



CORPORATE GOVERNANCE STATEMENT 2023

Qualitas Limited (Qualitas or the Company) believes that good corporate governance is central to achieving its objectives of delivering attractive, risk-adjusted returns to investors and helping its borrowers bring their projects to life.

Qualitas is committed to ensuring it has the people, policies, and practices in place to ensure the company undertakes and demonstrates a high standard of corporate governance.

Qualitas believes that good governance promotes investor confidence and retains goodwill with its shareholders, employees, investors, borrowers, and industry.

The directors of Qualitas (**Directors** or the **Board**) are accountable to shareholders for the governance of Qualitas and oversee the management and adherence to the company's governance and risk policies and procedures. The Board and its committees regularly review Qualitas' governance framework (including its policies) and risk management, to ensure they meet regulatory requirements and continue to be fit for purpose with respect to Qualitas' growth aspirations.

Qualitas meets the requirements of the ASX Corporate Governance Council's Corporate Governance Principles Recommendations (4th edition) (**ASX Principles**) as at 23 August 2023 and this statement was approved by the Board on 23 October 2023.



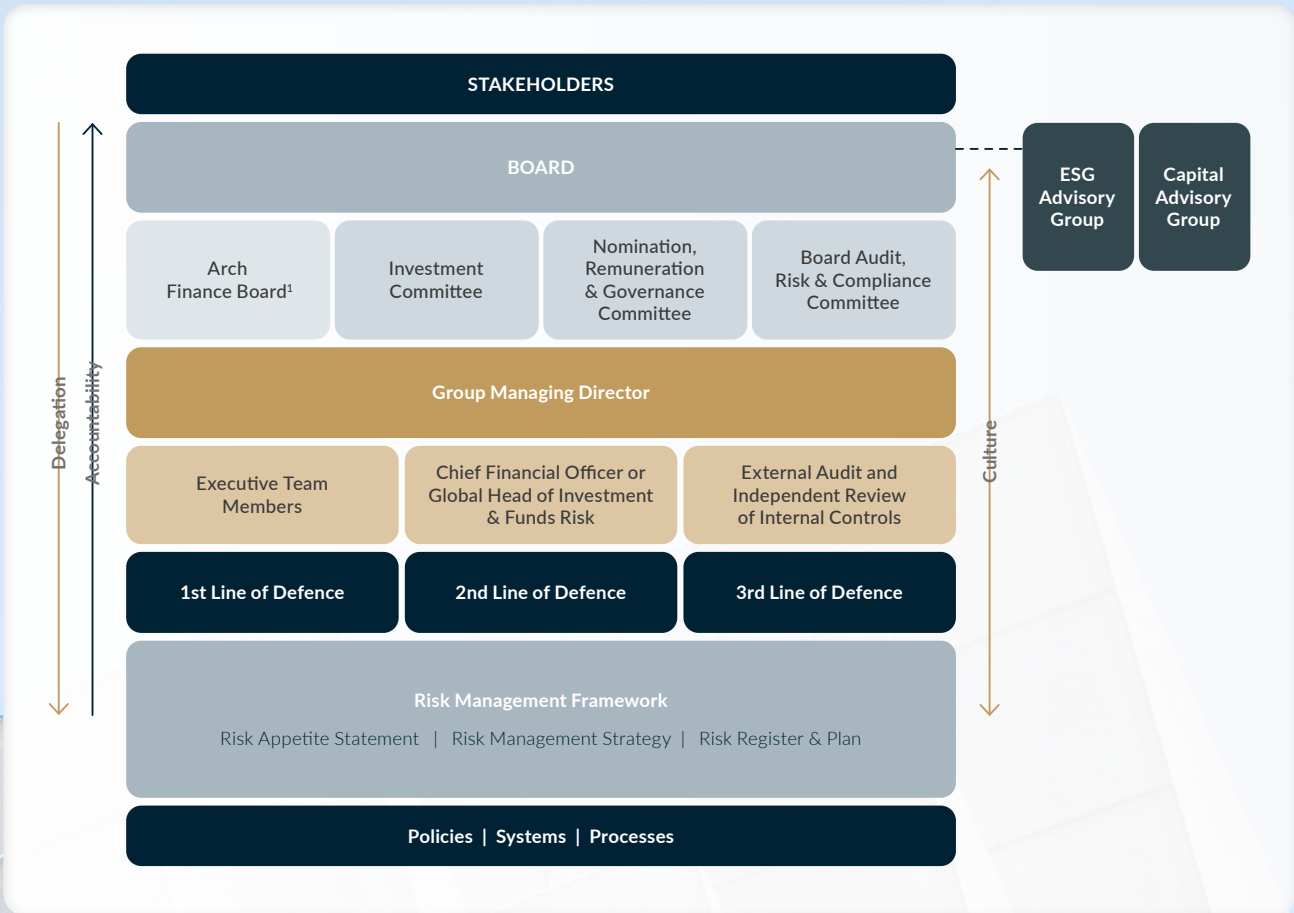
Further information about Qualitas' corporate governance practices and copies of key public governance documents referred to in this document are available on [Qualitas' website](#)

CORPORATE GOVERNANCE FRAMEWORK

The Board is responsible for the overall corporate governance of Qualitas. The Board monitors the operational and financial position and performance of Qualitas and oversees its investment and business strategy, including approving the strategic goals of Qualitas and considering and approving its annual budget.

The Board continues to periodically review the corporate governance framework of policies and practices, risk management practices and internal controls that it believes are appropriate for Qualitas' business (**Governance Framework**).

The Governance Framework is based on clear lines of accountability, effective delegation and adequate oversight. Qualitas' corporate governance documents are available in the investor centre.



1. Subsidiary Entity Board of the Company. Directors are Mary Ploughman (Chair), Andrew Fairley AM and Andrew Schwartz.

VALUES AND INTEGRITY

In 2023 the Board reviewed and endorsed Qualitas' updated purpose to be a leading, trusted investor delivering access to long term returns through focused, responsible and sophisticated real asset strategies.



Qualitas also holds a Values Statement that is available in the [investor centre](#), that clearly sets out the set of behaviours that Qualitas expects its people to uphold.

The values are:

Value	Acceptable Behaviours	Unacceptable Behaviours
<p>RESPECT</p> <p>Treat all stakeholders with trust, fairness and dignity and enjoy the value of diversity of individual differences, including background, experience, and opinion.</p>	<ul style="list-style-type: none"> - Trusting that each of us has the right set of skills and knowledge to perform our job well and showing confidence in our abilities and the abilities of others. - Listening to each other and respecting different opinions. - Invite and build upon the ideas and input of others. - Encourage others to share views frankly and openly. - Show consistency between words and actions. - Treat others fairly and consistently (non judgmental). - Accept responsibility for one's own performance and actions. - Promptly confronts organisational policy and compliance issues. - Looking after our physical and mental health and supporting the mental and physical health of team members. - Respecting, encouraging and celebrating the inclusion and diversity of our people, customers, stakeholders and the communities in which we operate. 	<ul style="list-style-type: none"> - Bullying and harassment. - Not doing what we say we will do. - Lying, exaggerating the truth, and giving inaccurate and false information. - Interrupting and not letting others express their opinions and ideas. - Competing against others to the detriment of the greater good. - Withholding information, referrals or business opportunities.

Value	Acceptable Behaviours	Unacceptable Behaviours
<p>INTEGRITY</p> <p>Striving to be the leading alternative real estate investor. We earn this right through honouring our commitments, delivering on promises, standing up for our values and communicating clearly, openly, and honestly. At all times we are transparent in our dealings and conduct ourselves ethically.</p>	<ul style="list-style-type: none"> - Obeying the law. - Conducting business and relationships fairly, honestly and ethically. - Acting in the best interest of our share holders, customers and each other. - Acting in a professional and safe manner and complying with legal and company requirements, policies and procedures. - Protecting and representing the Qualitas' brand and reputation through our actions and behaviour. - Admitting our mistakes, taking responsibility, learning from them, and seeking assistance when needed. - Raising issues or concerns about any inappropriate practices within our business with the intention to provide useful feedback and make a positive difference. - Embracing and respecting the diversity of our people and valuing their different backgrounds, experience and skills. 	<ul style="list-style-type: none"> - Engaging in fraudulent, dishonest or negligent activity. - Accepting behaviour from others that is illegal, unethical or disrespectful. - Ignoring business practices. - Avoiding conflict or confrontation by not raising issues or concerns. - Raising issues or concerns in an aggressive, disrespectful or inappropriate manner. - Allowing yourself or others to put their safety at risk. - Blaming others for mistakes. - Wasting company time and resources. - Discriminating against others based on protected attributes defined by relevant legislation (including but limited to gender, age, sex, ethnicity, sexual orientation and social status).
<p>COLLABORATION</p> <p>Staffed by a team of passionate specialists, we know we can achieve more collectively than individually. We build collaborative relationships within and outside the business, to add value to all our stakeholders and focus on the long-term sustainability of our environment, business, and community.</p>	<ul style="list-style-type: none"> - Developing beneficial relationships with each other, customers, suppliers and the community. - Increasing business efficiency, productivity and profit. - Maintaining a clean and healthy environment for future generations. - Promoting employee safety and wellbeing. - Modelling professional appearance, behaviour and conduct at all times with our customers and in our community. - Actively supporting our communities. 	<ul style="list-style-type: none"> - Acting to the detriment of our environment, business and community. - Accepting conduct or behaviour that reflects poorly on Qualitas. - Not growing and maintaining valuable business and community relationships.

VALUES AND INTEGRITY

Value

Acceptable Behaviours

Unacceptable Behaviours

EXCELLENCE

United by our commitment to excellence and our focus on achieving positive outcomes. We are highly motivated to perform at our best and we delight in excelling at our work and exceeding expectations through a driven effort.

- Remain composed under difficult circumstances.
- Deal constructively with mistakes and setbacks.
- Willingly adapt to shifting or competing priorities.
- Seek feedback and pursue ways to develop.
- Set high standards of performance.
- Put in extra effort to accomplish key tasks.
- Maintain a high level of productivity.
- Confront tough challenges quickly and directly.
- Energise others by clarifying the purpose of their work.
- Foster a sense of energy, ownership, and personal commitment to the work.
- Celebrate and reward achievements of others.
- Taking personal responsibility to perform at our highest standard.
- Delivering what we promise on time.
- Sharing relevant information to understand the business and its financial results.
- Giving honest, constructive and regular feedback Coaching, training and supporting others.

- Achieving less than we have committed to.
- Being unclear on our performance expectations and not asking for clarity.
- Not taking appropriate action to address under performance.
- Assuming instead of asking.
- Blaming conditions or others for our lack of results.
- Not giving people opportunities to have performance, development and coaching conversations.

ENTREPRENEURSHIP

Encourage creativity and innovation to deliver value and opportunities for our clients and partners now and in the future. We never rest on our laurels and always seek to retain the entrepreneurial spirit that created the firm.

- Welcoming change; discovering ways to continuously improve and learning by mistakes.
- Encouraging ideas and welcoming diversity of experience and thought.
- Balance big-picture concerns with day-to-day activities.
- Understand the organisation's vision and strategy and the implications for own area/role.
- Decisions are consistent with the organisation's vision and strategy.
- Recognising success and sharing the results.
- Investing in our future success by developing our people and technology.

- Creating an environment that discourages people from diversity of thought and suggesting ideas.
- Applying inefficient processes.
- Resisting change.
- Resistance to learning.
- Unwilling to learn from mistakes and improve.

CODE OF CONDUCT

Qualitas has a Code of Conduct for its Board and Senior Executives, that sets the tone from the top for how Qualitas and its subsidiaries (**Qualitas Group** or the **Group**) operate.

Qualitas also has a complementary internal Code of Conduct for its employees, that sets out the high standards of honesty, integrity and ethical and law-abiding behaviour expected within the Group. The Code of Conduct also sets out how conflicts of interest, confidentiality, fair dealing, and protection of assets are managed.

WHISTLEBLOWER POLICY

Qualitas prides itself on having a transparent and open culture of reporting and supports its people to safely speak up about matters that may concern them.

The Whistleblower Policy allows its people on how to make a disclosure, who disclosures can be made to and the protections available to whistleblowers. Qualitas' policy provides its people to make an anonymous disclosure if preferred and also sets out how investigations will be carried out.

ANTI-BRIBERY AND CORRUPTION POLICY

Qualitas has an Anti-Bribery and Corruption Policy that applies to all directors and employees. The purpose of the policy is to reinforce Qualitas' practice of prohibiting bribery and corruption, by instilling a process of identifying, preventing, and reporting any concerns relating to bribery and corruption.

QUALITAS BOARD

The Board does not consider Brian Delaney to be independent because he is the nominee director of a major Qualitas shareholder, the Trawalla Group (the relevant shareholding is held through ACS Qualitas Management Pty Ltd). In consideration of this, Qualitas has a Nominee Director Shareholder Protocol that clearly sets out the responsibilities and duties of any nominee directors.

The majority of the Board consists of independent non-executive directors and the Directors consider that the composition of the Board reflects an appropriate range of independence, skills and experience for Qualitas.



Details of the Directors' skills, experience and qualifications can be found in Qualitas' Annual Report 2023 and on the [website](#).

QUALITAS BOARD



Andrew Fairley AM

Independent Non-executive Director, Board Chairman

Appointed: 4 November 2021



Andrew Schwartz

Group Managing Director and Co-founder

Appointed: 4 November 2021



Brian Delaney¹

Non-independent Non-executive Director

Appointed: 4 November 2021



JoAnne Stephenson

Independent Non-executive Director

Appointed: 4 November 2021



Mary Ploughman

Independent Non-executive Director

Appointed: 4 November 2021



Michael Schoenfeld

Independent Non-executive Director

Appointed: 4 November 2021

¹ Brian is also a member of the Company's Capital Advisory Group

ROLES AND RESPONSIBILITIES

The Board is responsible for the overall corporate governance of Qualitas. The Board monitors the operational and financial position and performance of Qualitas and oversees its investment and business strategy, including approving the strategic goals of Qualitas and considering and approving its annual business plan and the associated budget.

THE ROLE OF THE BOARD

The Board is committed to maximising performance, generating appropriate level of shareholder value and financial return and sustaining the growth and success of Qualitas. In conducting Qualitas' business with these objectives, the Board seeks to ensure that Qualitas is properly managed to protect and enhance shareholder interests and that Qualitas, its directors, officers and employees operate in an appropriate environment of corporate governance.

Qualitas' Constitution governs the Board's conduct, and the Qualitas Board Charter details the Board's role and responsibilities.

The Board must be comprised of a minimum of three and a maximum of eight directors, comprised of a majority of independent non-executive directors with an appropriate range of skills, experience and expertise who can understand and deal with current and emerging business issues. The directors are also required to have the skills to effectively review and challenge the performance of management and exercise independent judgement.

BOARD COMMITTEES

The Board established three committees to assist in discharging its roles and responsibilities:

- Audit, Risk and Compliance Committee (**ARC Committee**);
- Nomination, Remuneration and Governance Committee (**NRG Committee**); and
- Investment Committee.



Each of the committee charters are available on Qualitas' [website](#).

	Audit, Risk and Compliance Committee	Investment Committee	Nomination, Remuneration and Governance Committee
Members	<ul style="list-style-type: none"> - JoAnne Stephenson (Chair) - Andrew Fairley AM - Michael Schoenfeld 	<ul style="list-style-type: none"> - Michael Schoenfeld (Chair) - Andrew Fairley AM - Andrew Schwartz - JoAnne Stephenson 	<ul style="list-style-type: none"> - Mary Ploughman (Chair) - Andrew Fairley AM - Brian Delaney
Composition	At least three non-executive directors who are financially literate; at least one financially qualified member; and majority of independent directors.	Minimum of three and maximum of five members, the majority must be independent directors, and the Group Managing Director. The Chief Financial Officer is a standing non-voting member.	At least three non-executive directors, the majority of who are independent.
Role	Responsible for external financial reporting review and recommendations to the Board; overseeing risk management and internal control; overseeing external audit and internal audit; and other related responsibilities.	Responsible for co-investment, underwriting and balance sheet management of the Qualitas Group.	Responsible for nomination of the directors, including the group managing director and succession plans; performance of the directors and the executive team, with oversight of the wider Group's people strategies and policies; and remuneration for the Directors, Group Managing Director and incentives for the executive team.
Meeting frequency	A minimum of 4 meetings a year with additional meetings as required.	A minimum of 4 meetings a year with additional meetings as required.	A minimum of 4 meetings a year with additional meetings as required.



A table of Board and Committee meetings attended during the reporting period is set out in the Directors Report of the 2023 Annual Report.



ROLES AND RESPONSIBILITIES

BOARD CHAIRMAN

The Board Chairman is Andrew Fairley AM, who was appointed by the Board and is an Independent Non-executive director. The Chairman leads the Board and maintains regular correspondence with the Group Managing Director. The Chairman has responsibility for overseeing the processes and performance of the Board, for it to meet its duties and responsibilities to shareholders. The Chairman is also responsible for assessing directors on their performance and ensuring that Board meetings are conducted appropriately, to ensure matters are sufficiently dealt with that are the responsibility of the Board.

GROUP MANAGING DIRECTOR

The Group Managing Director is Andrew Schwartz, who was appointed by the Board and is also a Co-founder of Qualitas with Mark Fischer, Global Head of Real Estate. The Group Managing Director has delegated authority from the Board to manage the day-to-day business of the Qualitas Group, except for matters and powers reserved to the Board or other Committees and management. The Group Managing Director further delegates specific responsibilities to the executive team, to ensure expedient and considered management of the Qualitas Group.

The Group Managing Director is accountable to the Board for implementation of the strategic, business and financial plans for the Qualitas Group and importantly that Qualitas' values are upheld across the Group.

COMPANY SECRETARY

The Company Secretary is Terrie Morgan, who was appointed by, and is accountable directly to, the Board on all matters relating to the proper functioning of the Board. All Directors have direct access to the Company Secretary. The primary role and responsibilities of the Company Secretary are to advise the Board and its Committees on corporate governance matters, co-ordinate the business required for the proper functioning and operation of the Board and the Committees, monitor adherence to Board policies and procedures and provide a point of reference for interactions between the Board and the executive team.

MATTERS RESERVED FOR THE BOARD & MATTERS DELEGATED TO MANAGEMENT

Matters reserved for the Board and delegated to management are set out in the Board Charter and Qualitas' Delegations of Authority (**Delegations**). The Group Managing Director is delegated responsibility for day-to-day management and administration of the Qualitas Group under the Board Charter, however, matters reserved solely for the Board include:

- appointment of a chairperson of the Board;
- appointment and removal of the Group Managing Director;
- appointment of a director to fill a casual vacancy or as an additional director;
- establishment of Board committees, their membership and delegated authorities;
- approval of dividends;
- review of corporate codes of conduct;
- approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- calling of meetings of directors or shareholders; and
- any other specific matters nominated by the Board from time to time.

STRUCTURE OF THE BOARD

In preparation of its listing on the ASX in December 2021, Qualitas selected and inducted a Board of Directors that are highly experienced and for the majority are independent. The Board includes directors with extensive experience serving on listed company boards and who have corporate governance and financial expertise with a strong understanding of the investment management and real estate industries.

SKILLS MATRIX

The Board undertook a review of its skills in June 2023 with the assistance of an experienced external board skills facilitator. The review included a workshop and individual meetings with Directors. The results of the review are set out below.

Skills and experience	Collective experience
SECTOR SKILLS	
Property markets	4.0
Global Funds Management	4.5
Balance sheet & capital management	4.5
Project & Structured Finance	4.0
Investment and Credit	4.0
Strategy & Innovation	4.5
Financial Literacy	4.5
Enterprise Risk Management	4.5
People & Culture	3.5
Mergers & Acquisitions	3.5
Professional communications & Stakeholder relations	4.0
Regulatory, Legal & Compliance	4.0

Rating	Proficiency	Description
1	NOVICE	Limited or no experience in the skill area.
2	DEVELOPING	Some understanding or experience, but room for improvement.
3	PROFICIENT	Solid understanding and ability to apply the skill effectively.
4	ADVANCED	Extensive experience and ability to provide strategic guidance in the skill area.
5	EXPERT	Exceptional expertise and recognised as a leader in the skill area.

STRUCTURE OF THE BOARD

EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Board undertook a review and evaluation of its effectiveness and performance as a whole in August 2023, for the financial year ending 30 June 2023. The Board Chairman assessed the performance of each Director, and the Chair of the NRG Committee provided an assessment of the Board Chairman.

Each Board Committee Chair also facilitated a review of the Board's Committee's in July and August of 2023 for the financial year ending 30 June 2023.

Each Board and Committee review comprised of a tailored questionnaire and follow up interviews between the corresponding Chair and Directors or Committee Members, as relevant.

EVALUATING THE PERFORMANCE OF SENIOR EXECUTIVES

As part of the Board's oversight of senior executives, the NRG Committee and the Board monitors and evaluates the performance of the Group Managing Director and senior executives against Board-approved performance measures, including strategic and financial targets, leadership, governance and culture objectives, and personal accountabilities.

The performance evaluation of the Group Managing Director is conducted by the Chairman and also incorporates feedback from the other directors. The Group Managing Director conducts the performance reviews for each senior executive, with feedback tabled to the NRG Committee and the Board.

Qualitas undertook half-year and full-year performance reviews of its senior executives in 2023 in accordance with the process described above.

Further details on the reward framework, performance measures for the short-term and long-term incentive plans and the assessment criteria for Qualitas' Key Management Personnel that operated during 2023, are set out in the Remuneration Report within Qualitas' 2023 Full Year Financial Report.

TRAINING AND ACCESS TO INFORMATION

The directors participated in the following externally facilitated training during the period:

- Workplace health and safety
- Cultural awareness training
- Cyber incident scenario planning

Directors may also undertake courses or training that benefits their role with Qualitas, up to an amount of \$5,000 per annum per director.

The directors also receive regular reports from Management, including funds risk review case studies and sector related industry updates.

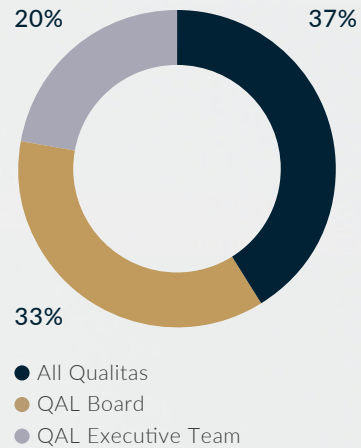
QUALITAS' TEAM

Diversity policy and measurable gender diversity objectives and progress against each

→ Qualitas is committed to providing an inclusive workplace that embraces and values diversity. The framework for putting this into practice is set out in [Qualitas' Diversity Policy](#).

Qualitas is working towards a long-term diversity target of 40/40/20 (40% men, 40% women, 20% of any gender). Since 1 July 2022, 35% of hires were women. Qualitas remains focused on retaining and developing future leaders within the team.

THE FEMALE PERCENTAGE OF ROLES HELD AS OF 30 JUNE 2023



This year Qualitas launched its Reflect Reconciliation Action Plan (RAP) which outlines Qualitas' actions and commitments to support Aboriginal and Torres Islander peoples. Qualitas' Reflect RAP has been co-developed through the engagement of an external consultant and an employee working group with representation across the business.

REMUNERATION POLICY AND PRACTICES OF DIRECTORS AND EXECUTIVES

Qualitas had a Board approved Remuneration Policy that sets out a framework that supports Qualitas' recognition of the importance of retaining key talent in a globally competitive market and to align remuneration with the interests of shareholders and investors.

The Directors and Key Management Personnel remuneration and rewards for the period ending 30 June 2023 are set out in the Remuneration Report, that is located on pages 9 to 14 of the 2023 Full Year Financial Report.

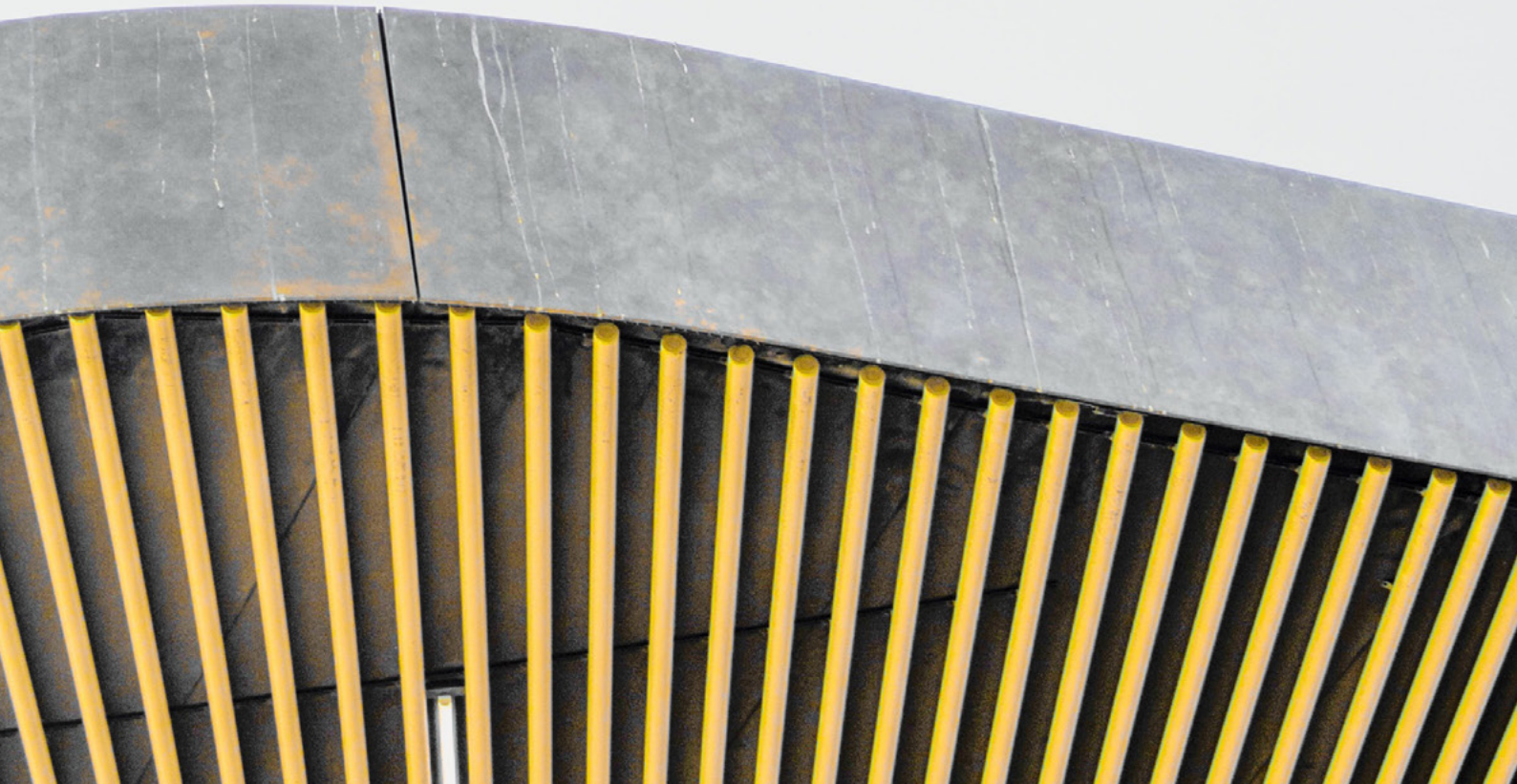
EMPLOYEE EQUITY-BASED PLAN

Qualitas has in place the Qualitas Employee Equity Plan (**QEEP**) that was approved by shareholders at the 2022 Annual General Meeting.

The Board has the discretion to determine which employees are eligible to be granted awards governed by the QEEP rules, and the number and type of awards that they will be offered, in the future.

Qualitas currently has employee short-term incentive rights and employee long-term incentive options on issue to select employees, as a reward and incentive for high performance.

Participants in the QEEP must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to any unvested shares, or options or rights.



RISK MANAGEMENT AND ASSURANCE

INTERNAL AUDIT FUNCTION

The ARC Committee is responsible for overseeing the internal audit of the Group. The Qualitas Director of Compliance function manages the internal audit function and ensures that independent and objective reviews of the Group are provided to the Board, the ARC Committee and the executive leadership team. The reviews cover internal controls, the risk management framework and governance of the Group.

The ARC Committee approves the internal audit plan for the Group and regularly receives updates on internal audit findings and implementation plans.

CEO AND CFO ASSURANCE

Before approving the Qualitas half-year and full-year financial statements for the 2023 financial year, the Board received from the Group Managing Director (as CEO for the purposes of the Corporations Act 2001 (Cth)) and CFO written declarations in accordance with section 295A of the Corporations Act 2001 (Cth) and Recommendation 4.2 of the *ASX Corporate Governance Principles and Recommendations*, 4th ed.

VERIFICATION OF PERIODIC REPORTING

Qualitas is committed to ensuring that all information contained in its corporate reports are accurate, effective, and clear. Qualitas has a process in place to verify the integrity of its periodic reports that are not subject to audit or reviewed by the external auditor. This includes the annual and half-year directors' reports and the Annual Report. A statement on the processes undertaken to verify the information not audited or verified by the external auditor is available on the Qualitas website.

ENVIRONMENTAL AND SOCIAL RISK EXPOSURE AND MANAGEMENT OF THOSE

Qualitas established an ESG Advisory Group, with the inaugural meeting held in June 2023. The ESG Advisory Group was established to help shape ESG best practice in Qualitas, identify and report progress against objectives and advise how Qualitas can leverage its strengths to influence positive ESG outcomes with borrowers and partners. The ESG Advisory Group is accountable to the Board.

The Board acknowledges that it is on a journey with ESG practices and has made a clear intention to engage with well renowned ESG advisors to assist with Qualitas' ESG growth. The ESG Advisory Group members are independent appointees Ms Fiona Reynolds (Chair) and Dr. Ian Woods, along with Brian Delaney, a Non-Independent Non-executive Director of the Board.

The Board has oversight of environmental and social risk exposure, and receives standing enterprise risk management reports along with quarterly risk reports from the ARC Committee.

SHAREHOLDERS

Qualitas is committed to engaging with its shareholders to ensure holders have the appropriate information and facilities to exercise their rights as shareholders effectively. Shareholders can access Qualitas' dedicated Investor Centre where information on Qualitas' registry provider, Link Market Services, can be found along with corporate governance documents, key events and dates, contact information, and ASX related information.

Qualitas has a dedicated corporate services team who engage with shareholders regularly via investor days and investor briefings.

Qualitas will provide hybrid meeting facilities for the 2023 Annual General Meeting, to allow shareholders to participate either in person or online.

CONTINUOUS DISCLOSURE POLICY

Qualitas has a Market Disclosure Policy that sets out how the Group meets its continuous disclosure obligations. The policy ensures that all investors have equal and timely access to material information concerning Qualitas, including its financial position, performance, ownership and governance.

ENGAGEMENT WITH SHAREHOLDERS

Qualitas is committed to active communication with its shareholders and encourages effective participation at its general meetings. Qualitas sets out this commitment in its Shareholder Communications Policy.

Qualitas' market announcements and key reporting documents, including the half-year and full year financial results, Annual Report and investor presentations are available on the ASX announcements page and on the Qualitas website.



Committed to sustainable methods of communication, shareholders can elect to receive all communication with respect to their holdings electronically. This can be done by contacting the registry provider [Link Market Services](#).





QUALITAS