

MAREEBA & DIMBULAH FINANCIAL SERVICES LIMITED

CORPORATE GOVERNANCE STATEMENT

The board of a company has a significant role in achieving the company's mission and goals. The board has the onus to act in the best interests of the company's shareholders. The board is accountable to its shareholders and also to stakeholders in the community in which it supports. Sound overview by a strong and balanced board is vital in addressing a company's strategic direction. By such governance the board can fulfil its moral and legal responsibilities and also allow management to carry out its role within defined parameters without the day to day intervention of the board.

The areas this board has identified that are relevant for a governance framework to enable it to make effective decisions are:

- To provide strategic leadership, to proactively move the company's banking business forward and address emerging issues.
- To adhere to good corporate ethics with a sense of duty to act in good faith and in the best interests of the company; this assures stakeholders that the board is fulfilling its responsibilities with due diligence and accountability.
- To identify and understand:
 - the key duties and responsibilities of an organisation's directors and officers
 - the role of committees
 - the role of external audit
 - risk assessment from the perspective of the board and individual board members.
- To provide performance reports to stakeholders on a timely basis.
- To be aware of good corporate governance issues.
- To make known to stakeholders the company's governance process and to report on the board's adherence to its corporate governance policies.

To maximise its effectiveness, the board has:

- Implemented sub-committees, from which groups of individuals make decisions and recommendations for the board to approve; these sub committees include:
 - a Governance and Branch Development Committee,
 - a Sponsorship & Marketing Committee,
 - a Finance and Audit Committee and
 - a Human Resources CommitteeThe use of these subcommittees will enable the workload to be balanced amongst the entire board in areas where individuals have and bring particular skills to that sub-committee;
- promoted an environment in which personal and board risk is understood, articulated and managed from a basis of sound governance policy and a risk management framework;
- investment in individual director and board education and training
- encouraged a diversity of opinions and views as a means towards effective decision making by the board;
- adhered to a clear distinction between the board and branch managers' roles;
- recognised the views of our franchise agreement partner, Bendigo Bank Limited, in board discussions and to utilise its experience.

In all things the board shall be transparent in its dealings and have strong corporate governance focus. The board will adopt corporate governance policies and procedures that will guide Mareeba & Dimbulah Financial Services Limited into the future.