

Corporate **GOVERNANCE**

The company has lived in an environment of change and growth by acquisition for some years. We have also been pushing the envelope of transport industry change with our planned strategic acquisition of the businesses previously acknowledged as industry leaders.

Toll's directors and management are conscious of their corporate governance responsibilities to protect the well-being of the company for the benefit of all interested parties, be they shareholders, employees, customers, suppliers or the public at large.

Consequently, the Board has established corporate governance, audit and remuneration subcommittees, which meet regularly to monitor the company's progress.

The corporate governance subcommittee monitors and implements our ethical standards and code of business practice, ensuring that Toll is not only an equal opportunity employer, but that the company, its management and its employees act responsibly.

The audit subcommittee monitors our legal and regulatory compliance, assesses the company's exposure to risk and liaises with external auditors. It also

implements and reviews company policies on sensitive issues and practices, and assesses the company's financial management.

The remuneration subcommittee oversees and reviews the remuneration policies for senior executives and directors, as well as employee share and option plans and superannuation. It ensures compliance with remuneration laws and regulations, reviews professional indemnity and liability insurance and monitors career development and succession planning.

The board is also conscious of the wisdom of not only maintaining a majority of non-executive directors but also ensuring that the Chairman is a non-executive appointment.

To protect the rights of the non-executive directors, they are able – with the Chairman's approval – to seek independent professional advice at the company's expense.

Toll's corporate governance guidelines also address and restrict the circumstances at which time directors and officers are able to buy and sell the company's shares.

Toll isn't just a business: whenever possible, we help out in the community. When the worst drought in living memory in East Gippsland was broken by a massive flood, to help feed surviving stock, hay was donated from across Victoria, South Australia and New South Wales. Unfortunately, the hay was a long way from where it was needed. Eight drivers and four trucks from John Nash Transport made it happen. Farmers loaded hay on the Saturday and the trucks arrived in Gippsland to a great welcome the following day.

