

Monday, 20 October 2014

MARKET ANNOUNCEMENT

2014 Corporate Governance Statement and ASX Appendix 4G Key to Disclosures of Corporate Governance Principles and Recommendations

Bentley Capital Limited (ASX:BEL) is pleased to attach the Company's 2014 Corporate Governance Statement and ASX Appendix 4G (Key to Disclosures of Corporate Governance Principles and Recommendations).

The Company has chosen to early adopt the [Corporate Governance Principles and Recommendations](#) (3rd Edition, March 2014) issued by the ASX Corporate Governance Council in respect of the financial year ended 30 June 2014, one year before the mandatory adoption date.

Accordingly, the Company can lodge its Corporate Governance Statement on ASX and need not include it within its 2014 Annual Report.

The Company's 2014 Corporate Governance Statement, ASX Appendix 4G (Key to Disclosures of Corporate Governance Principles and Recommendations) and other ancillary corporate governance related documents can also be found at the following URL on the Company's Internet website: <http://bel.com.au/corporate-governance>

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CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board of Directors is committed to maintaining high standards of safety, performance and corporate governance for Bentley Capital Limited (**Company** or **Bentley**) and the entities it controls (**Group** or **Bentley Group**). Good corporate governance is about having a set of core values and behaviours that underpin the Group's activities and ensure transparency, fair dealing and protection of the interests of stakeholders – including shareholders, personnel, suppliers and communities in which the Group operates.

The Board of Directors supports the Corporate Governance Principles and Recommendations (3rd Edition, released in March 2014) (**ASX Recommendations**) developed by the ASX Corporate Governance Council (**Council**). The Company has chosen to early adopt the 3rd Edition of the ASX Recommendations in respect of the financial year ended 30 June 2014 (**Reporting Period**), one year before the mandatory adoption date.

The Company's practices are largely consistent with the ASX Recommendations. The Board considers that the implementation of a small number of ASX Recommendations is not appropriate, for the reasons set out below in relation to the items concerned. The Board uses its best endeavours to ensure that exceptions to the ASX Recommendations do not have a negative impact on the Company and the best interests of shareholders as a whole.

As required by the ASX Listing Rules, this Corporate Governance Statement (**CGS**) discloses the extent to which the Company has followed the ASX Recommendations during the Reporting Period, as summarised below:

ASX Corporate Governance Principles and Recommendations	CGS Reference
Principle 1 – Lay solid foundations for management and oversight	1.1 - 1.8
Principle 2 – Structure the Board to add value	2.1 - 2.8
Principle 3 – Act ethically and responsibly	3.1
Principle 4 – Safeguard integrity in corporate reporting	4.1 - 4.3
Principle 5 – Make timely and balanced disclosure	5.1
Principle 6 – Respect the rights of security holders	6.1 - 6.2
Principle 7 – Recognise and manage risk	7.1 - 7.3
Principle 8 – Remunerate fairly and responsibly	8.1 - 8.3

The Company has also prepared an ASX Appendix 4G – Key to Disclosures (which reports on the Company's compliance with each of the ASX Recommendations) – this Key has been lodged with the CGS on ASX and may be viewed and downloaded from the Company's website (details below).

A copy of the ASX Recommendations can be found on the ASX website at the following URL:

<http://www.asx.com.au/documents/asx-compliance/cgc-principles-and-recommendations-3rd-edn.pdf>

The Company's latest Annual Report (and other ASX market announcements and releases) may be viewed and downloaded from the Company's website at the following URL: <http://www.bel.com.au>

The Corporate Governance page of the Bentley website contains most of the charters, codes and policies which are referred to in this CGS, at the following URL: <http://bel.com.au/corporate-governance>

The names of the Executive Chairman and two Non-Executive Directors currently in office and their qualifications and experience are stated in the Company's latest Annual Report, on pages 14 to 15.

Approved by the Board and current as at 20 October 2014.

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CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1. Board of Directors - Role and Responsibilities

In general the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. The Board is also responsible for the overall corporate governance of the Company, and recognises the need for the highest standards of behaviour and accountability in acting in the best interests of the Company as a whole.

The Board also ensures that the Company complies with all of its contractual, statutory and any other legal and regulatory obligations. The Board has the final responsibility for the successful operation of the Company. Where the Board considers that particular expertise or information is required, which is not available from within its members, appropriate external advice may be taken and reviewed prior to a final decision being made.

Without intending to limit the general role of the Board, the principal functions and responsibilities of the Board include the matters set out below, subject to delegation to Senior Management as specified elsewhere in this Statement or as otherwise appropriate:

- (a) formulation and approval of the strategic direction, objectives and goals of the Company;
- (b) the prudential control of the Company's finances and operations and monitoring the financial performance of the Company;
- (c) the resourcing, review and monitoring of Senior Management and the Investment Committee;
- (d) ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- (e) the identification of significant business risks and ensuring that such risks are adequately managed;
- (f) The timeliness, accuracy and effectiveness of communications and reporting to shareholders and the market; and
- (g) the establishment and maintenance of appropriate ethical standards.

The Board takes advice from the [Audit Committee](#) and the [Remuneration Committee](#) on matters within their respective Charters, however the Board retains final decision-making authority on those matters.

1.2. Senior Management - Role and Responsibilities

The role of Senior Management is to deliver the strategic direction and goals determined by the Board.

The Board has delegated to the Executive Chairman, and through the Executive Chairman to other Senior Executives, responsibility for the day-to-day management of the Group, which includes:

- (a) management of the Group's operations and finances;
- (b) reporting to the Board on matters including the Group's operations and financial performance;
- (c) recommending Group strategy, budgets, plans, policies and risk management systems to the Board; and
- (d) determining Group policies, other than those reserved for the Board.

Senior Management may also be delegated responsibility for other matters under policies adopted by the Board.

The Company's Senior Management Team comprise the Executive Chairman (Mr Farooq Khan, appointed Director on 2 December 2003, Non-Executive Chairman on 10 February 2004 and Executive Chairman on 26 February 2009¹) and the Company Secretary (Mr Victor Ho, appointed 5 February 2004).

¹ Refer Bentley [Notice of General Meeting](#) dated 15 January 2009

CORPORATE GOVERNANCE STATEMENT

1.3. Board Nominations

The Board (on recommendations received from the Remuneration Committee, where appropriate and applicable) will consider nominations for appointment or election of Directors that may arise from time to time, having regard to the skills and experience required by the Company (as detailed in the Board Skills Matrix referred to in Section 2.1 below) and procedures outlined in the Company's [Constitution](#) and the [Corporations Act 2001 \(Cth\)](#).

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election, as a Director. Candidates are assessed through interviews, meetings and background and reference checks (which may be conducted both by external consultants and by Directors) as appropriate.

The Company gives shareholders all material information in its possession relevant to the decision on whether or not to elect (or re-elect) a Director, either in the notice of the meeting at which the election of the Director is to be held, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found.

1.4. Terms of Appointment - Directors and Senior Executives

Each new Non-Executive Director will receive a letter formalising their appointment and outlining the material terms of their appointment. The Non-Executive Directors of the Company have not been appointed for fixed terms.

Senior Executives will generally have written employment agreements with the Company setting out their duties, obligations and remuneration. The Company does not presently have formal service or employment agreements with the Executive Chairman and Company Secretary, being the Company's current Senior Executives. The present Senior Executives are, however, experienced company executives and are well aware of the requirements of their positions, including their roles and responsibilities and their duties as directors/officers of the Company. Their remuneration has been determined by the Board. The Company will consider entering into service or employment agreements with its Senior Executives to formalise their duties, obligations and remuneration.

The remuneration paid/payable to the Company's 'key management personnel' (which includes the Executive Chairman and Company Secretary) are outlined within the Remuneration Report in the Company's latest Annual Report.

The Company's constitution requires one third of the Directors (or, if that is not a whole number, the whole number nearest to one third) to retire at each Annual General Meeting (AGM). The Director(s) who retire under this rule are those who have held office the longest since last being elected or appointed. If two or more Directors have been in office for the same period, those Directors may agree which of them will retire. This rule does not apply to any Managing Director. A Director appointed by the Board since the last AGM and subject to retirement and re-election at the following AGM is also not taken into account in determining the number of Directors who must retire by rotation.

The initial appointment and last re-election dates of each current Director are listed below.

Director	First Appointed	AGM Last Re-elected
Farooq Khan	2 December 2003	22 November 2013 AGM
Christopher Ryan	5 February 2004	11 November 2011 AGM; retires (by rotation) and will stand for re-election at the 2014 AGM
William Johnson	13 March 2009	16 November 2012 AGM

1.5. The Company Secretary

The Company Secretary is appointed by the Board and is responsible for developing and maintaining the information systems and processes that are appropriate for the Board to fulfil its role. The Company Secretary is responsible to the Board for ensuring compliance with Board procedures and governance matters. The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.

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The Company Secretary is Mr Victor Ho (appointed 5 February 2004), whose qualifications and experience are stated in the Company's latest Annual Report.

1.6. Diversity

The Board, Senior Management and workforce of the Company/Group currently comprises individuals that are culturally diverse, together with possessing an appropriate blend of qualifications and skills. The Company recognises the positive advantages of a diverse workplace and is committed to:

- (a) creating a working environment conducive to the appointment of well-qualified employees, Senior Management and Board candidates; and
- (b) identifying ways to promote a corporate culture which embraces diversity.

The small size of, and low turnover within, the Company's workforce are such that it cannot realistically be expected to reflect the degree of diversity of the general population. Given those circumstances, and the current nature and scale of the Company's activities, the Board has determined that it is not practicable to set a formal diversity policy with measurable objectives for achieving gender diversity at this time. The Board monitors the extent to which the level of diversity within the Company is appropriate on an ongoing basis and periodically considers measures to improve it. The Board will give further consideration to the establishment of objectives for achieving gender diversity as the Company develops and its circumstances change.

The Board has delegated the responsibility of monitoring and ensuring workplace diversity to the Executive Chairman.

The Company does not currently have any women on the Board or in Senior Executive roles within the Group. A Senior Executive is a member of Senior Management that directly reports to the Executive Chairman. In this regard, it is noted that the Company has only three members on its Board and one Senior Executive. 50% of the Group's employees as at 30 June 2014 are female (30 June 2013: 36%).

1.7. Performance Review and Evaluation

The Board as a whole has responsibility to review its own performance, the performance of individual Directors and the performance of Board Committees. The Chairman also speaks to Directors individually regarding their role and performance as a Director.

Generally, evaluations are conducted initially by the Chairman via questionnaires and or interviews covering matters such as each Director's individual contribution, Board and Committee performance and the functioning of the Board and Committee processes. The overall outcomes are discussed by the Board with measures taken to improve the effectiveness and efficiency of the Board and Committees (as appropriate). A Board performance evaluation was not conducted during the Reporting Period (but is proposed to be undertaken shortly).

The Remuneration Committee is responsible for reviewing the performance and remuneration of the Executive Chairman and Executive Directors (where applicable) and reporting to the Board on the results of their review and their recommendations arising therein. A performance evaluation was not conducted with the Executive Chairman during the Reporting Period (but is proposed to be undertaken shortly).

The Executive Chairman reviews the performance of the Company Secretary, who is the only other Senior Executive. A performance evaluation was not conducted with the Company Secretary during the Reporting Period (but is proposed to be undertaken shortly).

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1.8. Investment Committee

The Investment Committee (established in March 2009) currently comprises the Executive Chairman, Mr Farooq Khan and the Company Secretary, Mr Victor Ho. The Investment Committee's role is to implement the Company's Investment Mandate, approved by shareholders in February 2009² and the Company's investment strategies approved by the Board.³

The Investment Committee's authority is subject to limits on the categories of investments it can make (imposed by the Investment Mandate) and financial limits within those categories, imposed by the Board. The Investment Committee reports regularly to the Board.

PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE

2.1. Board of Directors - Composition, Structure and Process

The Board has been formed so that it has an effective composition, size and commitment to adequately discharge its responsibilities and duties given the current size and the scale and nature of the Company's activities. The Directors periodically review whether the size and composition of the Board remains appropriate to the Company's activities and operating environment.

The names of the Executive Chairman and two Non-Executive Directors currently in office and their qualifications and experience are stated in the Company's latest Annual Report. A Director is generally initially appointed by the Board and retires (and may stand for re-election) at the next AGM after their appointment (as outlined in Section 1.4 above).

2.2. Nomination Committee

The Board has a Remuneration Committee with a remuneration and a nomination function (established 9 December 2010), which currently comprises independent Non-Executive Directors, Mr Christopher Ryan (who is the Chairman; also the Chairman of the Audit Committee) and Mr William Johnson. Their qualifications and experience are stated in the Company's latest Annual Report.

As a consequence of the size and composition of the Company's Board (comprising the Executive Chairman and two Non-Executive Directors, one of whom was based overseas during the Reporting Period) the Board does not have a stand-alone Nomination Committee and the Remuneration Committee only has two members (being the two Non-Executive Directors) instead of at least three members and does not have an independent majority of members, as per the ASX Recommendations.

The Remuneration Committee has a formal charter to prescribe its purpose, key responsibilities, composition, membership requirements, powers and other administrative matters, which includes a nomination function, with key responsibilities to make recommendations to the Board as to various Board matters including the necessary and desirable qualifications, experience and competencies of Directors and the extent to which these are reflected in the Board, the appointment of the Chairman and Managing Director (where applicable), the development and review of Board succession plans and addressing Board diversity.

The [Remuneration Committee Charter](#) may be viewed and downloaded from the Company's website.

The number of times that the Remuneration Committee met during the Reporting Period, and the individual attendances of Committee members at those meetings, are disclosed in the Company's latest Annual Report.

² Refer Bentley [Notice of General Meeting](#) dated 15 January 2009

³ Refer Bentley's [10 May 2010 ASX market announcement "Appointment of Chief Investment Officer and Implementation of Investment Strategy"](#).

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2.3. Skills, Knowledge and Experience

The Board seeks to ensure that its members have an appropriate mix of skills, knowledge and experience to enable it to properly perform its responsibilities and be well equipped to navigate the Company through the many opportunities and challenges it faces.

Directors are appointed based on the specific business, corporate and governance skills and experience required by the Company. The Board recognises the need for Directors to have a relevant blend of skills and personal experience in a range of disciplines required for the proper management and oversight of the Company's operations, having regard to the scale and nature of its activities.

While recognising that each Director will not necessarily have experience in each of the following areas, the Board seeks to ensure that its membership includes an appropriate mix of Directors with experience in the financial/investments sector, capital markets, general management, accounting and finance and corporate affairs.

A summary of the Directors' skills and experience relevant to the Group as at the end of the Reporting Period is set out below:

Skills and Experience (out of 3 Directors)			
Leadership and Governance		Sector Experience	
Executive Management	3	Investment management	3
Corporate Governance	3	Analysis and research	3
Strategy	3	Resources/oil and gas	3
Capital Markets		Technology	3
Capital raising	3	Start-ups	3
Securities markets	3	People	
Capital management	3	Human Resources	3
Corporate actions	3	Corporate	
Finance and Risk		Mergers and acquisitions	3
Accounting	3	Legal	3
Risk Management	3	Investor Relations	3
		Compliance	3

The diverse qualifications, skills and experiences of the Directors, disclosed in the Company's latest Annual Report, represents a mix that the Board believes is appropriate to have reflected among its members. The Board reviews its Skills Matrix at least annually.

2.4. Chairman

The Chairman leads the Board and has responsibility for ensuring that the Board receives accurate, timely and clear information to enable Directors to perform their duties as a Board. The Executive Chairman is Mr Farooq Khan (appointed Director on 2 December 2003, Non-Executive Chairman on 10 February 2004 and Executive Chairman on 26 February 2009), whose qualifications and experience are stated in the Company's latest Annual Report. The Company does not have a Managing Director or Chief Executive Officer (CEO). The Board has determined that the Executive Chairman is the appropriate person to perform the CEO-equivalent role in signing the declaration relating to the statutory accounts under s295A of the Corporations Act and as per the ASX Recommendations (refer Section 4.2 below).

The Company's principal business is to invest shareholders' funds in accordance with its Investment Mandate (refer Section 1.8). All material investment decisions require the approval of either the Investment Committee or the Board. In light of the very limited CEO-equivalent function that exists in the Company, the role of Chairman is the most important role on the Board. The Board believes that it is appropriate for that role to be performed by an Executive Director given the current size and the scale and nature of the Company's activities and the size and composition of the Board and Senior Management Team.

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The Board believes that the benefits to shareholders of a separate, independent Non-Executive Chairman and CEO does not outweigh the disadvantage of the real or perceived divergence of command and the additional remuneration and administrative expenses involved. However, the Board will periodically review whether it would be more appropriate to appoint an independent Non-Executive Chairman and a Managing Director/CEO.

2.5. Executive Director

The Executive Chairman is presently the Company's only Executive Director.

2.6. Non-Executive Directors

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. The Board currently has a majority of Non-Executive Directors. The Board as a whole is satisfied that the Non-Executive Directors bring an independent discretion to their deliberations, unaffected by the executive status of the Chairman. Mr Christopher Ryan (appointed 5 February 2004) and Mr William Johnson (appointed Executive Director on 13 March 2009, Non-Executive Director since 26 March 2013) are Non-Executive Directors. Their qualifications and experience are stated in the Company's latest Annual Report.

2.7. Independence

An independent Director, in the view of the Company, is a Non-Executive Director who:

- (a) has not previously been employed in an Executive capacity within the Group, unless a period of at least three years has elapsed between ceasing such employment and serving on the Board;
- (b) is not and has not within the last three years been a principal or senior employee of a material professional adviser to the Group;
- (c) is not and has not within the last three years been in a material business relationship (e.g. supplier or customer) with the Group, or an officer of or otherwise associated with someone with such a relationship;
- (d) is not a substantial shareholder of the Company or an officer of, or otherwise associated with, a substantial shareholder of the Company;
- (e) has no material contractual relationship with the Company other than as a Director of the Company;
- (f) has no close family ties with any person who falls within any of the categories described above; and
- (g) has not been a Director of the Company for such a period that his or her independence may have been compromised. There is no specified length of service beyond which a Director is no longer considered independent. The Board regularly assesses whether any, otherwise independent, Director who has served for more than 10 years may no longer be regarded as independent.

In the case where any of the above interests, positions or relationships exist, the Company assesses its materiality to determine whether it might interfere, or reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

The Board assesses the independence of Directors annually, or more frequently if circumstances require.

Mr Farooq Khan is not regarded as an independent Director as he is an Executive Director of the Company and also the Executive Chairman of the Company's largest shareholder, Orion Equities Limited (ASX : OEQ) (which holds a 27.76% shareholding interest) and the Executive Chairman and Managing Director of the Company's 4th largest shareholder, Queste Communications Ltd (ASX : QUE) (which holds 2.36%).

Mr William Johnson is not regarded as an independent Director as he was an Executive Director of the Company from his appointment in March 2009 until his transition to Non-Executive Director on 26 March 2013.

Mr Christopher Ryan is regarded as an independent, Non-Executive Director. Mr Ryan has served on the Board for more than 10 years, having been appointed in February 2004. The other Directors are satisfied that he brings an independent judgement to bear on all matters considered by the Board.

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The Board has a majority of Non-Executive Directors but not a majority of independent Non-Executive Directors. While Mr Johnson does not meet the independence criteria due to having previously held an Executive role (which ceased in March 2013), the Board is satisfied that he performs his duties to the same standard of independence as would be expected of an independent Director. The Board thus operates in substantially the same manner, as regards independent oversight of management, as a Board with an independent majority.

2.8. Induction and Professional Development

It is the policy of the Board to ensure that the Directors and Senior Management of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively and that individual and collective performance is regularly and fairly reviewed.

The Company has a programme for inducting new Directors. This includes giving new Directors a full briefing about the nature of the business, current issues, the corporate strategy and the expectations of the Board concerning the performance of Directors and access to all employees to gain full background on the Company's operations. Directors are encouraged to attend director training and professional development courses, as may be required to enable them to develop and maintain the skills and knowledge needed to effectively perform their roles as Directors, at the Company's expense (as approved by the Chairman and or the Board, as appropriate and applicable).

2.9. Meetings of the Board

The Board holds regular meetings, approximately monthly, and holds additional meetings whenever necessary to deal with specific matters requiring attention. Directors' Circulatory Resolutions are also utilised where appropriate either in place of or in addition to formal Board meetings. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity, provided that these commitments do not materially interfere with their ability to serve as a Director of the Company.

2.10. Conflicts of Interest

To ensure that Directors are at all times acting in the interests of the Company, Directors must:

- (a) disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Director or his duties to any other parties and the interests of the Company in carrying out the activities of the Company; and
- (b) if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Corporations Act, absent himself from the room when Board discussion and/or voting occurs on matters to which the conflict relates (save with the approval of the remaining Directors and subject to the Corporations Act).

2.11. Related-Party Transactions

Related party transactions include any financial transaction between a Director and the Company as defined in the Corporations Act or the ASX Listing Rules. Unless there is an exemption under the Corporations Act from the requirement to obtain shareholders' approval for the related party transaction, the Board may not approve the transaction. The Company also discloses related party transactions in its Annual Report as required under the Corporations Act and relevant Accounting Standards.

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2.12. Share Dealings and Disclosures

The Company has adopted a Share Trading Policy (dated 31 December 2010), which applies to Directors and employees of the Group and contractors who have agreed to be bound by the policy. The policy is designed to:

- (a) explain the type of conduct in relation to dealings in the Company's securities that is prohibited under the relevant law and by the Group, including insider trading; and
- (b) establish a procedure for buying, selling or otherwise dealing in the Company's securities (generally and during specified prohibited periods) which requires (in the case of 'Executive Personnel') the prior approval from the Chairman of the Board or the Chairman of the Audit Committee Board, as appropriate. Approval during prohibited periods will only be granted where there is severe financial hardship or exceptional circumstances.

A copy of the Company's [Share Trading Policy](#) may be viewed and downloaded from the Company's website.

2.13. Independent Professional Advice

Subject to prior approval by the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as a Director.

2.14. Company Information and Confidentiality

All Directors have the right of access to all relevant Company books and to Senior Executives. In accordance with legal requirements and agreed ethical standards, Directors and employees of the Company have agreed to keep confidential all information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

2.15. Directors' and Officer's Deeds

The Company has also entered into a deed with each of the current Directors and the Company Secretary to regulate certain matters between the Company and each officer, both during the time the officer holds office and after the officer ceases to be an officer of the Company (or of any of its wholly-owned subsidiaries). A summary of the terms of such deeds is contained within the Remuneration Report in the Company's latest Annual Report and in the [2009 Notice of AGM dated 13 October 2009](#).

PRINCIPLE 3 - ACT ETHICALLY AND RESPONSIBLY

3.1. Code of Conduct

The Company has developed a formal [Code of Conduct](#), which may be viewed and downloaded from the Company's website. The Code sets and creates awareness of the standard of conduct expected of Directors, officers, employees and contractors in carrying out their roles.

The Company seeks to encourage and develop a culture which will maintain and enhance its reputation as a valued corporate citizen of the countries where it operates and an employer which personnel enjoy working for. The Code sets out policies in relation to various corporate and personal behaviour including safety, discrimination, the environment, communities and heritage issues, respecting the law, anti-corruption, interpersonal conduct, conflict of interest and alcohol and drugs.

While the Code seeks to prescribe standards of behavior for all Group personnel to observe, it does not, and understandably cannot, identify every ethical issue that an individual might face. The Code's objective is to provide a benchmark for professional and personal behavior throughout the Group, to safeguard the Group's reputation and to make clear the consequences of breaching the Code.

All Group personnel receive a copy of the Code when they start with the Group and can access the Code from the Company's website or request a copy from their reporting manager or the Office Manager.

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PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

4.1. Audit Committee

The Audit Committee (established in October 2009) currently comprises independent Non-Executive Director, Mr Christopher Ryan (who is the Chairman; also the Chairman of the Remuneration Committee) and Non-Executive Director, Mr William Johnson. Their qualifications and experience are stated in the Company's latest Annual Report.

As a consequence of the size and composition of the Company's Board (comprising the Executive Chairman and two Non-Executive Directors, one of whom was based overseas during the Reporting Period) the Audit Committee only has two members (being the two Non-Executive Directors) instead of at least three members and does not have an independent majority of members, as per the ASX Recommendations.

The Audit Committee has a formal charter to prescribe its objectives, duties and responsibilities, access and authority, composition, membership requirements of the Committee and other administrative matters. It has an audit oversight function, with key responsibilities being to review and approve the audited annual and auditor reviewed half-yearly financial reports, to review reports from management and matters related to the external auditor and a risk management function (refer Section 7.1 for further details).

The [Audit Committee Charter](#) may be viewed and downloaded from the Company's website.

The number of times that the Audit Committee met during the Reporting Period, and the individual attendances of Committee members at those meetings, are disclosed in the Company's latest Annual Report.

4.2. CEO and CFO Declarations

The Company does not presently have a Managing Director, Chief Executive Officer (CEO) or Chief Financial Officer (CFO). The Board has determined that the Executive Chairman is the appropriate person to make the CEO equivalent declaration and the Company Secretary is the appropriate person to make the CFO equivalent declaration, as required under section 295A of the Corporations Act and as per the ASX Recommendations.

These declarations state that, in their respective opinions, the financial records of the Company 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 Company 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 receives, prior to their approval of the Company's financial statements for a financial period (i.e. the half year and full year reports), these CEO and CFO equivalent written assurances from the Executive Chairman and the Company Secretary respectively.

4.3. External Auditor

The Company's external auditor (**Auditor**) is selected for its professional competence, reputation and the provision of value for professional fees. Within the audit firm, the partner responsible for the conduct of the Company's audits is rotated every five years. The external Auditor attends the Company's AGMs (in person or by teleconference) and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

5.1. Continuous Disclosure to ASX

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to ASX as well as communicating with ASX.

In accordance with the Corporations Act and ASX Listing Rule 3.1, the Company immediately notifies ASX of information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, subject to exceptions permitted by that rule. A reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities if the

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information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

All staff are required to inform their reporting manager of any potentially price-sensitive information concerning the Company as soon as they become aware of it. Reporting managers are in turn required to inform the Managing Director of any potentially price-sensitive information.

In general, the Company will not respond to market speculation or rumours unless required to do so by law or by the ASX Listing Rules.

The Company may request a trading halt from ASX to prevent trading in its securities if the market appears to be uninformed. The Managing Director and, where the Managing Director is not available, the Company Secretary (in consultation with the Board), are authorised to determine whether to seek a trading halt.

PRINCIPLE 6 - RESPECT THE RIGHTS OF SECURITY HOLDERS

6.1. Market and Shareholder Communications

The Company is owned by shareholders. Increasing shareholder value is the Company's key mission. Shareholders require an understanding of the Company's operations and performance to enable them to be aware of how that mission is being fulfilled. The Directors are the shareholders' representatives. In order to properly perform their role, the Directors must be able to ascertain the shareholders' views on matters affecting the Company.

The Board therefore considers it paramount to ensure that shareholders are informed of all major developments affecting the Company and have the opportunity to communicate their views on the Company to the Board. Information is communicated to shareholders and the market through various means including:

- (a) monthly net tangible asset (NTA) backing announcements released to ASX, which are posted on the Company's website
- (b) the Annual Report which is distributed to shareholders if they have elected to receive a printed version and is otherwise available for viewing and downloading from the Company's website;
- (c) the AGM and other general meetings (the notices for which are available for viewing and downloading from the Company's website) called in accordance with the Corporations Act and to obtain shareholder approvals as appropriate. The Managing Director and Chairman (as appropriate) gives an address at the AGM updating shareholders on the Company's activities;
- (d) Half-Yearly Directors' and Financial Reports, which are available for viewing and downloading from the Company's website; and
- (e) other announcements released to ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be mailed to shareholders, which are available for viewing and downloading from the Company's website.

The Managing Director (and or the Office Manager, where appropriate) has general responsibility to speak to the media, investors and analysts on the Company's behalf. Other Directors or Senior Executives may be given a brief to do so on particular occasions (where appropriate).

The Company actively promotes communication with shareholders through a variety of measures, including the use of the Company's website and email. The Company's reports and ASX announcements may be viewed and downloaded from its website: <http://www.bel.com.au> or the ASX website: www.asx.com.au under ASX code "BEL".

Shareholders may elect to receive Annual Reports electronically. The Company also maintains an email list for the distribution of the Company's announcements on ASX via email in a timely manner.

Shareholders may send communications to and receive communications from the Company and its Share Registry electronically. The contact email addresses for the Company and its Share Registry are info@bel.com.au and admin@advancedshare.com.au respectively (also available on the Company's website).

CORPORATE GOVERNANCE STATEMENT

6.2. Shareholders' Meetings

Shareholders communicate with Directors through various other means including:

- (a) having the opportunity to ask questions of Directors at all general meetings;
- (b) the presence of the Auditor at AGMs (in person or by teleconference, as practicable and appropriate) to take shareholder questions on any issue relevant to their capacity as Auditor;
- (c) the Company's policy of expecting Directors to be available to meet shareholders at the AGM; and
- (d) the Company making Directors and selected Senior Executives available to answer shareholder questions submitted by telephone, email and other means (where appropriate).

Traditionally, the key forum for two-way communication between the Company and its shareholders is its AGM. The Board encourages shareholder participation at the Company's AGM and other general meetings of shareholders and the Chairman encourages questions and comments from shareholders and seeks to ensure that shareholders are given ample opportunity to participate. Shareholders who are unable to attend the AGM or a general meeting may submit questions and comments before the meeting to the Company and or to the Auditor (in the case of the AGM).

PRINCIPLE 7 - RECOGNISE AND MANAGE RISK

7.1. Risk Committee

As a consequence of the size and composition of the Company's Board (comprising the Managing Director and two Non-Executive Directors, one of whom was based overseas during the Reporting Period) the Board does not have a stand-alone Risk Committee. However, the Company's Audit Committee (refer Section 4.1 for further details) has an important risk management and compliance function, with key responsibilities being to ensure that an appropriate risk management framework is in place and is operating properly and reviewing and monitoring legal and policy compliance systems and issues. The [Audit Committee Charter](#) may be viewed and downloaded from the Company's website.

During the Reporting Period, the Audit Committee did not review the Company's risk management framework - this review is proposed to be undertaken shortly so that the Audit Committee can satisfy itself that the Company's risk management framework continues to be sound.

The number of times that the Audit Committee met during the Reporting Period, and the individual attendances of Committee members at those meetings, are disclosed in the Company's latest Annual Report.

7.2. Internal Control and Risk Management

The Board of Directors is responsible for (but takes advice from the Audit Committee in relation thereto) the overall internal control framework (which includes risk management) and oversight of the Company's policies on and management of risks that have the potential to impact significantly on operations, financial performance or reputation.

The Board recognises that no cost-effective internal control system will preclude all errors and irregularities. The system is based, in part, on the appointment of suitably-qualified and experienced service providers and suitably-qualified and experienced management personnel. The effectiveness of the system is monitored and continually reviewed by management on an on-going basis and at least annually by the Board. On a day-to-day basis, managing the various risks inherent in the Company's operations is the responsibility of the Executive Chairman in conjunction with the Company Secretary. Risks facing the Company can be divided into the broad categories of operations, compliance and market risks.

Operations risk refers to risks arising from day-to-day operational activities which may result in direct or indirect loss from inadequate or failed internal processes, decision-making, exercise of judgment, people or systems or external events. The Executive Chairman and the Company Secretary have delegated responsibility from the Board for identification of operations risks generally, for putting processes in place to mitigate them and monitoring compliance with those processes.

CORPORATE GOVERNANCE STATEMENT

The Company has clear accounting and internal control systems to manage risks to the accuracy of financial information and other financial risks.

Compliance risk is the risk of failure to comply with all applicable legal and regulatory requirements and industry standards and the corresponding impact on the Company's business, reputation and financial condition. The Company's compliance risk management strategy ensures compliance with key legislation affecting the Company's activities. The Company's compliance strategy is kept current with advice from senior external professionals and the ongoing training of Executives and other senior personnel involved in compliance management. The Company Secretary has oversight responsibility for managing the Company's compliance risk.

The Company has policies on responsible business practices and ethical behaviour, including conflict of interest and share trading policies, to maintain confidence in the Company's integrity and ensure legal compliance.

The material economic risks to which the Company is exposed principally consist of market risks. Market risk encompasses risks to the Company's performance from changes in equity prices, interest rates, currency exchange rates, capital markets and economic conditions generally. The Investment Committee acts as the first line in managing this risk, under the supervision of its Chairman (also the Chairman of the Board). The Board retains final responsibility to assess the Company's exposure to these risks and set the strategic direction for managing them. Further details are in Note 21 (Financial Risk Management) to the financial statements for the Company's latest financial year.

As a Listed Investment Company (LIC), the Company has no direct material exposure to environmental or social sustainability risks. There is potential for indirect material exposure to environmental, social sustainability and economic risks through the entities in which the Company invests. The Investment Committee regularly reviews existing and proposed material investments. These reviews include assessing whether entities in which the Company has, or is considering making, material investments have exposure to material environmental, social sustainability, economic and other risks. These risks are taken into account as part of the process of determining whether to make, maintain or dispose of any given material investment.

The Company's approach to risk management is not stationary; it evolves constantly in response to developments in operations and changing market conditions.

Management has reported to the Board as to the effectiveness of the Company's management of its material business risks in respect of the Company's latest financial year.

7.3. Internal Audit

The Company does not have an independent internal audit function. Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function in the manner disclosed below, the expense of an independent internal auditor is not considered to be appropriate.

The Audit Committee performs all key elements of an internal audit function, including:

- (a) evaluating and seeking and obtaining reasonable assurance that risk management, control, and governance systems are functioning as intended and will enable the Company's objectives and goals to be met;
- (b) evaluating information security and associated risk exposures;
- (c) evaluating regulatory compliance programmes with consultation from internal and external legal counsel;
- (d) evaluating the Company's preparedness in case of business interruption; and
- (e) providing oversight of the Company's anti-fraud programmes.

The Audit Committee delegates to the Company Secretary the authority to implement any non-strategic amendments to risk management systems required as a result of changed circumstances, or where the potential for improvement has been identified; reporting all such matters to the Executive Chairman promptly, and to the Audit Committee/Board for consideration at its next meeting. The Audit Committee may also seek recommendations from appropriate Senior Executives where strategic changes to risk management and internal control processes are required.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

8.1. Remuneration Committee

The Board has a Remuneration Committee with a remuneration and a nomination function (established 9 December 2010), which currently comprises independent Non-Executive Directors, Mr Christopher Ryan (who is the Chairman; also the Chairman of the Audit Committee) and Mr William Johnson. Their qualifications and experience are stated in the Company's latest Annual Report.

As a consequence of the size and composition of the Company's Board (comprising the Executive Chairman and two Non-Executive Directors, one of whom was based overseas during the Reporting Period) the Board does not have a stand-alone Nomination Committee and the Remuneration Committee only has two members (being the two Non-Executive Directors) instead of at least three members and does not have an independent majority of members, as per the ASX Recommendations.

The Remuneration Committee has a formal charter to prescribe its purpose, key responsibilities, composition, membership requirements, powers and other administrative matters, which includes a remuneration function, with key responsibilities to make recommendations to the Board on policy governing the remuneration benefits of Executive Directors, including equity-based remuneration, and to assist the Executive Chairman to determine the remuneration benefits of Senior Management and advise on those determinations.

The [Remuneration Committee Charter](#) may be viewed and downloaded from the Company's website.

The number of times that the Remuneration Committee met during the Reporting Period, and the individual attendances of Committee members at those meetings, are disclosed in the Company's latest Annual Report.

8.2. Remuneration Policy

Details of the Company's remuneration policy are contained in the Remuneration Report within the Company's latest Annual Report.

8.3. Equity Based Remuneration Scheme

The Company does not have an Employee Share Option Plan (ESOP) and has not issued equity-based remuneration (including shares and options) to Directors or Senior Management.

If options are proposed to be issued to Directors, Senior Management or employees, the Company's policy would be to require these option holders not to enter into transactions in associated products which limit the economic risk of holding unvested options. Also, under the Company's Share Trading Policy, Director and employee option-holders may not:

- (a) hedge or limit their exposure to risk in any unvested options in the Company; or
- (b) use any securities in the Company held by them as security for borrowing or other obligations (including a margin lending facility) without the written consent of the 'Trading Officer.

The Company's [Share Trading Policy](#) may be viewed and downloaded from the Company's website.

ASX APPENDIX 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

BENTLEY CAPITAL LIMITED

ABN/ARBN

87 008 108 218

Financial year ended

30 June 2014

Our Corporate Governance Statement² for the above period above can be found at:³

these pages of our annual report: **Not Applicable**

this URL on our website:

<http://bel.com.au/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 20 October 2014 and has been approved by the Board.

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

Date here: 20 OCTOBER 2014



Sign here:

Company Secretary

Print name: VICTOR HO

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.

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 ...	We have NOT 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	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement (CGS) at Section 1.1 and 1.2 of CGS</p> <p>... 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):</p> <p>at Section 1.1 and 1.2 of CGS</p>	Not Applicable
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.3 of CGS</p>	Not Applicable
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/></p> <p>an explanation why that is so in our Corporate Governance Statement</p> <p>at Section 1.4 of CGS</p>
1.4	<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.5 of CGS</p>	Not Applicable
1.5	<p>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> <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>(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</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p>at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... 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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (c)(1)</p>	<p><input checked="" type="checkbox"/></p> <p>an explanation why that is so in our Corporate Governance Statement</p> <p>at Section 1.6 of CGS</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
	or (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.6 of CGS	
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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7 of CGS ... and the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7 of CGS	Not Applicable
1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7 of CGS ... and the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7 of CGS	Not Applicable
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
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.	[If the entity complies with paragraph (a):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> ... and a copy of the charter of the committee : <input checked="" type="checkbox"/> at this location: http://bel.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.2 of CGS and in the 2014 Annual Report (at page 16) [If the entity complies with paragraph (b):] ... the fact that we do not have a nomination committee and the processes we employ 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: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Section 2.2 of CGS

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
2.2 <i>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.</i>	... our board skills matrix: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.3 of CGS	Not Applicable
2.3 <i>A listed entity should disclose:</i> <i>(a) the names of the directors considered by the board to be independent directors;</i> <i>(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</i> <i>(c) the length of service of each director.</i>	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.7 of CGS ... where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.7 of CGS ... the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 1.4, 2.4, 2.6, and 2.7 of CGS	Not Applicable
2.4 <i>A majority of the board of a listed entity should be independent directors.</i>	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Sections 2.1 and 2.7 of CGS
2.5 <i>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.</i>	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Sections 2.4 and 2.7 of CGS
2.6 <i>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.</i>	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.8 of CGS	Not Applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY		
3.1 <i>A listed entity should:</i> <i>(a) have a code of conduct for its directors, senior executives and employees; and</i> <i>(b) disclose that code or a summary of it.</i>	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 3.1 of CGS and at this location: http://bel.com.au/corporate-governance	Not Applicable
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING		
4.1 <i>The board of a listed entity should:</i> <i>(a) have an audit committee which:</i> <i>(1) has at least three members, all of whom are non-executive directors</i>	If the entity complies with paragraph (a): ... the fact that we have an audit committee that complies with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR	<input checked="" type="checkbox"/> an explanation why that is so in

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>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><input type="checkbox"/> at this location: _____</p> <p style="text-align: center;"><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location: http://bel.com.au/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location: at 2014 Annual Report (at pages 14, 15 and 16)</p> <p>If the entity complies with paragraph (b): ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location: _____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<p>our Corporate Governance Statement</p> <p>at Section 4.1 of CGS</p>
<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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 4.2 of CGS</p>	<p>Not Applicable</p>
<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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 4.3 of CGS</p>	<p>Not Applicable</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
<p>5.1 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>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 5.1 of CGS</p>	<p>Not Applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...	
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.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at this location: http://bel.com.au http://bel.com.au/about-us http://bel.com.au/investment-mandate http://bel.com.au/corporate-governance	Not Applicable
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 6.1 of CGS	Not Applicable
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.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 6.2 of CGS	Not Applicable
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 fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 6.1 of CGS	Not Applicable
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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.	If the entity complies with paragraph (a): ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> ... and a copy of the charter of the committee: <input type="checkbox"/> at this location: _____ <i>Insert location here</i> ... and the information referred to in paragraphs (4) and (5): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> If the entity complies with paragraph (b): ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 7.1 of CGS	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Section 7.1 of CGS refer also : Audit Committee Charter

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
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 (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Section 7.1 of CGS
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.	If the entity complies with paragraph (a): ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> If the entity complies with paragraph (b): ... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.3 of CGS	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Section 7.3 of CGS
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.	... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.2 of CGS	Not Applicable
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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.	[If the entity complies with paragraph (a):] ... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> ... and a copy of the charter of the committee : <input checked="" type="checkbox"/> at this location: http://bel.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 8.1 of CGS and in the 2014 Annual Report (at page 16) If the entity complies with paragraph (b): ... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at Section 8.1 of CGS

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	<input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	
8.2 <i>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.</i>	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 8.2 of CGS and in the Remuneration Report within the 2014 Annual Report (at pages 17 to 20)	Not Applicable
8.3 <i>A listed entity which has an equity-based remuneration scheme should:</i> (a) <i>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</i> (b) <i>disclose that policy or a summary of it.</i>	... our policy on this issue or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 8.3 of CGS and Securities Trading Policy at http://bel.com.au/corporate-governance	Not Applicable