

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

AZURE HEALTHCARE LIMITED

ABN/ARBN

67 108 208 760

Financial year ended:

30 June 2020

Our corporate governance statement¹ for the period above can be found at:²

These pages of our
annual report:

X This URL on our website: <http://azurehealthcare.com.au/corporate-governance/corporate-governancekey-to-disclosures/>

The Corporate Governance Statement is accurate and up to date as at 23 September 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 24 September 2020

Name of authorised officer
authorising lodgement: Brendan Maher, Company Secretary

¹ "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.

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 Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: http://azurehealthcare.com.au/corporate-governance/board-charter/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(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</p> <p>(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.</p> <p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: http://azurehealthcare.com.au/corporate-governance/diversity-policy/</p> <p>and we have disclosed the information referred to in paragraph (c) at: http://azurehealthcare.com.au/corporate-governance/diversity-policy/</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at: Our Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Our Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: http://azurehealthcare.com.au/corporate-governance/remuneration-policy/ and the information referred to in paragraphs (4) and (5) at: Directors Report in 2020 Annual Report</p> <p>[If the entity complies with paragraph (b):] and we have disclosed 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 at:</p> <p>Not Applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>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.</p>	<p><input type="checkbox"/> and we have disclosed our board skills matrix at:</p> <p>[insert location]</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, 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</p> <p>(c) the length of service of each director.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at:</p> <p>Our Corporate Governance Statement</p> <p>and, where applicable, the information referred to in paragraph (b) at:</p> <p>Our Corporate Governance Statement</p> <p>and the length of service of each director at:</p> <p>Our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: Our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: http://azurehealthcare.com.au/corporate-governance/code-of-conduct/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: http://azurehealthcare.com.au/corporate-governance/whistleblower/	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: http://azurehealthcare.com.au/corporate-governance/anti-bribery/	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>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"/></p> <p><i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: <i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at: <i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i> and we have disclosed 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 at: <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/></p> <p>set out in our Corporate Governance Statement</p>
4.2	<p>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><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>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.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: http://azurehealthcare.com.au/corporate-governance/continuous-disclosure-policy/	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: http://azurehealthcare.com.au/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: Our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: http://azurehealthcare.com.au/corporate-governance/audit-and-risk-committee-charter/</p> <p>and the information referred to in paragraphs (4) and (5) at: Directors Report in 2020 Annual Report</p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed 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 at:</p> <p>Not applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at:</p> <p>Our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed how our internal audit function is structured and what role it performs at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed 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 at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks at:</p> <p>Our Corporate Governance Statement</p> <p>and, if we do, how we manage or intend to manage those risks at:</p> <p>Not Applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/> [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: http://azurehealthcare.com.au/corporate-governance/remuneration-policy/ and the information referred to in paragraphs (4) and (5) at: Directors Report in 2020 Annual Report</p> <p>[If the entity complies with paragraph (b):] and we have disclosed 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:</p> <p>Not Applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: http://azurehealthcare.com.au/corporate-governance/remuneration-policy/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: http://azurehealthcare.com.au/corporate-governance/employee-share-option-plan-rules/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/> Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed 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.	<input type="checkbox"/> Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>Not Applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

ROLE OF THE BOARD

The role of the Board of Directors of the Company is to provide strategic guidance for Azure Healthcare Limited ("Azure") and effective oversight of management. The Board operates in accordance with Azure's Constitution and Board Charter, which describes the Board's composition, functions and responsibilities and designates authority reserved to the Board and that which is delegated to management. The Board's functions are set out in Azure's Board Charter and include:

- monitoring financial performance against agreed financial objectives;
- monitoring the implementation of the strategy approved by the Board;
- appointing, removing and monitoring the performance of the Chief Executive Officer, Chief Financial Officer and Company Secretary;
- ensuring appropriate succession planning for Board members and senior management;
- approving and monitoring financial and other reporting;
- determining the Company's dividend policy;
- approving and monitoring major capital expenditure, capital management, funding, acquisitions and divestments;
- overseeing risk management, control, accountability and compliance systems; and
- setting standards of behaviour to enhance the reputation of Azure Healthcare Limited in the market and the community.

COMPOSITION OF THE BOARD

As at the date of this report, the Directors were as follows:

Director's name	Appointment date	Independence status
Mr Clayton Astles	31 July 2015	Not independent Executive
Mr Graeme Billings(i)	21 October 2015	Independent Non Executive
Mr Brett Burns (ii)	21 October 2015	Independent Non Executive
Mr Anthony Glenning (iii)	3 September 2018	Independent Non Executive

(i) Chairman of the Audit and Risk Management Committee and member of the Nomination and Remuneration Committee.

(ii) Chairman of the Nomination and Remuneration Committee and member of the Audit and Risk Management Committee.

(iii) Member of the Audit and Risk Management Committee and member of the Nomination and Remuneration Committee.

Each Director is a senior and experienced executive with skills and experience necessary for the proper supervision and leadership of the Company. Before appointing a director, or putting forward to shareholders a director for appointment, the Company undertakes comprehensive reference checks that cover elements such as the person's character, experience, employment history, qualifications, criminal history, bankruptcy history, and disqualified officer status. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC'). Details of the Directors, their experience and their special responsibilities with respect to the Company are set out on page 3 of the 2020 Annual Report.

The terms of the appointment of a Non Executive director are set out in writing and cover matters such as the term of appointment, time commitment envisaged, required committee work and other special duties, requirements to disclose their relevant interests which may affect independence, corporate policies and procedures, indemnities, and remuneration entitlements.

The Board consists of a majority independent Directors and considers Mr Graeme Billings, Mr Anthony Glenning and Mr Brett Burns to be independent as they have not served as an executives of the Company or are substantial shareholders and meet the definition of independence as prescribed by the ASX Corporate Governance Council's Principles and Recommendations with 2019 Amendments (4th edition).

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Through the Nomination and Remuneration Committee directors have considered the balance of skills and experience required of Board members for the size and stage of development of Azure. Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the Company.

BOARD FORMAL INDUCTION PROGRAM

The Company does not have in place a formal induction program or professional development program for directors. The Chief Executive Officer and Chairman are responsible for providing all information considered necessary to an incoming director to enable them to contribute to the business of the Company. Directors are responsible for their own development which includes identifying opportunities for them to attend courses or other information sessions to enhance their skills and knowledge.

CHAIRMAN AND BOARD INDEPENDENCE

Azure meets the Australian Securities Exchange Corporate Governance recommendation that the Chairperson be independent. The Company's charter specifies that the Board should comprise a majority of Non Executive directors and will consist of directors who have a proper understanding of the business and who can add shareholder value.

There are currently four Directors on the Company's Board and the majority of the Board are independent. Mr Billings, Mr Glenning and Mr Burns are considered independent whilst Mr Astles is not considered Independent as he is an Executive of the Company.

ROLE OF MANAGEMENT

The Board has delegated the day to day management of the Company to the Chief Executive Officer, Chief Financial Officer and other senior executives ('management'). The Company's management is responsible for the following:

- implementing the strategic objectives set by the Board;
- operating within the risk parameters set by the Board;
- operational and business management of the Company;
- managing the Company's reputation and operating performance in accordance parameters set by the Board;
- day to day running of the Company;
- providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities;
- approving capital expenditure (except acquisitions) within delegated authority levels.

Senior executives have their roles and responsibilities defined in specific position descriptions. The Nomination and Remuneration committee conducted a performance evaluation in July 2020 for the 12 month period to June 2020. The committee's recommendations included the examination of the performance of management against Company deliverables and key performance indicators.

ROLE OF COMPANY SECRETARY

The Company Secretary reports directly to the Board through the Chairman and is accessible to all directors. The Company Secretary's role, in respect of matters relating to the proper functioning of the Board, includes:

- advising the Board and its Committees on governance matters;
- monitoring compliance of the Board and associated committees with policies and procedures;
- coordinating all Board business;
- retaining independent professional advisors;
- ensuring that the business at Board and committee meetings is accurately minuted; and
- assisting with the induction and development of directors.

RISK MANAGEMENT

The entire Board is responsible for overseeing the risk management function. The Company believes that it is crucial for all Board members to be a part of the process and as such has established risk management as a component of the Audit and Risk Management Committee.

The Board is responsible for ensuring risks and opportunities are identified on a timely basis.

The Board has a number of mechanisms in place to ensure management manages risk in an effective manner. These include the following:

- Implementation of Board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non-financial nature; and
- The establishment of risk management identification and mitigation practices.

The Board maintains a combined Audit and Risk Committee. The Charter of the Audit and Risk Committee is available at the Company's website (<http://azurehealthcare.com.au/corporate-governance/audit-and-risk-committee-charter/>) or upon request from the Company. The charter includes the committee's responsibilities which include procedures for general risk oversight and monitoring, internal control and risk management, risk transfer and insurance and other responsibilities.

The Audit and Risk Committee reviews the Company's risk management framework at least annually to ensure that it is still suitable to the Company's operations and objectives and that the Company is operating within the risk parameters set by the Board. As a consequence of the last review undertaken for the year ended 30 June 2020, there were no significant recommendations made.

INTERNAL RISK MANAGEMENT SYSTEM COMPLIANCE

Management is accountable to the Chief Executive Officer to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the Company's material business risks and reports to the Board on the effective management of those risks. The Company has considered a series of operational risks which the Company believes to be inherent in the industry in which the Company operates. These include:

- Changes to operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates;
- Increasing costs of operations; and
- Changes in competitive environment.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the Company.

The Board requires the Chief Executive Officer and Chief Financial Officer every half year to provide a statement confirming that a sound system of risk management and internal control is in place and that the system is operating effectively in all material respects in relation to financial risks. The Board received that assurance as part of the approval of the 2020 financial statements and annual report.

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MATERIAL EXPOSURE TO ECONOMIC ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The management of the Company and the execution of its growth strategies are subject to a number of risks which could adversely affect the Company's future development. The following is not an exhaustive list or explanation of all risks and uncertainties associated with the Company (and its subsidiaries), but those considered by management to be the principal material risks:

Customer base	The Company needs to retain and attract new customers, in sufficient numbers, especially in markets where the Company already has a degree of market penetration. This is largely dependent on our technology offerings, service and also technical support.
Research and development	The Company is investing heavily in research and development. Our Research & Development efforts are currently focused on our 4th generation Tacera software platform that has an associated risk of customer uptake successful technical implementation and efficient customer experience.
Patents, trademarks and brand reputation	Maintaining and enhancing the brand is critical to the Company's strategies going forward. If the Company fails to meet customer (and supplier) expectations, negative publicity and complaints on social media platforms could damage the brand and ultimately reduce customers' willingness to buy from the Company. If the Company fails to maintain the brand or if excessive expenses are incurred in this effort, the Company's business, results of operations, financial condition and financial results may be materially and adversely affected. As with all brands, the Company is exposed to risk from unauthorised use of its trademarks and other intellectual property. Any infringement could lead to a loss in profits and have a negative impact on image and continued success. Patents and trademarks are registered and where any infringements are identified, appropriate legal action is taken.
Cash and other financial risk	The management of cash is of fundamental importance. At 30 June 2020 the consolidated entity had a cash balance of \$6.48 million. Cash is used to carry out the Company's research and development and fund working capital requirements. The Company is also exposed to financial risks such as foreign currency risk and interest rate risk. Refer to the 'Financial Instrument' note to the financial statements for further information on these risks and how they are managed.
Regulatory, changes in imports and/or tariffs	The Company operates in multiple jurisdictions and as such is subject to different regulatory environments. In particular, the USA has recently introduced new tariffs associated with the import of certain materials and products from China.
Loss of people	The Company's senior executive team is instrumental in implementing the Company's strategies and executing business plans which support the business operations and growth. The reseller network has strong supplier and customer relationships which are central to the Company's ability to deliver products. The research and development team are critical to bringing new initiative products to market in a timely fashion. Service agreements are in place and the risk of the loss of key personnel is mitigated by regular reviews of remuneration packages (including short and long term incentive schemes) and succession planning within the team.
Equal opportunity	The Company is committed to an active equal opportunities policy. It is the Company's policy to promote an environment free from discrimination, harassment and victimisation, where everyone will receive equal treatment regardless of gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion. Employment practices are applied which are fair, equitable and consistent with the skills and abilities of the employees and the needs of the Company.

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Loss of key customers/suppliers	Key customers and opinion leaders are critical to Azure's reputation and sales. Maintaining relationships with customers, key stakeholders and suppliers is also critical to meeting manufacturing timeframes and delivery to those customers. As the Company grows, it has developed strong relationships with both the suppliers of raw materials and the necessary logistic support.
Environmental, corporate and social responsibilities	The Company's approach is to make a positive difference to the people, environment and communities in which it works.

BOARD PRACTICES

The Board meets on a regular basis (and at other times as required) to evaluate, control, review and implement the Company's operations and objectives.

The Directors receive monthly reports from the Chief Executive Officer and the Chief Financial Officer, and each receive a copy of all ASX market announcements as they are made via the ASX lodgement platform's email notification system.

A Director, subject to prior consultation with the Chairman, may seek independent professional advice (including legal advice) at the Company's expense.

BOARD SKILLS MATRIX

The Board does not maintain a formal skills matrix that sets out the mix of skills and diversity that the Board aims to achieve in its membership. The current Board members represent individuals that have extensive experience in the software and healthcare industry, legal and accounting professions that bring to the Board specific skills in order for the Company to achieve its strategic, operational and compliance objectives. Their suitability to the directorship has therefore been determined primarily on the basis of their ability to deliver outcomes in accordance with the Company's short and longer term objectives and therefore deliver value to shareholders.

All Board members are however expected to be able to demonstrate the following attributes:

Board Member Attributes

Leadership	Represents the Company positively amongst stakeholders and external parties; decisively acts ensuring that all pertinent facts considered; leads others to action; proactive solution seeker.
Ethics and integrity	Awareness of social, professional and legal responsibilities at individual, Company and community level; ability to identify independence conflicts; applies sound professional judgement; identifies when external counsel should be sought; upholds Board confidentiality; respectful in every situation.
Communication	Effective in working within defined corporate communications policies; makes constructive and precise contribution to the Board both verbally and in written form; an effective communicator with executives.
Negotiation	Negotiation skills which engender stakeholder support for implementing Board decisions.
Corporate governance	Experienced director that is familiar with the mechanisms, controls and channels to deliver effective governance and manage risks.

BOARD COMMITTEES

The Board has established two committees of Directors, the Audit and Risk Management Committee and the Nomination and Remuneration Committee, to carry out certain tasks. Details of the names and relevant qualifications of the Directors appointed to these committees, the number of meetings of each committee held during the year ended 30 June 2020 and the attendance record for each Director can be found on page 4 of the 2020 Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is chaired by a Non Executive Director and consists of three members and has a documented charter (including guidelines for the nomination of Directors) approved by the Board, a copy is available at the Company's website (<http://azurehealthcare.com.au/corporate-governance/remuneration-policy/>) or upon request from the Company. The ASX Corporate Governance guidelines recommend that the Nomination and Remuneration Committee has at least 3 members.

For full details on the members of the committee, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, refer to page 4 of the 2020 Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Board has established an Audit and Risk Management Committee, which is chaired by an independent Non Executive Director and consists of three members. The Audit and Risk Management Committee has a documented charter approved by the Board and is available at the Company's website (<http://azurehealthcare.com.au/corporate-governance/audit-and-risk-committee-charter/>). The ASX Corporate Governance guidelines recommend that the Audit and Risk Management Committee has at least 3 members with a majority of independent directors, which the Company complies with. However, the ASX Corporate Governance guidelines also recommend the audit committee be chaired by an independent director who is not the chair of the board which the Company does not currently comply with as the Company believe the Chair of the board has the skills best suited to also chair the Audit and Risk Management Committee.

For full details on the members of the committee, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, refer to page 4 of the 2020 Annual Report.

PERFORMANCE REVIEW

The Board has delegated the responsibility for evaluating the performance of the Non Executive Directors to the Chairman. A performance evaluation was conducted in September 2020 and included the examination of the performance of the Board and the individual Board members against the Board Charter. The outcome of that evaluation was in line with the Company's Selection and appointment of Directors policy.

The Board has delegated the responsibility for evaluating the performance of the Company's executive management to the Nomination and Remuneration Committee. A performance evaluation was conducted in July 2020 and included the examination of the performance of Executive Management against the Board Charter. The outcome of that evaluation was in line with the Company's Selection and appointment policy.

Both the Board Charter and Appointment of Directors Policy are available on the Company's website: www.azurehealthcare.com.au.

EVALUATING THE PERFORMANCE OF EXECUTIVE MANAGEMENT

The Company conducts annual performance reviews at the commencement of each financial year for all Executive Management. These appraisals are conducted by the Chief Executive Officer or immediate line manager and assess the past year's performance as well as set future performance goals for each Executive Manager. Each appraisal is completed in conjunction with each Manager's budget forecast for the following financial year and comprise operational, financial and non financial Key Performance criteria and goals.

REMUNERATION POLICY

The Company's remuneration policy for the Board of Directors and Executive Management is structured to ensure that the remuneration package properly reflects the person's duties and responsibilities and level of performance. Executive directors and other senior executives are remunerated using combinations of fixed and performance based remuneration. Fees and salaries are set at levels reflecting market rates having regard to the individual's performance and responsibilities. Performance based remuneration is linked directly to specific performance targets that are aligned to both short and long term objectives. Share options are aligned to longer term share price growth via premium option exercise prices. Termination payments are detailed in individual contracts and payable on early termination with the exclusion of termination in the event of misconduct.

Executive remuneration comprises the following elements:

- Fixed remuneration, including superannuation, which is set at a level that reflects the marketplace for each position;
- Short Term Incentive (STI) payments based on achievement of operational and financial goals
- Long Term Incentive (LTI) equity based remuneration, including share options with exercise prices at a premium to the prevailing share price, which incorporates exercise restrictions based on continuity of employment.

Note: the use of derivatives or other hedging arrangements for unvested securities of the Company or vested securities of the Company which are subject to escrow arrangements is prohibited. Where a director or other senior executive uses derivatives or other hedging arrangements over vested securities of the Company, this will be disclosed.

Non Executive Directors are remunerated by way of fees and do not participate in profit or incentive schemes. Further details of remuneration of Directors and Executive Management can be found commencing on page 16 of the 2020 Annual Report.

INTEGRITY OF FINANCIAL REPORTING AND RISK MANAGEMENT

The Board has ultimate responsibility for the integrity of the Company's financial reporting. The Directors have implemented internal control processes for identifying, evaluating and managing significant financial, operational and compliance risks to the achievement of the Company's objectives. This risk policy is available at <http://azurehealthcare.com.au/corporate-governance/risk-management-policy/> and reviewed annually by the committee.

The Directors have received and considered written representations from the Chief Executive Officer and the Chief Financial Officer of the Company in accordance with section 295A of the Corporations Act.

The Chief Executive Officer and the Chief Financial Officer of the Company have made the following declarations to the Board:

- That the Company's financial statements are complete and present a true and fair view, in all material respects, of the financial condition and operating results of the Company, and are in accordance with the relevant Accounting Standards; and
- That the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and that compliance

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and control is operating efficiently and effectively in all material respects.

The Company's external auditor has been invited to attend the Annual General Meeting and be available to answer questions from the members of the Company about the conduct of the audit and the preparation and content of the Independent Auditor's report.

INTERNAL AUDIT FUNCTION

The Company does not have a dedicated internal audit function. The responsibility for risk management and internal controls lies with both the Chief Executive Officer and Chief Financial Officer who continually monitor the Company's internal and external risk environment. Necessary action is taken to protect the integrity of the Company's books and records including by way of design and implementation of internal controls, and to ensure operational efficiencies, mitigation of risks, and safeguard of Company assets.

ANNUAL GENERAL MEETING

The engagement partner for the Company's audit attends the AGM and is available to answer shareholder questions from shareholders relevant to the audit.

All substantive resolutions at a meeting of security holders will be held by deed poll rather than by a show of hands.

The Company encourages shareholders to attend the Company's AGM and to send in questions prior to the AGM so that they may be responded to during the meeting. It also encourages ad hoc enquiry via email which are responded to.

DIVERSITY POLICY

Azure is committed to recruiting, developing and retaining a talented and diverse workforce so as to maximise its corporate goals.

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. To the extent practicable, Azure will address the recommendations and guidance provided in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Third Edition) (ASX Principles).

The board of Directors of Azure is responsible for adopting and monitoring the Company's Diversity Policy (Policy). This policy does not form part of an employee's contract of employment, nor does it give rise to contractual obligations. Every employee and officer of Azure is responsible for supporting and maintaining Azure's corporate culture, including its commitment to diversity in the workplace.

Azure promotes gender balance within the workforce. While the Company is successfully overseen by only four directors who provide a skill set which is appropriate for the Company's needs, across the rest of the Company, there is a significant involvement of both female and male employees at each level of operations.

Overall, the object is for the Company to achieve the national benchmark of women comprising 47% of the workforce according to the Workplace Gender Equality Agency. The classification of Management, Finance and Administration has achieved 67% so exceeds this benchmark.

The operational classification of 'Other' is dominated by male workers such as Developers, Technicians and Manufacturing personnel. Azure has recorded a 25% female participation rate for this class, an increase on the prior year's 22% female rate.

	2020		2020		2019		2019	
	NUMBER OF		PERCENTAGE OF		NUMBER OF		PERCENTAGE OF	
	Female	Male	Female	Male	Female	Male	Female	Male
Board	0	4	0%	100%	0	4	0%	100%
Management, Finance, Administration	18	9	67%	33%	19	10	67%	33%
Other	17	52	25%	75%	18	63	22%	78%
Total	35	65	35%	65%	37	77	32%	68%

This Policy does not impose on Azure, its directors, officers, agents or employees any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any antidiscrimination or equal employment opportunity legislation or laws that are applicable to the Company and/or its related entities.

PROGRAMS AND INITIATIVES INTRODUCED TO INCREASE DIVERSITY

1. The Board is committed to embracing diversity when determining the composition of the Board, including the nomination, selection and appointment of new directors. Assessment of qualifications, skills, experience and diversity of gender is considered by the Board in determining the composition of the Board, senior management and employees.
2. The Board is committed to creating and maintaining programs or initiatives to best enhance the development of required skills and experience for leadership roles and Board positions, to achieve improved diversity within the Company.
3. To assist with improving gender diversity within the organisation, the Company has developed and introduced programs and initiatives through the year to June 2020 including:
 - formal and informal mentoring programs. Due to the success in the recent year, the Company plans to further expand this program in 2021;
 - broader reaching networking opportunities;
 - professional development programs that are targeted at helping women and men develop skills and experience for advancement in their roles;
 - fostering a corporate culture that embraces and values diversity and uses that diversity to deliver business outcomes; and
 - providing greater flexible work options and a working environment that helps women and men to balance their work, life and family responsibilities. Prior to the remote working requirements that COVID-19 enforced onto companies, Azure had 44% of staff already accessing these options.

MONITORING THE MEASURABLE OBJECTIVES

The object is for the Company to achieve the national benchmark of women comprising 47% of the workforce according to the Workplace Gender Equality Agency. The Company believes the above programs and initiatives will contribute to greater gender diversity throughout the Group over the medium term, such that it can achieve its objective.

The Board is ultimately responsible for establishing the measurable diversity objectives for the Company and ensuring that they will be progressively and successfully achieved. The Chief Executive Officer and Company Secretary will monitor and report on the progress and effectiveness of the diversity program and initiatives, as part of an annual compliance review to the Board.

COMMUNICATION WITH SHAREHOLDERS AND THE MARKET

The Company's commitment to communicating with its shareholders is embodied in its Continuous Disclosure Policy, which contains policies and procedures designed to ensure accountability at the senior management level for compliance with disclosure obligations. A copy of the Company's Continuous Disclosure Policy is available at <http://azurehealthcare.com.au/corporate-governance/continuous-disclosure-policy/> or may be obtained upon request from the Company.

In addition to the distribution of the Annual Report, the Company maintains information in relation to governance documents, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details on the Company's website.

In order for the investors to gain a greater understanding of the Company's business, governance practices, financial performance and future prospects, the Company schedules interactions during the year where it engages with institutional and private investors, analysts and the financial media.

Meetings and discussions with analysts must be approved by the Chairman and are generally conducted by the Chief Executive Officer and Chief Financial Officer. The discussions are restricted to explanations of information already within the market or which deal with non-price sensitive information. These meetings are not held within a four-week blackout period in advance of the release of interim or full year results. Investor or analyst presentations are released onto the ASX Market Announcements Platform ahead of the presentation.

The Company encourages shareholders to attend the Company's AGM and to send in questions prior to the AGM so that they may be responded to during the meeting. It also encourages ad hoc enquiry via email which are responded to.

SHARE REGISTER COMMUNICATIONS

The Company engages its share registry to manage the majority of communications with shareholders. Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry, Computershare Investor Services Pty Limited.

VALUES, ETHICS AND CODES OF CONDUCT

The Board recognises that it has a responsibility for setting the ethical tone and standards of the Company and Azure's Senior Executives recognise that they have a responsibility to implement practices that are consistent with those standards. The reputation of the Company is one of its most valuable assets and the Board acknowledge the importance of protecting this asset by acting ethically and responsibly.

The Company has adopted a Code of Conduct that applies to all employees and directors of the Company. The Code of Conduct reflects the commitment of the Company to ethical standards and practices. This Code deals with issues specific to employees and the Directors including, but not limited to, the following:

- Directors will act with fairness, honesty and integrity in all of their dealings on behalf of the Company.
- Directors will not discriminate on the grounds of people's race, religion, gender, marital status, or disability.
- Directors will not make promises or commitments which to their knowledge Azure does not intend, or is unable, to honour.
- Directors will require that all employees of the Company act in accordance with these principles of fairness, honesty and integrity.

A copy of the Code of Conduct is available at <http://azurehealthcare.com.au/corporate-governance/code-of-conduct/> or may be obtained from the Company upon request.

The Company has also implemented a policy on securities trading that binds all of the Company's officers and employees. In addition to ensuring that all officers and employees are aware of the legal restrictions on trading in the Company's securities while in possession of unpublished price sensitive information, the policy also restricts the times when officers and employees may deal in the Company's securities. A copy of the Policy for Securities Dealing by Directors and Employees is available at <http://azurehealthcare.com.au/corporate-governance/security-dealing-policy/> or may be obtained from the Company upon request.