives and provides the minimum standards for determining Judo's remuneration arrangements, articulates Judo's remuneration strategy and performance management objectives and supports Judo's RMF.

Judo has disclosed its strategy and relevant frameworks for remunerating executives and non-executive Directors in the FY23 Remuneration Report, contained within the annual report. The Remuneration Report outlines key principles that underpin the design of the framework.

#### Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

- (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
- (b) disclose that policy or a summary of it.

Judo has adopted a Securities Trading Policy, which provides that participants must not enter into hedging arrangements to limit the economic risk associated with holding Judo securities, among other matters.

A copy of the Securities Trading Policy is available on Judo's website at: <https://www.judo.bank/corporate-governance>.