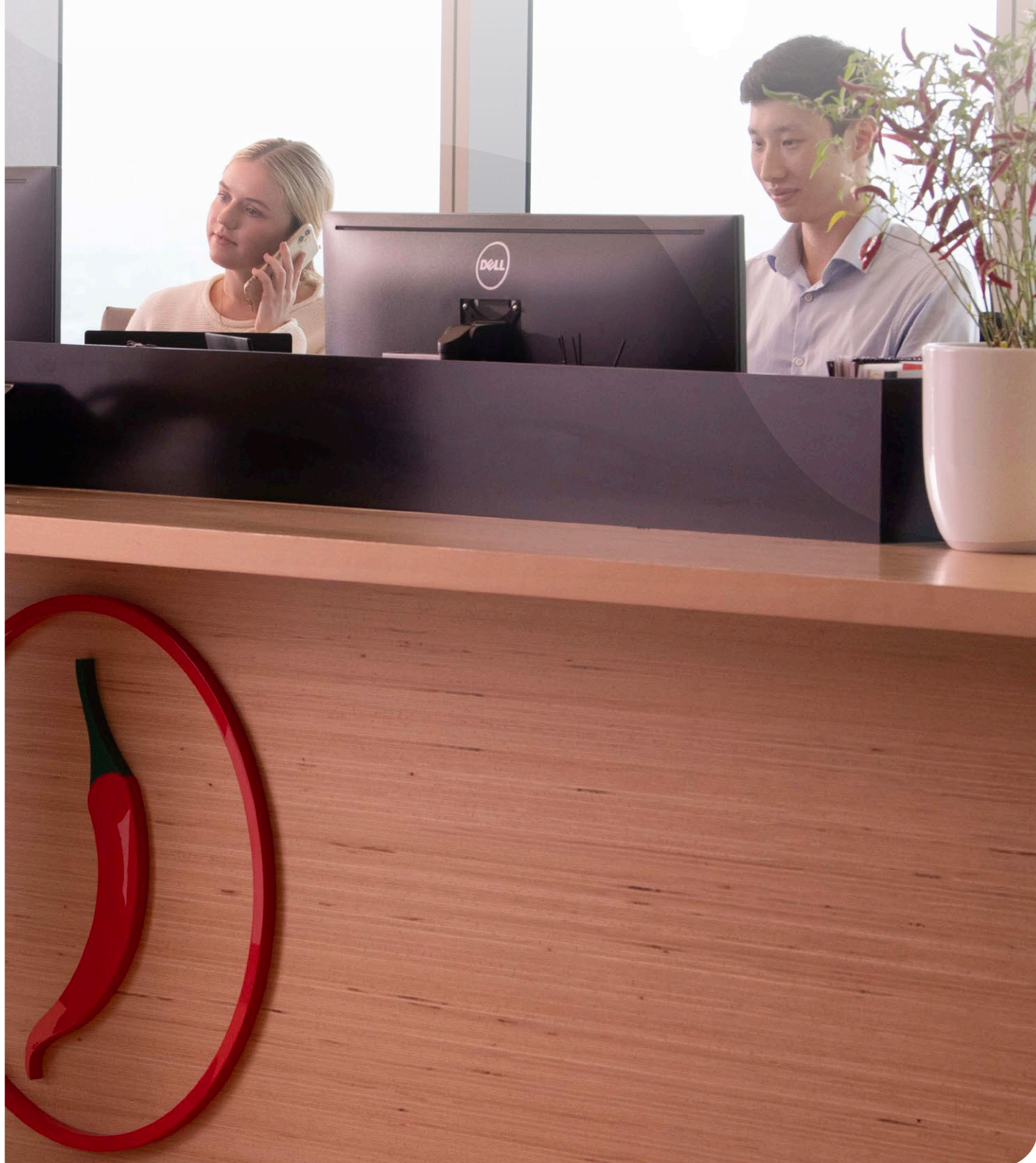


peppermoney

Corporate Governance Statement 2024



Corporate Governance Statement 2024

Introduction

Pepper Money Limited (“Pepper Money” or the “Company”) commenced business in Australia in 2000 as a provider of home loans to consumers who fall outside the lending criteria of traditional bank and non-bank lenders, otherwise known as the non-conforming or specialist mortgage market. Pepper Money listed on the ASX in May 2021.

Pepper Money has subsequently broadened its Australian business activities to also include the origination of prime residential mortgages, commercial real estate loans, mortgage loans to self-managed super funds (“SMSF”), auto and equipment finance, third party loan servicing and broker servicing. Pepper Money also provides residential mortgages in New Zealand.

Pepper Money’s Board is committed to conducting the business of Pepper Money in accordance with high standards of corporate governance and with a view to creating and delivering value for Pepper Money’s Shareholders. To this end, the Board has adopted a system of internal controls, risk management processes and corporate governance policies and practices which are designed to support and promote the responsible management and conduct of Pepper Money.

In accordance with the ASX Principles and Recommendations, Pepper Money’s policies and charters referred to in this Statement have been posted to the Corporate Governance section of Pepper Money’s website: www.peppermoney.com.au/about/corporate-governance.

This Corporate Governance Statement is current as at 27 February 2025 and has been approved by the Board.

Principle 1 – Lay Solid Foundations for Management and Oversight

1.1 The role of the Board and Management

The Board is responsible for overseeing the management of Pepper Money.

The Board delegates to the Board Committees, Chief Executive Officer (“CEO”), Executives and Management Committees, matters involving the implementation of strategic objectives, plans and budgets approved by the Board, and the management of Pepper Money’s day-to-day activities.

The Board has adopted a written Charter to provide a framework for the effective operation of the Board, which includes an overview of:

- its composition and process;
- its responsibilities;
- independence of Non-Executive Directors and management of conflicts of interest;
- the relationship and interaction between the Board, Executives and Board Committees; and
- the delegation of authority by the Board to the CEO, Executives, Board Committees, and Management Committees.

The Board’s role is to:

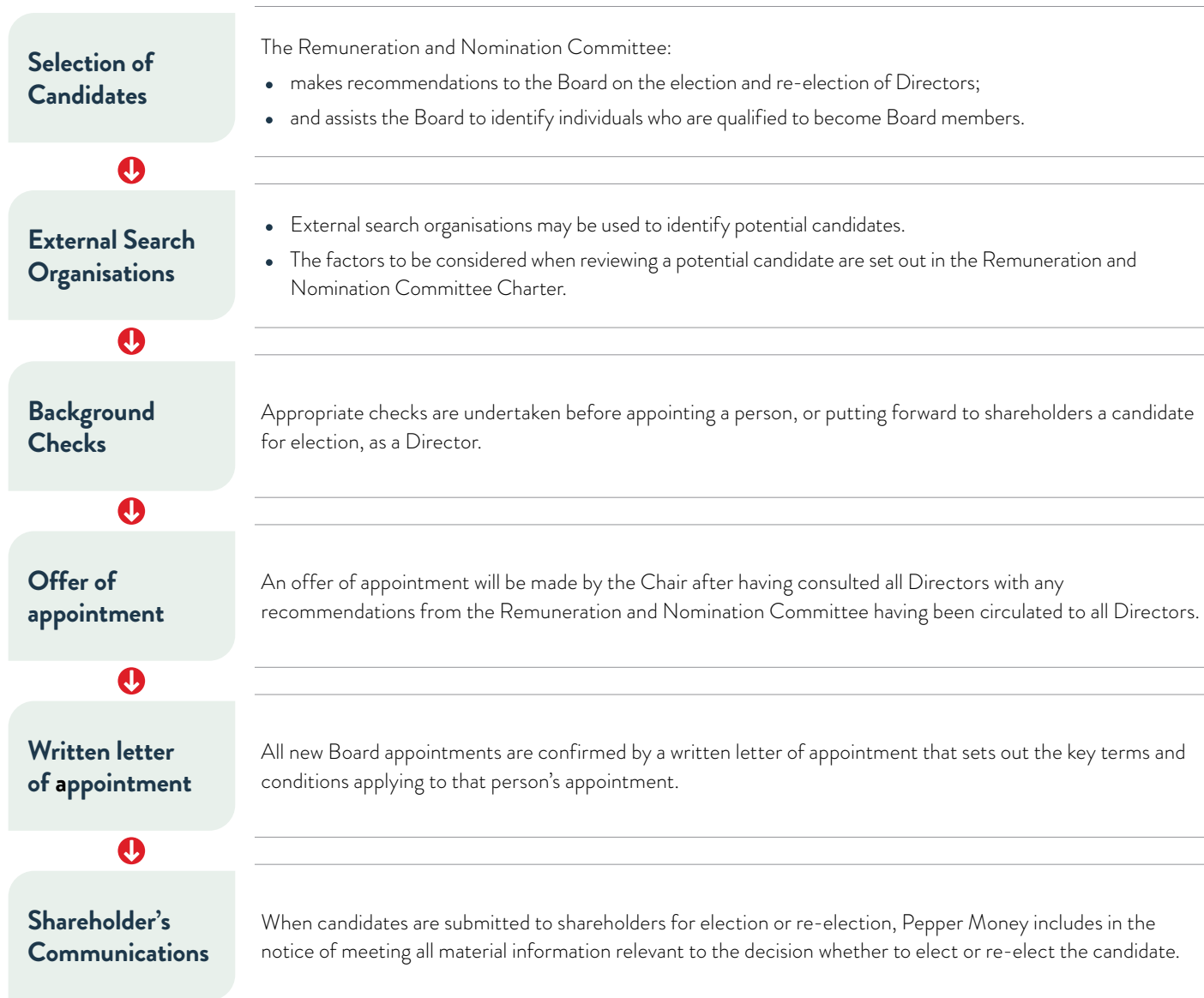
- serve the interests of Shareholders by overseeing and appraising the Company’s strategies, policies and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives and reviewing Management performance;
- protect and optimise the Company’s performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and ensure compliance with the Company’s values and governance framework (including establishing and observing high ethical standards); and
- ensure that Shareholders are kept informed on a timely basis of the Company’s performance and material information that a reasonable person would expect to have a material effect on the price or value of the Company’s shares.

The Board, from time to time, establishes Committees to streamline the discharge of its responsibilities.

The permanent standing Committees of the Board are the Audit and Risk Committee (“BARC”), the Remuneration and Nomination Committee (“RemCo”) and the Board Environmental, Social and Governance Committee (“BESG Committee”). The BESG Committee was established by the Board in CY2024. All standing Board Committees have a formal Charter (available on the Corporate Governance section of Pepper Money’s website) which sets out their roles and responsibilities, membership requirements and administrative matters.

1.2 and 1.3 Appointment of Directors and Executives

The Board seeks to ensure that it comprises Directors and Executives with a broad range of skills, expertise, experience, and background. A brief overview of the process for the selection and appointment of Directors is set out below.



Under the Constitution, the Board must have a minimum of 3 Directors and a maximum of 9 Directors, unless the Shareholders pass a resolution varying that number at a General Meeting. Directors are elected or re-elected at General Meetings of the Company.

No Director (excluding the CEO) may hold office without re-election beyond the third Annual General Meeting ("AGM") following the meeting at which the Director was last elected or re-elected. The Board may appoint a Director in addition to existing Directors, or to fill a casual vacancy on the Board. That Director (apart from the CEO) will then hold office until the next AGM following their appointment.

The Directors and other Executives have written agreements with Pepper Money setting out the terms of their appointment.

1.6 Performance of the Board

The Board, with the assistance of RemCo, regularly reviews its membership and performance. The present Board size is deemed as appropriate for the nature of the Company's business, its size and strategy. The Company has established the following performance evaluation processes for the Board, Committees and individual Directors:

- Directors will provide written feedback in relation to the performance of the Board and its Committees against a set of agreed criteria;
- each Committee will provide feedback in terms of a review of its own performance;
- feedback will be collated by the Chair, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees; and
- the CEO will also provide feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review.

Following changes to the composition of the Board in May 2024, the Chair conducted a series of meetings with each of the directors (including the CEO) to discuss the performance of the Board and any areas for improvement. The Board intends to conduct an externally facilitated review in accordance with the process described above in CY2025.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chair or the Board as a whole.

1.7 Executive Performance Assessment

Pepper Money's Executive team comprises of highly qualified and experienced professionals in their respective fields. The performance of the Executive team is formally assessed on an annual basis. The CEO's Key Performance Indicators ("KPIs") are reviewed and set annually by the Board at the commencement of the financial year. The Board carefully evaluates the CEO's performance against those KPIs.

An annual assessment of the performance of all other Executives is undertaken by RemCo following recommendations by the CEO, who conducts performance reviews based on the achievement of KPIs in relation to each Executive.

A performance evaluation for all Executives took place in 2024 in accordance with the processes described above.

1.4 Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board and management of the company secretariat function. The appointment or removal of the Company Secretary is determined by the Board.

1.5 Diversity Policy

Diversity and inclusion ("D&I") are core values of Pepper Money. The Board is committed to creating an environment which values diversity at all levels through a conscious desire to achieve understanding, respect, inclusion and continuous learning.

Pepper Money recognises that this commitment to D&I will enhance the customer and partner experience and improve employee satisfaction levels, both of which are key to the success and sustainability of Pepper Money's business.

The Board believes that D&I is an important component of the Company's ability to attract, retain, motivate and develop the best talent, create an engaged workforce, deliver the highest quality service to its customers, and continue to grow the business profitably.

The Board has approved a Diversity and Inclusion Policy in order to, amongst other things, facilitate a more diverse and representative management and leadership structure (including with regard to gender diversity) and ensure that equal opportunity exists in all practices associated with the recruitment, selection and promotion of individuals, in particular, the recognition of individuals with different backgrounds, skills and knowledge.

The Diversity and Inclusion Policy is available on the Corporate Governance section of Pepper Money's website at: www.peppermoney.com.au/about/corporate-governance.

The Board will include in the Annual Report each year a summary of the Company's progress towards achieving the measurable objectives set out under the Diversity and Inclusion Policy for the year to which the annual report relates and details of the measurable objectives set under the Diversity and Inclusion Policy for the subsequent financial year.

A copy of Pepper Money's 2023-2024 WGEA Gender Equality Public Report which contains the Company's "Gender Equality Indicators" as defined by the *Workplace Gender Equality Act 2012* (Cth) can be accessed on the Sustainability section of Pepper Money's website at: www.peppermoney.com.au/about/sustainability.

Principle 2 – Structure the Board to be Effective and Add Value

2.3 Board composition

The Board is currently comprised of the CEO, two Non-Executive Shareholder Representative Directors, and four independent Non-Executive Directors. The qualifications and experience of the Board members is set out in the Annual Report.

On 23 May 2024, the following changes to the Board took effect:

- Michael Culhane stepped down from his position as Shareholder Representative Director and Chair of the Board;
- Independent Non-Executive Director, Akiko Jackson, was appointed Chair of the Board; and
- Vaibhav Piplapure was appointed to the Board as a Non-Executive Director and Shareholder Representative.

Membership of the Board during 2024 is set out in the table below.

Director	Position	Appointed
Akiko Jackson	Chair and Independent Non-Executive Director	Chair since 23 May 2024 Board since 6 May 2021
Mario Rehayem	Chief Executive Officer	2 May 2018
Des O'Shea	Non-Executive Director and Shareholder Representative	6 May 2021
Mike Cutter	Independent Non-Executive Director	6 May 2021
Justine Turnbull	Independent Non-Executive Director	6 May 2021
Rob Verlander	Independent Non-Executive Director	6 May 2021
Vaibhav Piplapure	Non-Executive Director and Shareholder Representative	23 May 2024
Michael Culhane	Chair and Shareholder Representative	20 January 2011 (ceased on 23 May 2024)

Board and Board Committee Meetings

The number of Board and Board Committee meetings held in 2024, and each Director's attendance at those meetings, are set out in the Directors' Report contained in the Annual Report.

2.4 Board independence

The Board considers an Independent Director to be a Non-Executive Director who is not a member of the Company's Management and who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or any other person. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard.

The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time. The Board Charter sets out guidelines adopted by the Board for the purpose of determining the independence of Directors in accordance with the ASX Recommendations and the Board has adopted a definition of independence that is based on the ASX Recommendations. The Board will have regard to quantitative and qualitative principles of materiality for the purpose of determining "independence" on a case-by-case basis.

Four of the seven members of the Board are Non-Executive Directors who are considered independent. The Board considers that each of Mike Cutter, Akiko Jackson, Justine Turnbull and Rob Verlander are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement and that each is able to fulfil the role of an independent Director for the purpose of the ASX Recommendations.

Mario Rehayem is currently considered by the Board not to be independent for the purposes of ASX Recommendations as he is the CEO of Pepper Money. Vaibhav Piplapure and Des O'Shea are currently considered by the Board not to be independent, having regard to their role as Shareholder Representative Directors as provided for in the Relationship Deed between Pepper ANZ HoldCo and the Company. Although Vaibhav Piplapure and Des O'Shea are not considered to be independent, the Board considers that both add significant value to deliberations with their considerable experience and skills. The Board believes that Vaibhav Piplapure and Des O'Shea bring objective and independent judgement to the Board's deliberations.

Michael Culhane, who ceased being on the Board on 23 May 2024, was also not considered by the Board to be independent having regard to his role as Shareholder Representative Director.

The Directors believe that they are able to objectively analyse the issues before them in the best interests of all Shareholders and in accordance with their duties as Directors.

2.2 Board Skills Matrix

The Company has adopted a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership. The Board seeks to collectively represent a balance of skills. This includes industry knowledge and experience, technical skills, governance competencies and behavioural competencies.

The Board skills matrix provides that all Directors are expected to actively support the core values of the Company, and to work diligently to safeguard the long-term interests of the Company and its value to shareholders. All Directors must demonstrate a track record of ethical leadership and accountability, of operating successfully in an environment of challenge and collegiality, and of understanding commercial risk/return tradeoffs.

The current Board skills matrix is:

Skills and Experience	Attributes
Industry Knowledge / Experience	<ul style="list-style-type: none"> • Industry knowledge • Knowledge of sector • Knowledge of broad public policy direction • Understanding of government legislation / regulatory processes • Royal Commission exposure / experience • Experience working or interacting with regulators relevant to the industry that the Company operates (i.e. ASIC, AFCA, AUSTRAC, OAIC) • Experience understanding social and environmental risks and opportunities
Technical Skills / Experience	<ul style="list-style-type: none"> • Accounting / finance • Risk and compliance • Legal • Technology • Funding, M&A and capital management • Human resource management • Strategy development and implementation • CEO / C-suite
Governance Competencies	<ul style="list-style-type: none"> • Listed board directorship • Financial literacy • Strategic thinking / planning from a governance perspective • Executive performance management – management of the CEO • Governance related risk management experience • Compliance focus • Profile / reputation

Skills and Experience	Attributes
Behavioural Competencies	<ul style="list-style-type: none"> • Values aligned to the Company • Collaboration • Ability and willingness to challenge and probe • Understanding of difference between board and CEO • Common sense and sound judgement • Integrity and high ethical standards • Mentoring abilities • Interpersonal relations • Listening skills • Verbal communication skills • Understanding effective decision-making processes • Willingness and ability to devote time and energy to the role

The Board skills matrix is reviewed regularly to make sure that it covers the skills needed to address existing and emerging business and governance issues.

The current Directors of Pepper Money bring to the Board a broad range of relevant experience and skills across a variety of industries including consumer lending, specialist lending, insurance, law, investment banking and mortgage broking. Mario Rehayem's in depth knowledge of the Pepper Money business through his Executive role is well complemented by Independent Non-Executive Directors who have deep experience in the financial services industry as well as at the Board level.

2.5 The Chair

Akiko Jackson, an Independent Non-Executive Director, was appointed as Chair of the Board on 23 May 2024. In all cases, the Chair does not exercise the role of CEO, this role being performed by Mario Rehayem.

The previous Chair (who resigned from the Board effective 23 May 2024), Michael Culhane, was not considered by the Board to be an Independent Director given that he was a Shareholder Representative Director. Despite this, up to his resignation, the Board believed that Michael was the most appropriate person to lead the Board as its Chair given his prior role as CEO of the Pepper Global Group, as well as his expertise and global experience investing in the finance sector.

2.1 Remuneration and Nomination Committee

The RemCo is responsible for final approval of matters relating to succession planning of the CEO, Key Management Personnel ("KMP") and Company Secretary, the nomination of Directors and the Chief Executive Officer and remuneration of the Directors, the Chief Executive Officer and KMPs.

The RemCo Charter provides that the Committee must comprise of at least three members who are Non-Executive Directors a majority of whom are Independent Directors. The Remco Charter also requires an independent Chair who is not Chair of the Board.

The current members of the Remuneration and Nomination Committee are:

- Justine Turnbull, Chair;
- Akiko Jackson;
- Rob Verlander; and
- Des O'Shea.

Michael Culhane was a member of the RemCo for part of the year and resigned effective 23 May 2024.

Non-Committee members, including members of Management, may attend meetings of the Committee by invitation of the Committee Chair. Mike Cutter and Vaibhav Piplapure currently have a standing invitation to attend these meetings.

The RemCo Charter can be found on the Corporate Governance section of Pepper Money's website.

2.6 Induction and Ongoing Training

All new Directors participate in an induction process coordinated by the Company Secretary. The induction process includes meetings with the Executives and Management, the provision of materials such as strategic plans and core corporate governance policies, and meetings with other Directors.

The Company also offers appropriate professional development opportunities for Directors to ensure that they are kept up to date with developments in the industry both locally and at an international level. Management also briefs the Board on relevant industry, regulatory and legal developments.

Principle 3 – Culture of acting lawfully, ethically and responsibly

3.1 Articulate and Disclose its Values

Pepper Money's mission is to help people succeed and the Company seeks to be "people's first choice non-bank". Pepper Money is guided by our values of Can Do, Balanced and Real:

Our Values



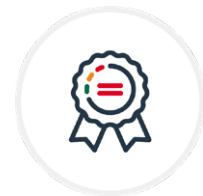
Can Do

We look for opportunities to help in a situation. We think outside the box when it comes to developing solutions for our customers, partners and our teams. We leverage the power of teamwork, take ownership of our goals, and we're known as people who deliver.



Balanced

We know how to manage the relationship between opportunity and risk. We understand how to create situations that can help set people up for success. In tough situations we work to produce a win-win outcome that's both human and profitable.



Real

We respect people and we're honest with them. If we can't help, we'll say so. We listen to feedback to understand how we need to improve. We build trust by acting with integrity, by understanding what people need and by doing what we said we'd do.

Pepper Money's strategic success is achieved by leveraging our core competencies and focusing on three key pillars:



Experience

What we will create

We will design market leading experiences that deliver customer, partner and employee value through every interaction.



Performance

How we will operate

We will build a high performance operating infrastructure that drives sustainable profitability.



Brand

How we want to be known

We will continue to build and protect our brand to drive recognition and choice.

3.2 Code of Conduct

The Board is committed to achieving the highest possible standards of ethical behaviour and best practice in corporate governance. Accordingly, the Board has adopted a formal Code of Conduct which outlines standards expected of the Company's employees, contractors and Directors and is intended to guide them in relation to their conduct and behaviour in the workplace.

Under the Code of Conduct, employees, contractors and Directors must:

- actively promote the highest standards of integrity and ethics in carrying out their duties;
- deal with clients, competitors and each other with the highest level of honesty, efficiency, fairness and integrity and observe the rule and spirit of the legal and regulatory environment;
- respect confidential information acquired in the course of Pepper Money's business; and
- disclose any actual or perceived conflicts of interest of a direct or indirect nature of which they become aware of and which they believe could compromise in any way the reputation or performance of Pepper Money.

3.3 Whistleblower Policy

Pepper Money has a Whistleblower Protection Policy to encourage all employees to feel safe in reporting suspected misconduct and provide a mechanism whereby incidents of suspected or actual misconduct (reportable conduct) can be reported anonymously without fear of reprisal, dismissal or discriminatory treatment.

3.4 Anti-Bribery and Corruption Policy

Pepper Money is committed to conducting our business activities in an ethical, lawful and socially responsible manner, and in accordance with the laws and regulations of the countries in which it operates. The Company's reputation as an ethical organisation is important to ongoing success. Engaging in bribery and corrupt conduct is contrary to this commitment and constitutes a serious offence with criminal and civil penalties. Pepper Money's Anti-Bribery and Corruption Policy applies to all employees, officers, Directors and in certain circumstances, consultants, secondees, contractors, agents, partners and intermediaries representing us.

A copy of the Pepper Money's Code of Conduct and policies listed above can be found at

www.peppermoney.com.au/about/corporate-governance.

Principle 4 – Safeguard the Integrity of Corporate Reports

4.1 Audit and Risk Committee

The BARC assists the Board in carrying out oversight of the Company's accounting, audit, financial reporting, and risk management responsibilities including:

- overseeing the Company's relationship with the external auditor and the external audit function generally;
- overseeing the preparation of the financial statements and reports;
- overseeing the Company's financial controls and systems; and
- managing the process of identification and management of risk.

The BARC Charter provides that the Committee must comprise of at least three members who are Non-Executive Directors, a majority of whom are Independent Directors. The BARC Charter also requires an independent Chair who is not Chair of the Board. The current members of the Audit and Risk Committee are:

- Mike Cutter, Chair;
- Akiko Jackson;
- Rob Verlander; and
- Des O'Shea.

Michael Culhane was a member of the BARC for part of the year and resigned effective 23 May 2024.

All Non-Executive Directors will be invited to all meetings of the BARC. The BARC may invite any Executive Director, Management and other staff members, internal auditor or external auditor to attend all or part of a meeting of the Committee. Justine Turnbull and Vaibhav Piplapure currently have a standing invitation to attend these meetings.

The Committee has rights of access to Management and auditors (external and internal) without Management present, and rights to seek explanations and additional information from both Management and auditors.

4.2 Declarations by the CEO and CFO

The CEO and Chief Financial Officer ("CFO") have provided a written certificate to the Board in respect of the full year statutory accounts of the Company that:

- in their opinion, the financial records of the Company have been properly maintained and the statutory accounts comply with the relevant accounting standards and other mandatory reporting requirements and give a true and fair view of the financial position and performance of the Company; and
- their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Internal Audit

The BARC is responsible for making recommendations to the Board on the appointment, reappointment or replacement (subject to Shareholder ratification, as required), of the internal auditor.

The rules for independence for an internal auditor are different from those applicable to an external auditor. The Company adopts the definition, principles and rules of conduct prescribed by the Institute of Internal Auditors ("IIA") for its Members.

External Audit

The BARC is responsible for making recommendations to the Board on the appointment, reappointment or replacement (subject to Shareholder ratification, as required), remuneration, monitoring of the effectiveness, and independence of the external auditor.

To ensure external auditor independence, the Committee:

- must pre-approve all audit and non-audit services provided by the external auditor (other than taxation services) and will not engage the external auditor to perform any non-audit or assurance services that may impair or appear to impair the external auditor's judgment or independence in respect of the Company. The Committee may delegate a pre-approval dollar limit to the CFO and authority to a member of the Committee to pre-approve amounts in excess of this between Committee meetings; and
- will annually request from the external auditor a report which sets out all relationships that may affect its independence.

4.3 Integrity of corporate reports

Pepper Money has practices in place to verify that its periodic corporate reports which are not externally audited or reviewed are accurate, balanced, and provide investors with the appropriate information they require to make informed investment decisions. Where a periodic corporate report is released to the ASX which has not been audited or reviewed by an external auditor, Pepper Money will also disclose as part of that report the process that it has undertaken to verify the integrity and contents of the report.

The verification process generally involves that reports are prepared by internal subject matter experts and material statements in the reports are reviewed by internal stakeholders and/or divisional heads. Confirmation from Management that periodic reports, such as this Corporate Governance Statement, the Operating and Financial Review and the Environmental, Social and Governance (“ESG”) Report, are true and accurate is required prior to approval by the Board.

Principle 5 – Make Timely and Balanced Disclosure

5.1, 5.2 & 5.3 Market announcements

Pepper Money is committed to complying with its disclosure obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of information which may reasonably be expected to have a material effect on the price or value of Pepper Money’s securities.

The Company has adopted a Continuous Disclosure Policy which establishes procedures to ensure that Directors and employees are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

The Company is committed to observing its disclosure obligations under the ASX Listing Rules and Corporations Act. Information will be communicated to Shareholders through the lodgment of all relevant financial and other information with the ASX and continuous disclosure announcements will also be made available on the Company’s website.

Principle 6 – Respect the Rights of Security Holders

6.1 Shareholder communication

Pepper Money’s aim is to ensure that Shareholders are kept informed of all major developments affecting the state of affairs of the Company. In addition to the Company’s continuous disclosure obligations, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time and the Company will communicate this information regularly to shareholders and other stakeholders through a range of forums and publications.

Pepper Money’s website has a dedicated Shareholders’ and Corporate Governance page that provides important information about Pepper Money that is relevant to shareholders including:

- the Board and Committee Charters, policies, and Constitution;
- ASX announcements;
- key dates of upcoming events and payment dates of dividends;
- results centre with copies of financial reports;
- contact details for the Share Registry;
- historical presentations and webcasts;
- email alerts that enable shareholders to register to receive all ASX and Company information directly into their inbox;
- latest share price; and
- investor relations contacts.

All ASX announcements made to the market, including annual and half year financial results, will be posted on the Company’s website as soon as practicable following their release by ASX. The full text of all notices of meetings and explanatory material, the Company’s annual report and copies of all investor presentations made to analysts and media briefings will be posted on the Company’s website.

6.2 and 6.3 Investor Relations Program

Pepper Money's Investor Relations program is designed to engage with its key stakeholders including retail and institutional investors (domestically and internationally) sell-side research analysts and individual investors. The program includes scheduled engagements following the release of the Company's half and full year results, as well as other engagements including presenting at/or attending industry conferences, and investor days.

The Board understands the importance of these interactions as it allows Pepper Money to clearly articulate its strategy and receive feedback from investors and investment market participants on its strategy, financial performance and reporting, and governance.

The diagram below contains more detailed information regarding some of the key platforms and publications, including the Company's Investor relations program.

Shareholder Centre website

The Shareholder centre website contains relevant information for Shareholders including:

- Pepper Money's Board and Committee Charters, policies, and constitution
- ASX announcements
- Key dates of upcoming events and payment dates of dividends Results Pepper centre with copies of financial reports
- Contact details for the Share registry
- Historical presentations and webcasts
- Shareholders can sign up to email alerts to receive all ASX announcements directly to their inbox
- Latest share price information
- How to contact investor relations.

Annual reporting

- Annual Report contains important information about Pepper Money's results for the financial year and a summary of the Company's activities. Pepper Money's Annual Report is available via the investor centre website.
- Shareholders may choose to receive a copy of the Annual Report in electronic or hard copy form.

ASX Announcements and communications

- Pepper Money publishes all announcements, press releases and other communications on the Investor centre website.
- Pepper Money's website also contains links to notices of meetings and explanatory memoranda.
- Shareholders may choose to receive these documents in electronic form by providing Pepper Money with their email address.

Annual General Meeting

- Pepper Money encourages all shareholders to attend and participate in its AGM. Links to a webcast of the AGM and a transcript of the Chair's and CEO's speech will be lodged with the ASX and published on the company's Investor centre website.
- Shareholders are encouraged to lodge direct votes or proxies electronically, subject to the adoption of satisfactory authentication procedures.
- The Company's external auditor attends the AGM and is available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.
- The Board and management actively engage with shareholders at the AGM.

Investor relations

- Pepper Money is committed to maintaining working relationships with its shareholders. Pepper Money gives shareholders the option to receive periodic communications in either electronic (encouraged) or hard copy form.
- Shareholders can register to receive all ASX and company information electronically.
- Shareholders also have the option to receive and send communications from Pepper Money and its share registry in electronic or hard copy form.

Pepper Money's Shareholder Communication Policy provides for an investor relations program which actively encourages two-way communication. The Shareholder Communication Policy can be at the Corporate Governance webpage on the Company's website.

Copies of all ASX lodgments, financial reports and presentations and replays of certain webcasts can be found on the Pepper Money website.

6.4 Shareholder Participation at the Annual General Meeting

Shareholders are invited to attend the Company's AGM, where shareholder participation is actively encouraged and facilitated.

Engagement is facilitated by:

- distributing a copy of the Annual Report and the Notice of Meeting to Shareholders directly to Shareholders via their nominated means of communication;
- enabling the use of online proxy voting for Shareholders who are unable to attend;
- encouraging Shareholders to submit written questions in advance of the AGM either by returning the question form provided with the notice of AGM or through an online facility that enables Shareholders to submit questions via their investor centre log-in;
- the Chair seeking to address as many of the more frequently raised topics as possible in their AGM address; and
- seeking to answer all questions raised by shareholders during the meeting.

The formal addresses at the AGM will be webcast live and subsequently available as an archive on the Pepper Money website for those Shareholders who are unable to be present.

A representative of the external auditor will attend the AGM for the purpose of answering shareholders' questions about the audit report and audit process. All substantive resolutions being considered at the AGM are decided by a poll rather than a show of hands.

The AGM voting result will be lodged with the ASX as soon as practicable after the AGM and published on Pepper Money's website.

The 2024 AGM is scheduled for May 2025, and Pepper Money intends to conduct a hybrid or virtual meeting.

6.5 Electronic communication

The Shareholder Communication Policy provides Shareholders the option to receive email communications and send email communications directly to the Company and to the Company's Share Registry.

Principle 7 – Recognise and manage risk

7.1 Risk committee

Pepper Money has established a risk governance framework through a comprehensive committee structure to support the management of risk, including the BARC (Board), Executive Risk Committee (Management), Credit Committee (Management), Product and Pricing Committee (Management), Asset and Liability Committee (Management), BESG Committee (Board) and ESG Committee (Management).

The Board has the ultimate accountability for risk management in the Company. The BARC assists the Board with regard to oversight of Pepper Money's risk management practices by reviewing and reporting to the Board that:




- the Committee has, at least annually, reviewed the Company's risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk;
- adequate policies and procedures have been designed and implemented to manage identified risks; and
- a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies.

7.2 Risk Management Framework

Risk management is an integral part of Pepper Money’s business model. The Company operates in adherence to its Risk Management Framework (“RMF”), which provides an effective and efficient approach to govern and oversee the Company.

The RMF promotes increased risk awareness throughout the Company and facilitates better operational and strategic decision making. It promotes a strong risk culture and ensures that operations are consistent with the nature and level of risk that Pepper Money is willing to accept, both now and in line with any expected changes in the legislative and regulatory environment.

The following chart provides an overview of Pepper Money’s RMF which is reviewed at least annually. The RMF was last reviewed by the BARC in December 2024.

	<p>Risk Management Framework</p>	<p>Board and Strategy Risk Appetite Statement Risk Management Strategy</p>	
	<p>Residual</p>	<p>Financial Risks</p> <ul style="list-style-type: none"> • Credit Risk • Liquidity Risk • Funding Risk • Market Risk 	<p>Non-Financial Risks</p> <ul style="list-style-type: none"> • Compliance • Operational • Reputational/Conduct Risk
	<p>Inherent</p>	<p>Strategic Risks</p>	
	<p>Independent Validation and Testing</p>	<p>Internal Audit (3rd Line of Accountability)</p>	
	<p>Risk Policies</p>	<p>Risk Management (2nd Line of Accountability)</p> <ul style="list-style-type: none"> • Credit Policy • Funding Policy • Compliance Policy • Operational Risk Management Policy • Business Resilience Policy 	
	<p>Procedures and Supporting Documents</p>	<p>Business (1st Line of Accountability)</p> <ul style="list-style-type: none"> • Procedures Manual • Standards Registers • Guides • Manuals • Registers 	

RISK CULTURE

Framework

Risk Management Framework

Tolerance Levels

Risk Appetite Statement

Material Risks Categories



Financial

- Macroeconomic Risk
- Credit Risk
- Funding Risk
- Liquidity Risk
- Interest Rate Risk

Non-Financial

- Environment, Social & Governance Risk
- Cyber Risk
- Data Risk
- Technology Risk
- Regulatory & Compliance Risk
- Operational Risk
- Conduct Risk
- Human Capital Risk
- Labour Market Risk
- Third Party Risk

7.3 Internal audit

Pepper Money outsources the internal audit function, currently to Ernst & Young (“EY”). EY assists the Board by undertaking an objective evaluation of Pepper Money’s internal control framework.

Internal Audit undertakes internal reviews of risk management by conducting a series of audits on the systems, processes and controls within the Company. A risk-based plan is agreed with Management and the BARC on an annual basis and may include reviews in the areas of financial reporting and management application of accounting policies and compliance with regulatory regimes, laws and standards. The results of these reviews are reported to the BARC.

7.4 Environmental and Social Responsibility Management

Pepper Money has been built on a mission to “help people succeed”. As Pepper Money delivers on its mission and continues to build the Company strategy, the Company seeks to create sustainable value for all customers, partners, employees, the communities in which it operates, and for shareholders.

Pepper Money continues to build off on its support in the community, embedding strong, transparent corporate governance, and ensuring it lends responsibly to customers.

Pepper Money continues to develop its ESG Framework to provide a quantifiable guide for our employees and stakeholders on the standards that it seeks to uphold. Pepper Money is committed to being a responsible and sustainable business that supports its people, customers and communities. Pepper Money recognises that it operates in an environment of rapidly changing economic conditions, societal and geo-political shifts, cyber security uncertainty, and the increasing impacts of climate change, but remains committed to being a responsible and sustainable business that supports its people, customers and communities through commitment to financial inclusion.

In June 2024, the Board established the BESG Committee to assist the Board in fulfilling its responsibilities by providing oversight of the Company’s initiatives in line with existing and emerging environmental, social and governance matters and the meeting of mandatory, climate-related financial reporting requirements. In doing so, the BESG Committee has the responsibility for oversight, review and implementation of the Company’s ESG approach, objectives and performance, including ESG targets.

The BESG Committee Charter provides that the Committee must comprise of at least three members who are Non-Executive Directors, a majority of whom are Independent Directors. The BEGS Committee Charter also requires an independent Chair who is not Chair of the Board.

The BESG Committee Charter is available on the Corporate Governance section of the Company's website. The current members of the BESG Committee are:

- Justine Turnbull, Chair;
- Akiko Jackson;
- Des O'Shea;
- Rob Verlander; and
- Mike Cutter.

The BESG Committee may invite any Executive Director, Executive, Management and other staff member or external adviser to attend all or part of a meeting of the Committee. Vaibhav Piplapure currently has a standing invitation to attend these meetings.

The Board and Executives recognise that Pepper Money's ongoing success and sustainability rests on understanding and meeting both the current and future expectations of a range of key stakeholders. Pepper Money will continue to focus on being a sustainable and resilient business which brings long-term value to those around it. Pepper Money has disclosed whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks in the Operating and Finance Review contained within the Annual Report and the Sustainability Report.

Principle 8 – Remunerate Fairly and Responsibly

8.1 Remuneration and Nomination Committee

The Board has established the RemCo. The RemCo responsibilities include assisting the Board in discharging its responsibilities in relation to the Company's:

- recruitment of Directors and Executives;
- remuneration policies;
- short and long term incentive plans;
- equity plans; and
- Board composition and performance.

Further details of the RemCo can be found under Section 2.1 of this Corporate Governance Statement.

8.2 Director and Executive Remuneration Practices

Pepper Money's remuneration policies and practices for Non-Executive Directors, Executive Directors and KMPs are set out in the Remuneration Report, found in the Annual Report.

8.3 Dealings in Pepper Money Securities

The Company has a Securities Trading Policy which sets out the obligations of Directors and employees of Pepper Money when trading in Pepper Money securities. The Board considers it desirable that Directors and employees of Pepper Money hold securities in the Company and that doing so aligns their interest with other shareholders.

The Policy is designed to establish a best practice procedure for the buying and selling of securities that protects the Company, Directors and employees against the misuse of unpublished information which could materially affect the value of securities and to comply with the Corporations Act.

Pepper Money employees and Directors are prohibited from entering into or facilitating margin loans in relation to Pepper Money securities and are required to obtain pre-trade approval before trading in Pepper Money securities.

The Policy prohibits Directors and Senior Management (and any companies or trusts controlled by them) from trading in financial products that limit the economic risk of security holdings (e.g. hedging arrangements) and imposes restrictions on transactions which limit the economic risk of security holdings (e.g. hedging arrangements) and imposes restrictions on transactions which limit the economic risk of participating in equity-based remuneration schemes.



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