

## APOLLO TOURISM & LEISURE LTD ACN 614 714 742 (**Apollo or Company**)

### CORPORATE GOVERNANCE STATEMENT

Apollo Tourism & Leisure Ltd (**Apollo**) is committed to achieving and demonstrating the effective standards of corporate governance. Apollo has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council (**Recommendations**). This Corporate Governance Statement discloses the extent to which Apollo complies with the Recommendations and if it does not, why not. The commentary addresses the reasons for any departure from the requirements and the following legend has been used to summarise the status of Apollo's compliance with the Recommendations.

This Corporate Governance Statement is dated 30 June 2021 and reflects the corporate governance practices in place and was approved by the Board on 24 August 2021. A description of Apollo's current corporate governance practices is set out in the Apollo's Corporate Governance Statement which can be viewed at <http://www.apollotourism.com/corporate-governance/>

Apollo complies with the Recommendation	✓
Apollo intends to comply with the Recommendation and will work towards compliance in the 2022 financial year	x
Apollo intends to monitor the Company's size and need in respect of the Recommendation	○

<b>Principle 1 – Lay solid foundations for management and oversight</b>		
1.1	The Board has outlined in its charter, its role and responsibilities and has established a clear distinction between its functions and those delegated to management.	✓
1.2	Appropriate checks including criminal record checks have been carried out on all Board members prior to their appointment. Apollo will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director at future general meetings.	✓
1.3	All directors and senior executives have a written agreement with Apollo setting out the terms of their appointment.	✓

1.4	Apollo's secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.	✓						
1.5	<p>The Board has adopted a Diversity Policy (a copy of which is on Apollo's website). The Diversity Policy requires the Board to set measurable objectives for obtaining gender diversity. The Board establishes measurable objectives annually for achieving gender diversity, and each year reports the Company's progress toward achieving them.</p> <p>The Company's measurable objective for gender diversity is set at achieving overall female representation of not less than one third of the organisation.</p> <p>The Company has a strong commitment to gender diversity at all levels, including senior management and the Board.</p> <p>The current proportion of female representation at various levels within the Company is as follows:</p> <table data-bbox="268 922 929 1037"> <tr> <td>Board of Independent Directors</td> <td>33%</td> </tr> <tr> <td>Senior management*</td> <td>38%</td> </tr> <tr> <td>Organisation overall</td> <td>34%</td> </tr> </table> <p>*Senior management are defined as executives who influence the management of the Company on a day to day basis and who report directly to the Managing Director.</p>	Board of Independent Directors	33%	Senior management*	38%	Organisation overall	34%	✓
Board of Independent Directors	33%							
Senior management*	38%							
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1.6	At least once per year the Board will, with the advice and assistance of the Governance & Nomination Committee, review and evaluate the performance of the Board, each Board committee and each individual director against the relevant charters, corporate governance policies, and agreed goals and objectives. The requirement for these evaluations is set out in the Board Charter.	✓						

1.7	Performance reviews for the Managing Director and senior management will take place at least annually. The Remuneration Committee has accountability in its Charter to oversee these reviews and report to the Board on its outcomes. Apollo intends to ensure that appropriate disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed.	✓
<b>Principle 2 – Structure the board to add value</b>		
2.1	<p>The Board has formed a Governance and Nomination Committee. The charter for the Governance and Nomination Committee is available on Apollo’s website. Membership of the Governance and Nomination Committee comprising:</p> <ul style="list-style-type: none"> <li>a) Sophie Mitchell (independent non-executive Chair);</li> <li>b) Brett Heading, committee chair (independent non-executive Director); and</li> <li>c) Robert Baker (independent non-executive Director).</li> </ul> <p>Recommendation 2.1 states that a Governance and Nomination Committee should have at least three members, a majority of whom are independent directors.</p> <p>The Board considers that the Governance and Nomination Committee comprising Sophie Mitchell, Brett Heading and Robert Baker, all of whom are considered by the Board to be independent directors, is sufficient having regard to the size and nature of the Company.</p>	✓
2.2	In establishing the Board of Apollo, regard was had to the skills and expertise required of the directors relevant to Apollo’s business. Directors with the desired skills and expertise were carefully selected for appointment to the Board.	✓
2.3	The Board Charter sets out the criteria adopted by the Board for considering if a director is independent. The Board is comprised of five members, three of whom are independent (Sophie Mitchell, Brett Heading and Robert Baker). Sophie Mitchell was appointed as a director during September 2016. Brett Heading was appointed as a director during August 2019. Robert Baker was appointed as a director during January 2020.	✓

Sophie Mitchell was an employee of Morgans Corporate Limited (**Morgans**) until July 2019. Morgans provides consulting and other services to Apollo. The Board considers that Sophie is independent having regard to the indicia in Box 2.3 of the ASX Corporate Governance Principles and Recommendations and section 3.4 of the Board Charter. In particular, the Board considers that the relationship between Apollo and Morgans does not interfere, and would not reasonably be seen to interfere, with Sophie's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Brett Heading is an employee of global law firm Jones Day. Jones Day provides professional legal advisory services to Apollo. However, Brett does not advise the Company in his capacity as an employee of Jones Day and all legal matters are handled by other partners and employees of Jones Day. The Board considers that Brett is independent having regard to the indicia in Box 2.3 of the ASX Corporate Governance Principles and Recommendations and section 3.4 of the Board Charter. In particular, the Board considers that the relationship between Apollo and Jones Day does not interfere, and would not reasonably be seen to interfere, with Brett's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Robert Baker is considered independent as he:

- a) does not have a material shareholding in Apollo;
- b) is not an advisor or supplier to Apollo; and
- c) does not have any other material contractual relationship with Apollo other than his positions as a director.

2.4	The Board is comprised of five members, three of whom are independent (Sophie Mitchell, Brett Heading and Robert Baker). Recommendation 2.4 sets out that a majority of the board of a listed entity should be independent directors. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contracts relevant to the business of Apollo.	✓
2.5	The Chair is an independent Director and facilitates the effective contribution of all Directors at Board meetings. The roles of Chair and Managing Director are exercised by different individuals.	✓
2.6	The Company has a program in place for induction of new Directors, which includes management presentations and site visits. Directors are also given access to continuing education in relation to Apollo's business, the industry in which it operates, and other information required by them to discharge the responsibilities of their office.	✓
<b>Principle 3 – Act ethically and responsibly</b>		
3.1	The Company has articulated its values which are disclosed on its website.	✓
3.2	The Board has adopted a code of conduct applicable to all Directors, senior executives and employees, a copy of which is disclosed on Apollo's website.	✓
3.3	The Board has adopted a whistleblower policy applicable to all Directors, senior executives and employees, a copy of which is disclosed on Apollo's website.	✓
3.4	The Board has adopted an anti-bribery and corruption policy applicable to all Directors, senior executives and employees, a copy of which is disclosed on Apollo's website.	✓
<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
4.1	The Board has established an Audit and Risk Committee. The charter for the Audit and Risk Committee is available on Apollo's website. The Audit and Risk Committee comprise: a) Sophie Mitchell (independent non-executive Chair); b) Robert Baker, committee chair (independent non-executive Director); and c) Brett Heading (independent non-executive Director). Recommendation 4.1 states that an audit committee should have at least three members, all of whom are independent directors.	✓

	The relevant qualifications and experience of the members of the Audit and Risk Committee are set out in the Director's biographies on Apollo's website and will be updated in each reporting period.	
4.2	The board of Apollo requires declarations and management representations in respect of the financial records and information of the business from the CEO and CFO for both the half-year and full-year results.	✓
4.3	All periodic corporate reports that are released to market and not audited by an external auditor are verified by Senior Management and approved by the Board prior to their release to the ASX Market Announcements Platform.	✓
<b>Principle 5 – Make timely and balanced disclosure</b>		
5.1	The Board has established a written Disclosure and Communication Policy to ensure compliance with the ASX Listing Rule disclosure requirements and to ensure accountability for compliance. Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting. The Disclosure and Communication Policy is on Apollo's website.	✓
5.2	All material market announcements are approved by the Board prior to their release on the ASX Market Announcements Platform.	✓
5.3	All substantive investor and analyst presentation materials are released to the ASX Market Announcements Platform prior to the presentation.	✓
<b>Principle 6 – Respect the rights of security holders</b>		
6.1	Apollo has a website (www.apollotourism.com) which provides information about it, the Directors and executives, key governance policies and other information relevant to its investors. The website will be a key communication tool between Apollo and the shareholders.	✓
6.2	Apollo is committed to facilitating effective communication with investors as a means of providing a greater understanding of the Apollo business, governance, financial performance and prospects. Key aspects of Apollo's investor relations framework include: <ul style="list-style-type: none"> <li>• Access to Apollo's board and executives at General Meetings;</li> <li>• Two-way investor teleconferences held on reporting full-year financial results;</li> </ul>	✓

	<ul style="list-style-type: none"> <li>• Periodic investor relations road-shows for institutional investors;</li> <li>• Periodic announcements lodged on the ASX in accordance with continuous disclosure and reporting requirements;</li> <li>• Contact details provided on market announcements where investors can seek further information; and</li> <li>• Maintenance of an investor relations database to manage and track communications with investors.</li> </ul>	
6.3	The Board has adopted the Disclosure and Communication Policy and will provide shareholders with opportunities to have questions addressed at shareholder meetings, irrespective of whether the shareholder is able to attend.	✓
6.4	All substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.	✓
6.5	All shareholders of Apollo are able to communicate with Apollo and its share registry electronically and this method of communication is encouraged.	✓
<b>Principle 7 – Recognise and manage risk</b>		
7.1	<p>The Board has established an Audit and Risk Committee. The charter for the Audit and Risk Committee is available on Apollo’s website. The Audit and Risk Committee comprise:</p> <ul style="list-style-type: none"> <li>a) Sophie Mitchell (independent non-executive Chairman);</li> <li>b) Robert Baker, committee chair (independent non-executive director); and</li> <li>c) Brett Heading (independent non-executive director).</li> </ul> <p>Recommendation 7.1 states that a risk committee should have at least three members, a majority of whom are independent directors.</p>	✓
7.2	The Board has appointed the Audit and Risk Committee to assist it with discharging its oversight function in respect of material business risks and to determine if the system of risk management is sound. Outcomes of those reviews are reported in the corporate governance statement annually.	✓



	The Board has performed a review as at July 2020 and has determined that no significant changes were required to the risk management framework.	
7.3	Apollo does not have an internal audit function. The Board is of the view that it is not cost effective to have an internal audit function at this point in time given the size of the business. This decision will however be kept under review. The Board, through the Audit and Risk Committee, will work with management to review the management assurance function, to provide assurance to the Board on the effectiveness of internal controls and to recommend improvements to those controls. The Board also seek comments from the external auditor on controls reviewed by them and recommendations they have for improvements to existing processes. Where necessary independent third parties will be requested to undertake audits of specific parts of the business.	○
7.4	The material risks that Apollo is exposed to are disclosed in the Annual Report and these include disclosure of any economic, environmental and social sustainability risks it faces. Management of the risks will form part of the review of the risk management framework undertaken by the Audit and Risk Committee.	✓



<b>Principle 8 – Remunerate fairly and responsibly</b>		
8.1	<p>The Board has formed a Remuneration Committee. Membership of the Remuneration Committee comprise:</p> <ul style="list-style-type: none"> <li>a) Sophie Mitchell, committee chair (independent non-executive Chairman);</li> <li>b) Brett Heading (independent non-executive Director); and</li> <li>c) Robert Baker.</li> </ul> <p>Recommendation 8.1 states that a remuneration committee should have at least three members, a majority of whom are independent directors.</p> <p>A copy of the charters governing the Governance and Nomination Committee and Remuneration Committee is provided on Apollo's website.</p>	✓
8.2	<p>The remuneration policy and amounts paid to executive and non-executive Directors can be found within the Directors' Report in the Annual Report.</p>	✓
8.3	<p>Apollo does not currently have an equity-based remuneration scheme in place, due to the impact of COVID on the company and the COVID support loans the company currently has in place. The Company does intend to introduce such a scheme in the future, and the Board intends to comply with Recommendation 8.3.</p>	○
<b>Additional Recommendations that apply only in certain cases</b>		
9.1	<p>Apollo Board and security holder meetings are all held in English. All directors are fluent in English and therefore able to understand and contribute to the discussions at these meetings and understand and can discharge their obligations in relation to corporate documents. This recommendation is therefore not applicable.</p>	N/A
9.2	<p>Apollo is established in Australia and meeting times cater to Australian security holders. This recommendation is therefore not applicable.</p>	N/A
9.3	<p>Apollo is established in Australia and is not an externally managed listed entity therefore this recommendation is not applicable.</p>	N/A