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ADAIRS LIMITED | ASX: ADH

24 August 2026

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Manager

Adairs Limited — Appendix 4G and 2026 Corporate Governance Statement

Please find attached, in accordance with Listing Rules 4.7.3, 4.7.4 and 4.10.3, the Appendix 4G and 2026 Corporate Governance Statement for Adairs Limited.

The Appendix 4G identifies where in the 2026 Annual Report and the 2026 Corporate Governance Statement each of the disclosures required under the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations may be found, and identifies those recommendations the Company has not followed together with its reasons.

The 2026 Corporate Governance Statement is current as at 24 August 2026 and has been approved by the Board.

This announcement is authorised for release to the market by the Board of Adairs Limited.

Yours faithfully,

Matt Edmonds
Group Chief Financial Officer & Joint Company Secretary

FOR MORE INFORMATION

Investors
Matt Edmonds
Group Chief Financial Officer
E: investor.relations@adairs.com.au

Company Secretariat
Eryl Baron
Joint Company Secretary
ASX communications contact (LR 12.6)

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CORPORATE GOVERNANCE STATEMENT 2026

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CORPORATE GOVERNANCE DOCUMENTS

The following documents referred to in this statement are available on the Corporate Governance page of the Adairs investor relations website (investors.adairs.com.au):

CONSTITUTION & CHARTERS

- Constitution for Adairs Limited
- Board Charter
- Audit & Risk Committee Charter
- Nomination Committee Charter
- People & Remuneration Committee Charter

CORPORATE STATEMENTS

- Modern Slavery Statement (latest version)
- Corporate Governance Statement (latest version of this document)

POLICIES & CODES

- Anti-Bribery & Corruption Policy
- Code of Conduct
- Continuous Disclosure Policy
- Diversity Policy
- Ethical Sourcing Policy
- Policy on Non-Audit Services
- Privacy Policy
- Securities Dealing Policy
- Shareholder Communications Policy
- Whistleblower Policy

This Corporate Governance Statement is dated 24 August 2026 and has been approved by the Board of Adairs Limited.

CORPORATE GOVERNANCE STATEMENT

1. INTRODUCTION

As a listed entity Adairs Limited (the 'Company' or 'Adairs') is required to report on the extent to which it has complied with the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council ('ASX Principles and Recommendations').

This corporate governance statement ('Statement') sets out the key features of the governance framework, including the key policies and practices, of Adairs for the year ended 28 June 2026 ('FY26'). A reference in this Statement to Adairs, unless otherwise stated, is a reference to Adairs Limited and its subsidiaries, including the Focus on Furniture and Mocka business units.

This Statement, together with Adairs' 2026 ASX Appendix 4G (which is a checklist cross-referencing the ASX Principles and Recommendations to the relevant disclosures in this statement and the Adairs website), should be read in conjunction with the Company's corresponding Annual Report, which includes its annual Sustainability Report prepared in accordance with the Corporations Act 2001 (Cth) and Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*. Each of these documents has been lodged with the ASX and can also be accessed on the Adairs investor relations website (investors.adairs.com.au).

The Board considers that the Company's corporate governance practices followed the recommendations of the ASX Principles and Recommendations throughout FY26.

Adairs' FY26 corporate reporting suite comprises the FY26 Annual Report (incorporating the Directors' Report, the Remuneration Report and the audited financial report), the FY26 Sustainability Report, this Statement, the 2026 Appendix 4G, together with the Board and committee charters and key corporate governance policies published in the corporate governance section of the investor relations website.

2. CORPORATE GOVERNANCE FRAMEWORK

The Board of directors (the 'Board') of Adairs is responsible for the corporate governance of the Company and is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of Adairs.

In conducting business with these objectives, the Board seeks to ensure Adairs is properly managed to protect and enhance shareholder interests, and that Adairs, its directors, officers and personnel follow appropriate corporate governance policies and practices.

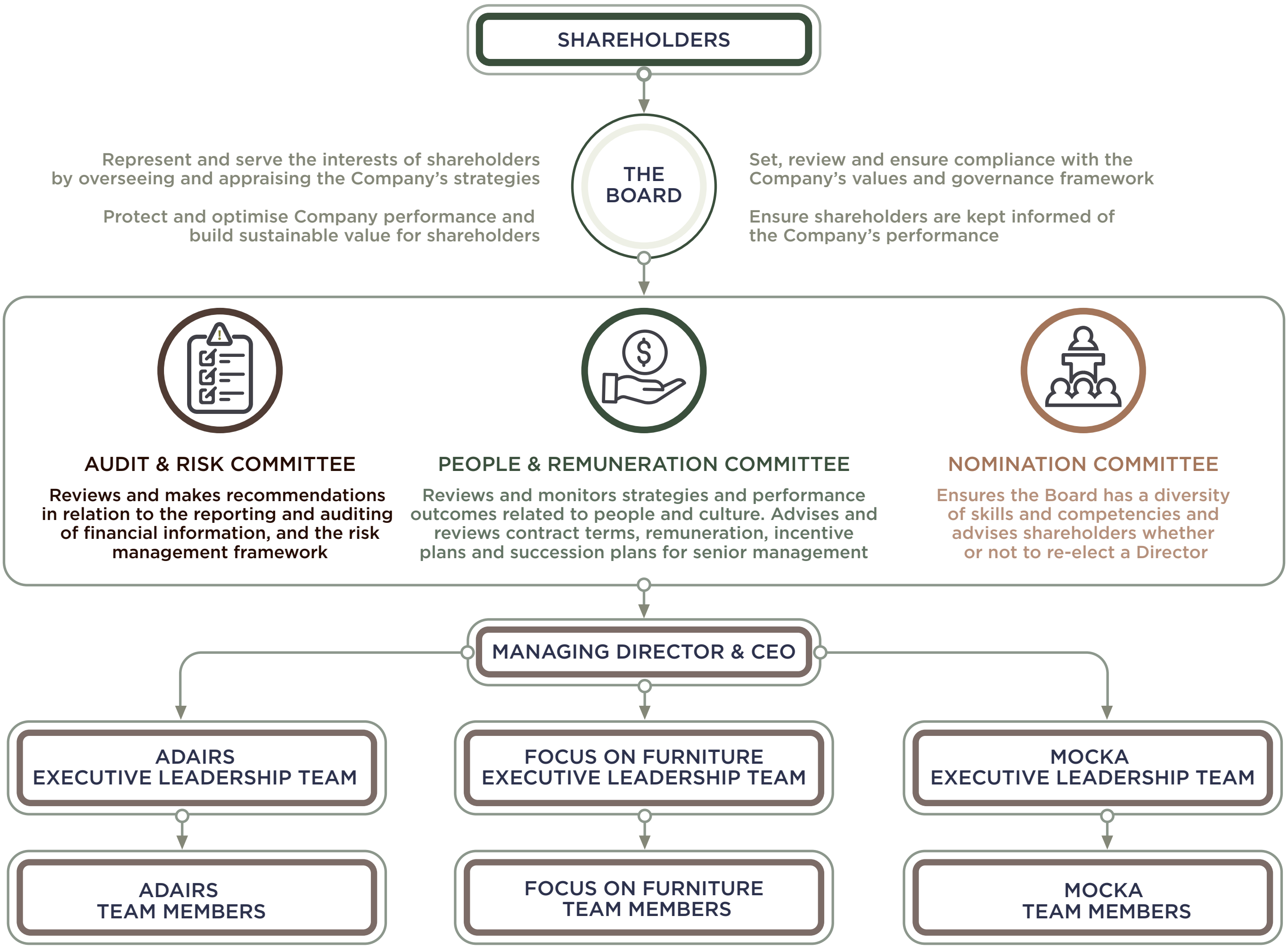
The Board has adopted a Charter which sets out the Board's role and responsibilities, the relationship and interaction between the Board and management, and the authority delegated by the Board to management and Board committees.

The Board Charter was adopted in July 2018. With the renewal of the Board and executive leadership now substantially complete, the Board has committed to a comprehensive refresh of the Board Charter in FY27, overseen by the Nomination Committee consistent with its charter responsibility to review the Board Charter periodically, to ensure it reflects the Board's current composition and committee structure, contemporary governance practice and the Group's obligations under the mandatory climate reporting regime. The refresh will include updating the independence guidelines in the Board Charter, which are presently framed by reference to the third edition of the ASX Principles and Recommendations, and the standing committee names.

2.1 The role of the Board

The Board's role is to:

- represent and 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 Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's 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 shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.



2.2 Chair

The Board Charter provides that the Board will appoint one of its members to be Chair, and that it is intended that the Chair is an independent non-executive director. The Chair's primary responsibility is leading the Board and overseeing the processes for the Board fulfilling its responsibilities under the Board Charter.

The Board Chair's specific responsibilities include:

- chairing Board meetings, facilitating the effective contribution of all directors and fostering open, respectful and constructive discussions between directors, and between the Board and management, at Board meetings;
- developing a constructive working relationship with the CEO, providing support and advice where appropriate; and
- representing the views of the Board to the CEO and to shareholders, regulators and other stakeholders.

Trent Peterson was appointed Chair in September 2024, initially on an interim basis, confirmed April 2025 and was re-elected as a director by shareholders at the 2025 Annual General Meeting, with 86.6% of the votes cast on the poll in favour of his re-election. Mr Peterson has been a non-executive director of Adairs Limited since November 2010. The Board's assessment of Mr Peterson's independence, including consideration of his length of service, is set out in section 2.8.

2.3 Company secretary

The Company Secretary is responsible for the coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies including ASX, and all statutory and other filings. The Company Secretary is accountable to the Board and all directors have direct access to the Company Secretary as required.

During FY26 the Company's secretariat arrangements changed. Jamie Adamson and Ashley Gardner, who had served as joint Company Secretaries since October 2023, ceased in those roles on 13 March 2026. Matthew Edmonds commenced as Group Chief Financial Officer on 9 February 2026 and was appointed Company Secretary on 13 March 2026, and Eryl Baron of MUFG Corporate Governance was appointed joint Company Secretary effective 23 April 2026. Ms Baron is responsible for communications with the ASX in relation to Listing Rule matters for the purposes of Listing Rule 12.6.

2.4 Board responsibilities

The Board is responsible for the overall governance of Adairs, including monitoring the operational and financial position and performance of Adairs and overseeing its business strategy, including approving the strategic objectives, plans and budgets of the Company.

The Board's key responsibilities, as set out in the Board Charter and applied in the Board's practice, include:

- selecting, appointing, removing and evaluating from time to time the performance of, determining the remuneration of, and planning succession of, the CEO;
- contributing to and approving management's development of corporate strategy, including setting performance objectives and approving operating budgets;
- reviewing, ratifying and monitoring systems of risk management, internal control and ethical and legal compliance;
- monitoring corporate performance and implementation of strategy and policy;
- approving major capital expenditure, acquisitions and divestitures, and monitoring capital management;
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting, including the Company's Sustainability Report and climate-related disclosures;
- conducting performance evaluations of the Board, its Committees and individual directors; and
- developing and reviewing corporate governance principles and policies.

The number of Board meetings held and directors' attendance are outlined in the Directors' Report on page 59 of the FY26 Annual Report.

Consistent with the Board Charter, the non-executive directors also meet periodically without executive directors or management present.

The Board collectively, and each director individually, has the right to seek independent professional advice at the Company's expense, subject to the prior approval of the Chair (or, in the case of a request by the Chair, the Board as a whole), such approval not to be unreasonably withheld.

2.5 Board focus areas in FY26

In addition to its standing responsibilities, the Board's principal areas of focus during FY26 included: oversight of the Group's trading performance and cost base in a challenging consumer environment; the impairment assessment of the Focus on Furniture cash generating unit and the associated FY26 statutory result; preparation for the Group's first mandatory climate-related disclosures under AASB S2, including the Group's first climate scenario analysis and the associated enhancements to the Enterprise Risk Management Framework; oversight of the Group's multi-year technology investment program, including the transition to cloud-based enterprise systems; capital management and the dividend decision in the context of the FY26 statutory result; and Board renewal, including the appointment and induction of Mr Batistich.

2.6 Management responsibilities

The Board has delegated to the CEO (and other officers to whom the management function is properly delegated by the CEO) responsibility for the day-to-day management of the Company's affairs and implementation of the strategic objectives, the annual budgets and policy initiatives. The CEO is accountable to the Board for all authority delegated to management and for the Company's performance. The CEO is required to operate in accordance with Board-approved policies and delegations of authority, and management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

2.7 Board committees

The Board has three standing committees to assist in the discharge of its responsibilities. The Board committees generally review matters on behalf of the Board and refer matters to the Board for decision with a recommendation from the committee. There are instances where decision-making powers are specifically conferred on a committee by the Board. Each committee has a charter, detailing its role, duties and membership requirements. The committee charters are reviewed and updated as required. The number of committee meetings held and attendance by members of each committee are outlined in the Directors' Report on page 59 of the FY26 Annual Report.

2.7.1 Audit & Risk Committee

The primary responsibilities of the Audit & Risk Committee in relation to the audit function are to review and make recommendations to the Board in relation to:

- the reporting of financial information;
- the appropriate application and amendment of accounting policies; and
- the appointment, independence and remuneration of the external auditor.

The committee also provides a link between the external auditors, the Board and management of the Company.

The primary responsibilities of the Audit & Risk Committee with respect to risk management and compliance are to review and report 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 processes have been designed and implemented to manage identified risks;
- a regular program of audits has been undertaken to test the adequacy of and compliance with prescribed policies; and
- proper remedial action has been undertaken to redress areas of weakness.

The committee also reviews management recommendations on policies and strategies relating to sustainability (including climate) and technology and makes recommendations to the Board where appropriate. During FY26 this included oversight of the Company's first Sustainability Report prepared under AASB S2 Climate-related Disclosures, including the underlying reporting processes, controls and data, and the scope of external assurance over the climate statements (see section 5). The Audit & Risk Committee Charter was updated during FY26 to expressly extend the committee's oversight to climate-related financial risks, the outputs of climate scenario analysis, the Group's greenhouse gas emissions inventory and the supporting control environment. During FY26 the committee received climate-related updates on a half-yearly basis, including the emissions inventory and the Group's climate-related risks and opportunities, supplemented by ad hoc papers where emerging risks, regulatory developments or material climate-related decisions required consideration, and provided an annual update to the Board.

Under the Audit & Risk Committee Charter, the committee should consist of:

- at least three members of the Board;
- only non-executive directors;
- a majority of independent directors; and
- an independent Chair who is not Chair of the Board.

Kiera Grant has chaired the Audit & Risk Committee since September 2024 and did so throughout FY26. John Batistich joined the committee on his appointment to the Board in May 2026, and there are currently four members of the Audit & Risk Committee. All are independent non-executive directors, and the committee's composition satisfied the requirements of its Charter throughout FY26.

2.7.2 People & Remuneration Committee

The responsibilities of the Committee in respect of **Remuneration** are as follows:

- Review and advise the Board annually on the arrangements for the Chief Executive Officer (CEO) and senior executives, including contract terms, remuneration and superannuation.
- Review management recommendations and advise the Board on employee equity incentive plans, including performance-linked compensation packages for senior executives and employee share plans.
- Oversee the administration of the Company's employee equity incentive plans, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various plans.
- Review the senior executive performance assessment processes and results as they reflect the capability of management to realise the business strategy.
- Review and make recommendations to the Board on remuneration by gender and recommend strategies or changes to address any pay bias.
- Review and recommend to the Board the remuneration arrangements for the Chair of the Board and the non-executive directors of the Board, including fees, travel and other benefits.
- Approve the appointment of remuneration consultants (if any) for the purposes of the Corporations Act 2001 (Cth).
- Review and recommend to the Board the remuneration report prepared in accordance with the Corporations Act 2001 (Cth) for inclusion in the annual Directors' Report.

The responsibilities of the Committee in respect of **People** are as follows:

- Review the Group's People strategy.
- Review CEO and senior executive succession plans and make recommendations to the Board.
- Review the Group's approach to leadership and talent development.
- Review the effectiveness of the Group's policies and practices in relation to the attraction, motivation and retention of employees.
- Review the Group's Code of Conduct.
- Review strategies to promote diversity and inclusion, including measurable gender diversity objectives for the Board, senior executives, and workforce, and assess progress toward these goals.
- Monitor corporate culture and alignment with the Group's purpose and values.

Under the People & Remuneration Committee Charter, the committee should consist of:

- at least three members of the Board;
- only non-executive directors;
- a majority of independent directors; and
- an independent Chair.

Rachel Kelly was appointed Chair of the People & Remuneration Committee in July 2025 and chaired the committee for the remainder of FY26. John Batistich joined the committee on his appointment to the Board in May 2026, and there are currently five members of the People & Remuneration Committee. All are non-executive directors, and a majority are independent directors.

2.7.3 Nomination Committee

The primary responsibilities of the Nomination Committee are to:

- assist the Board to develop a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership;
- review and recommend to the Board the criteria for Board membership, including the necessary and desirable competencies of Board members and the time expected to be devoted by non-executive directors in relation to the Company's affairs;
- review and recommend to the Board the size and composition of the Board, having regard to the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender;
- develop succession plans and make recommendations to the Board in respect of succession planning of the Chair and other non-executive directors;
- review and recommend to the Board the membership of the Board, including making recommendations for the election and re-election of directors, and assisting the Board as required to identify individuals who are qualified to become Board members (including in respect of executive directors);
- assist the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies;
- review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time;
- review the Board Charter on a periodic basis and recommend any amendments to the Board for its consideration;
- ensure an effective director induction process is in place and regularly review its effectiveness, and provide appropriate professional development opportunities for directors; and
- on an annual basis, review the effectiveness of the Diversity Policy by assessing the Company's progress towards the achievement of measurable objectives and any strategies aimed at achieving the objectives, and reporting to the Board any recommended changes to the measurable objectives and strategies or the way in which they are implemented.

Each year, the Nomination Committee prepares a report for the Board outlining the following details of the Board selection process with a view to including either the report or a summary of the report in the Annual Report:

- the process by which candidates are identified and selected, including whether external search organisations are used;
- the steps taken to ensure that an appropriate range of candidates is considered; and
- the factors taken into account in the selection process, including the Board skills matrix used to identify any 'gaps' in the skills and experience of the directors on the Board.

The committee also assists the Board with providing shareholders with any material information in the Company's possession which is relevant to a decision on whether or not to elect or re-elect a director.

Under the Nomination Committee Charter, the committee should consist of:

- at least three members of the Board;
- a majority of independent directors; and
- an independent Chair.

The Nomination Committee comprises all directors and is chaired by the Board Chair, except when the Committee is addressing the appointment of a successor to the Chair of Adairs.

The Nomination Committee met once during FY26 with all members in attendance.

2.8 Board composition and independence

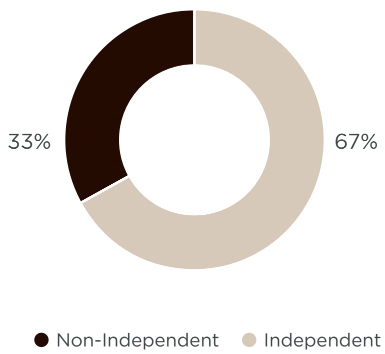
Following two years of significant Board renewal – including the appointments of Elle Roseby as Managing Director and Group CEO in January 2025 and Rachel Kelly as an independent non-executive director in April 2025, and the appointment of Trent Peterson as Chair in September 2024, initially on an interim basis, confirmed April 2025— the Board completed its planned expansion to six directors during FY26.

On 25 May 2026, John Batistich was appointed as an independent non-executive director, following an external search process overseen by the Board. Mr Batistich is a highly experienced retail, marketing and digital executive and company director with more than 25 years' experience across leading consumer and retail businesses, including senior leadership roles with Scentre Group (Westfield) and roles with major international consumer companies. He brings deep expertise in customer strategy, brand development, digital transformation and omni-channel retailing, directly addressing capability areas identified in the Board skills matrix. On appointment, Mr Batistich joined the Audit & Risk Committee and the People & Remuneration Committee, and became a member of the Nomination Committee (which comprises all directors). Mr Batistich will stand for election by shareholders at the 2026 AGM.

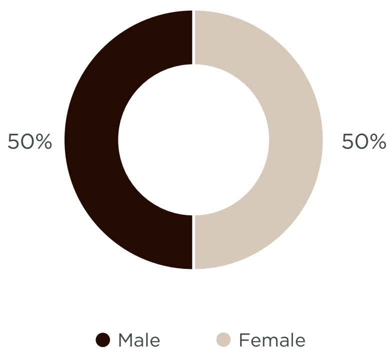
The Board now comprises six directors, a majority of whom (four of six) are independent. The Board considers this size and composition provides an optimal mix of skills, experience and diversity.

The Board has adopted guidelines, as outlined in the Board Charter, which are used to guide independence assessments and take into account the factors relevant to assessing the independence of a director set out in Box 2.3 of the ASX Principles and Recommendations.

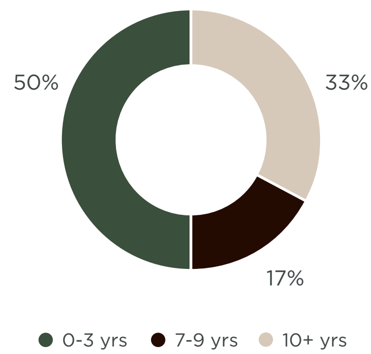
DIRECTOR INDEPENDENCE



DIRECTOR GENDER DIVERSITY



DIRECTOR TENURE DIVERSITY[1]



DIRECTOR	TITLE	INDEPENDENT	APPOINTED	BOARD TENURE (1)	AUDIT & RISK	PEOPLE & REMUNERATION	NOMINATION
Trent Peterson	Non-executive Chair	Yes	15 November 2010	15 years, 9 months	Member	Member	Chair
Kiera Grant	Non-executive director	Yes	24 January 2019	7 years, 7 months	Chair	Member	Member
Rachel Kelly	Non-executive director	Yes	14 April 2025	1 year, 4 months	Member	Chair	Member
David MacLean	Non-executive director	No	6 December 2010	15 years, 8 months	–	Member	Member
Elle Roseby	Executive director (MD & CEO)	No	22 January 2025	1 year, 7 months	–	–	Member
John Batistich	Non-executive director	Yes	25 May 2026	3 months	Member	Member	Member

1. Adairs was incorporated in 2010 as a private company, Home & Decor Holdings Pty Ltd, and was converted to a public company and renamed Adairs Limited in 2015. Tenure is based upon appointment to the Board of Adairs Limited or Home & Decor Holdings Pty Ltd (whichever is earlier) and is as at the date of this Statement.

The Board considers Trent Peterson, Kiera Grant, Rachel Kelly and John Batistich free from any business or any other relationship that could materially interfere with their independent exercise of judgement and able to fulfil the role of independent director for the purposes of the ASX Principles and Recommendations.

In forming this view in respect of Mr Peterson, the Board has specifically considered his length of service (more than 15 years), being one of the factors in Box 2.3 of the ASX Principles and Recommendations relevant to assessing independence. The Board has concluded that Mr Peterson's tenure has not compromised his independence: he has no other business or personal relationship with the Company or management, he continues to demonstrate independence of judgement and constructive challenge of management, and his deep knowledge of the Company and its stakeholders has been of particular value through the recent period of Board and executive renewal. The Board keeps this assessment under review annually.

In forming this view in respect of Mr Batistich, the Board specifically considered his former senior executive role with Scentre Group, whose managed centres include shopping centres in which the Group leases retail premises. The Board concluded that this former role does not compromise his independence: Mr Batistich ceased employment with Scentre Group in 2016, holds no ongoing role with or interest in Scentre Group, has no involvement in the negotiation of the Group's leases, and the Group's lease arrangements with Scentre-managed centres are negotiated by management on arm's-length commercial terms in the ordinary course of business. The Board's assessment applied the independence guidelines in the Board Charter, including the guideline concerning material business relationships within the preceding three years and the Charter's materiality thresholds.

The Board considers David MacLean and Elle Roseby are not independent on the basis that:

- David MacLean is a former longstanding CEO of the Company (a position held until November 2016 when he ceased to be an executive of the Company) and has been a director since December 2010; and
- Elle Roseby is the current CEO and Managing Director of the Company. As CEO, Ms Roseby is an automatic member of the Board.

The directors are satisfied that the Board operates independently of management and effectively promotes the best interests of shareholders, and that the non-independent directors play a key role in the business's success and in developing the Company's future strategy.

2.9 Conflicts of interest

Directors are required to disclose any material personal interest in a matter that relates to the affairs of the Company in accordance with section 191 of the Corporations Act and the Board Charter. Standing notices of directors' interests are maintained by the Company Secretaries in a register of interests, which is kept current and reviewed at each scheduled Board meeting.

Where a director has a material personal interest in a matter being considered by the Board, the director does not receive the relevant Board papers and does not participate in the deliberation or vote on the matter, unless the remaining directors resolve otherwise or a statutory exception applies, consistent with section 195 of the Corporations Act. Any proposed related party arrangement is assessed against Chapter 2E of the Corporations Act and, where applicable, ASX Listing Rule 10.1. Consistent with section 2.3 of this Statement, where a matter touches on the responsibilities of one of the joint Company Secretaries, that matter is escalated to, and overseen by, the Chair.

2.10 Evaluation of the Board

The Nomination Committee, which comprises all directors and is chaired by the Chair of the Board, reviews Board composition, performance, and succession planning. The Committee meets as often as necessary, with at least one meeting each year.

On an annual basis, directors conduct an evaluation and provide written feedback to the Chair in relation to the performance of the Board and individual directors. Each committee of the Board is also required to review and provide feedback on its own performance. Feedback is collected by the Chair of the Board or an external facilitator and discussed by the Board, with consideration given as to whether any steps should be taken to improve the performance of the Board or its committees. The CEO also provides feedback from senior management on any issues that may be relevant to the Board performance review.

The Board Charter records the Board's intention that an external consultant be engaged every three years to review the performance of the Board and its committees. The last externally facilitated review was undertaken in FY22. The Board determined not to commission an external review in FY25 or FY26. Over that period the Board and executive leadership were substantially reconstituted: a new Managing Director and Group CEO commenced in January 2025, Trent Peterson was confirmed Chair in April 2025, Rachel Kelly and John Batistich joined the Board in April 2025 and May 2026 respectively, and a new Group Chief Financial Officer commenced in February 2026. The Board formed the view that an external effectiveness review conducted part-way through this renewal would have been of limited value, because it would have assessed a board and executive team still in transition.

The Board instead completed its annual internal evaluation in FY26, in accordance with the process described above, and has committed to engaging an external consultant to undertake an externally facilitated review of the Board and its committees in FY27, once the renewed Board has operated together for a full annual cycle.

2.11 Directors' skills and experience

The Adairs Board is comprised of experienced business leaders with a variety of professional backgrounds. The Board has developed a Board Skills Matrix, set out below, to capture the current mix of skills, knowledge and experience on the Board. The skills, knowledge and experience on the Board have been identified using a self-assessment questionnaire in which directors were asked to rate their level of proficiency in each skill area. The Board considers that its current mix of skills, experience and expertise is appropriate for it to discharge its obligations effectively.

The Nomination Committee is satisfied that the Board currently comprises directors with a broad and complementary range of skills, experience, and industry knowledge. The Committee also considers that the directors have a sound understanding of both current and emerging issues relevant to the Company and are capable of constructively challenging management and contributing to strategic oversight.

Where any criterion is not fully represented, the skills and experience of the Board are augmented through the involvement of management and external advisors, as deemed appropriate by the Board. Directors receive regular presentations by management and are encouraged to seek additional information from management as necessary. Directors also undertake regular visits to the Group's stores and distribution centres, both collectively and individually.

The matrix was refreshed in June 2026 following the completion of directors' self-assessments, including that of Mr Batistich. Each director's proficiency in each skill area is rated on a three-tier scale:

- High – recognised as a subject-matter expert on the basis of high competency, knowledge and experience;
- Practised – strong understanding of the concepts and issues built on repeated practical or direct experience; and
- Awareness – general awareness and understanding.

The matrix is presented on a disaggregated basis to provide investors with an understanding of the extent to which each skill is distributed across the Board.

The FY26 assessment confirms the Board's strength in strategic acumen (all six directors rated High), risk management and compliance, people, remuneration and culture, retailing, marketing and customer experience, and property asset management. Mr Batistich's appointment has strengthened the Board's capability in technology and cybersecurity – where the Board now has its first director rated High – and in retailing, marketing and customer experience, and international consumer markets.

SKILL/EXPERIENCE	D1	D2	D3	D4	D5	D6	HIGH	PRACTISED	AWARENESS
Executive leadership	A	A	H	H	H	P	3	1	2
Strategic acumen	H	H	H	H	H	H	6	0	0
Financial acumen	H	H	P	P	P	P	2	4	0
Corporate governance	H	H	P	P	P	P	2	4	0
Legal and regulatory	A	A	A	P	H	P	1	2	3
Risk management and compliance	H	H	P	P	H	H	4	2	0
People, remuneration and culture	H	P	P	H	H	H	4	2	0
Retailing, marketing and customer experience	P	A	H	H	H	H	4	1	1
Supply chain	A	A	P	P	H	P	1	3	2
International	A	A	A	P	A	P	0	2	4
Technology and cybersecurity	A	A	P	P	P	H	1	3	2
Property asset management	A	A	H	H	H	H	4	0	2
Climate risks and opportunities	A	A	A	A	A	A	0	0	6

H = High; P = Practised; A = Awareness. Directors are presented on an anonymised basis (D1–D6). Ratings are as assessed in June 2026.

The Board has identified climate risks and opportunities, and international experience, as the areas where Board capability is least developed. In respect of climate, the Board is supplementing its collective capability through director education on the mandatory climate-related financial disclosure regime (see section 2.17), the involvement of management and external advisors in the preparation and assurance of the Company's climate-related disclosures, and the Audit & Risk Committee's oversight of the Sustainability Report. Climate and sustainability capability will also be a relevant consideration in future Board succession planning. This approach is consistent with the governance disclosures in the FY26 Sustainability Report, which identify the annual Board skills matrix as the mechanism through which climate competencies are assessed, capability gaps identified, and director training and future non-executive director appointments guided.

Details of each director, including their other listed company directorships, are set out in more detail on pages 56 to 58 of the FY26 Annual Report and in the biographies on the Adairs investor relations website (investors.adairs.com.au).

2.12 Gender diversity

At the date of this Statement, the Board comprises three female directors (50%) and three male directors (50%), which meets the Board gender target of not less than 40% of directors of each gender. This target has been met throughout FY26, both before and after the appointment of John Batistich in May 2026.

Gender remains a key consideration in any future Board appointment, as is true of the wide range of desirable attributes set out in section 2.15 of this Statement.

Beyond the Board, at the end of FY26 women comprised 47% of the Group's senior executive team (being the CEO and her direct reports) and 87% of the Group's total workforce.

The Board has adopted measurable objectives for achieving gender diversity. Progress against those objectives during FY26 was as follows: not less than 40% of directors of each gender (achieved – 50% women / 50% men at the date of this Statement); not less than 40% of each gender within the Executive Leadership Team by 2030, with an interim target of 36% by 2027 (achieved – 47% women / 53% men); and maintaining a majority female workforce across the Group, reflective of its customer profile (achieved – 87% women / 13% men).

In addition, the Board has endorsed the Group's WGEA Gender Equality Targets, which include increasing the proportion of part-time managers by 2.0 percentage points from a baseline of 6.4%, strengthening policies and support mechanisms relating to the prevention of and response to sexual harassment, and introducing employer-funded primary parental leave.

The Company reports annually to the Workplace Gender Equality Agency (WGEA). The Company's most recently published WGEA gender pay gap was a median total remuneration gap of 14.3% (mean 29.0%).

Small changes in the composition of higher-paid leadership roles can have a disproportionate impact on remuneration gap outcomes. The gap is principally attributable to the higher representation of men in the Group's upper remuneration quartile and senior leadership cohort. The Group continues to monitor gender representation and remuneration outcomes to support its diversity and inclusion objectives.

2.13 Board tenure

As at the date of this Statement, the average tenure of the Company's directors is approximately seven years. This average reflects a deliberate balance: two directors, including the Chair, have served for more than 15 years, while four of the six directors have joined the Board, or assumed their current roles, since January 2025.

While the Board recognises the value of renewal and the introduction of fresh perspectives – as demonstrated by the appointments of Ms Roseby, Ms Kelly, Mr Batistich and a new Chair over the past two years – it does not support the imposition of fixed tenure limits. The Board believes that having a small number of long-serving directors brings significant advantages, including deep corporate knowledge, a thorough understanding of the Company's operations, and strong relationships with key stakeholders. These attributes enhance the Board's ability to provide effective oversight and strategic guidance, and have been of particular value through the recent period of executive transition.

Rather than applying arbitrary limits, the Board focuses on maintaining a balanced composition through regular performance evaluations, succession planning, and the appointment of directors who demonstrate continued engagement, independence of thought, and the capacity to contribute meaningfully to the Company's long-term success. Accordingly, tenure is an important but not conclusive factor that the Board considers when assessing the independence and ongoing contribution of a director in the context of the overall Board review process.

2.14 Director commitment

The Board meets as often as necessary to fulfil its role and directors are required to allocate sufficient time to the Group to perform their responsibilities effectively, including adequate time to prepare for Board meetings.

The Board has reviewed (i) the commitments each director has in addition to their directorship at Adairs, (ii) the contribution each director makes at Board meetings, and (iii) their preparedness and attendance record at Board meetings and Board sub-committee meetings. This review has included attendance and contribution made at a number of meetings called at short notice and at longer meetings involving interstate travel, store visits, strategy days, and informal director events. Based upon this review, the Board is confident that each director is able to devote sufficient time to Adairs in order to manage their director responsibilities effectively.

2.15 Appointment of non-executive directors

Where Board vacancies arise or where a need is identified within the existing Board, the Nomination Committee will seek to identify qualified individuals for appointment to the Board. In undertaking this, the Nomination Committee will have regard to, among other things, the following selection criteria:

- the required skills, expertise and personal qualities that would complement the effectiveness of the Board, including over the medium to long term;
- the existing composition of the Board, having regard to the factors outlined in the Diversity Policy and the objective of achieving a Board comprising directors from a diverse and relevant range of backgrounds; and
- the extent to which the candidate would fill a present 'gap' in the skills and experience of directors on the Board.

The Nomination Committee undertakes appropriate checks before a candidate is recommended to the Board and before a senior executive is appointed. If the above selection criteria are met and the Board appoints the candidate as a director, the director (in their personal capacity) will enter into a written contract with the Company, setting out the terms of his or her appointment consistent with the ASX Principles and Recommendations, and that director will seek election by shareholders at the next annual general meeting (AGM).

Candidates for appointment, election or re-election as a director are requested to provide details of their other commitments (and an indication of time involved in relation to those commitments), and to confirm their other commitments will not affect their ability to perform and discharge their responsibilities as a director of Adairs.

The Board, through the notices of meeting for AGMs, provides shareholders with all material information known to the Board and relevant to a decision on whether to elect or re-elect a director.

John Batistich, who was appointed as a director by the Board on 25 May 2026, is required to stand for election by shareholders at the 2026 AGM. Details of Mr Batistich's skills and experience are set out on page 58 of the FY26 Annual Report and will also be outlined in the 2026 Notice of Annual General Meeting.

2.16 Induction of new directors

The induction program for newly appointed directors is comprehensive and includes familiarisation with specific structures, policies and legal documents, including (but not limited to):

- outline of the corporate and committee structure;
- organisational charts providing details of business units and senior management;
- charters for the Board and Board Committees;
- minutes of previous Board and Board Committee meetings;
- a copy of the Constitution;
- a copy of the current Business Plan; and
- key policies including Adairs' Code of Conduct, Securities Dealing Policy, Continuous Disclosure Policy and Diversity Policy.

Newly appointed non-executive directors meet with key members of management who provide an overview of their areas of responsibility. They receive detailed strategy and operational briefings from the product team, digital/online team and the finance team. They are also taken on site visits to a selection of Adairs' retail stores and distribution facilities.

2.17 Director professional development

All directors are expected to maintain the skills required to discharge their obligations to the Company. As set out in its charter, the Nomination Committee periodically reviews the professional development needs and opportunities of directors. Directors are regularly provided with papers, presentations and briefings on matters which may affect the business or operations of Adairs to assist them in fulfilling their role and discharging their duties. During FY26 this included director briefings on the Company's obligations under the mandatory climate-related financial disclosure regime (AASB S2) and directors' associated duties. Directors are also encouraged to undertake continued education and training relevant to the discharge of their obligations as directors of the Company. To assist the directors in maintaining an appropriate level of knowledge of the operations of the Company, directors undertake site visits each year to some of Adairs' stores and distribution centres.

3. REMUNERATION REVIEW

The People & Remuneration Committee is responsible for the annual review of the remuneration arrangements of the executive directors, Chair and non-executive directors to ensure the Company's remuneration structures, amongst other things, remain equitable and aligned with the long-term interests of the Company and its shareholders, and attract and retain skilled executives. The People & Remuneration Committee also reviews the senior executive performance assessment processes and results across all three business units as they reflect the capability of management to realise the business strategy.

Full details of the remuneration framework and amount paid to directors and key senior executives are set out in the Remuneration Report, which is set out on pages 61 to 75 of the FY26 Annual Report.

3.1 Non-executive director remuneration

Remuneration for non-executive directors is fixed and is subject to a remuneration pool of $800,000 per annum, which was approved by shareholders at the 2021 AGM. Non-executive directors do not receive any variable or 'at-risk' remuneration or other performance-related incentives.

The Company's remuneration strategy for non-executive directors is designed to attract and retain experienced, qualified non-executive directors, and to remunerate them appropriately to reflect the demands made on them and the responsibilities of the position. The level of fees is reviewed annually by the People & Remuneration Committee and is based on the fees paid for comparative non-executive director roles in similarly sized publicly listed companies operating in the retail industry.

3.2 Executive remuneration and performance evaluations

Members of the executive leadership team each have a written employment contract with Adairs or one of its wholly-owned subsidiaries setting out the key terms of their employment.

The principles that guide Adairs' executive remuneration policy are:

- to provide competitive total remuneration arrangements that enable the Company to attract and retain high-performing leaders and to reward them for their contribution to the success of the Company;
- to align remuneration arrangements with the delivery of the outcomes which (in the opinion of the Board) drive sustainable value creation for the Company's shareholders;
- to maintain a pay for performance environment for executives through linking incentive pay opportunities to the achievement of specific, measurable business goals;
- to position base salaries at competitive levels, subject to individual performance;
- to provide arrangements with the flexibility to recognise individuals based on consistent performance, experience and qualifications; and
- to provide equitable pay arrangements across the Company.

These principles seek to ensure the level and composition of remuneration is appropriate, and also that there is a clear link between pay and performance.

The performance of senior executives is evaluated annually by the CEO against pre-determined and agreed performance objectives. The Chair undertakes the CEO's annual review. Performance evaluations were undertaken in FY26 in accordance with this process. The results of these reviews are used in determining succession plans, performance and development plans and remuneration in consultation with the People & Remuneration Committee.

4. ETHICAL AND RESPONSIBLE BEHAVIOUR

The Board recognises the need to observe the highest standards of ethics, integrity, and behaviour. To assist all relevant stakeholders in understanding and achieving these objectives, Adairs has developed and adopted a Code of Conduct, supported by key policy documents, which guide the behaviour of directors, officers, and employees (including executives), and demonstrate the Company's commitment to ethical and responsible business practices.

Adairs' values are articulated through its Culture Commitments, which are being embedded across the Group's people practices and guide how team members work with customers, suppliers, and other stakeholders. These commitments are:

- Delighted Customers: We inspire and delight our customers every day. Learn everything about them you possibly can. Tackle problems from their perspective. We make no apologies for being customer obsessed.
- Passionate People: We lead through our actions and attitude. Authenticity is something we live every day. Be open and honest. Listen as much as you talk. We are passionate people who care about what we do.
- One Team: We are stronger when we communicate and work as a team. If you learn something, share it. If you see a success, celebrate it. Collaboration always trumps individual brilliance.
- Big Ideas: We're a company of big ideas, creativity, and continuous improvement.
- Outstanding Results: We empower our team to deliver results. Make decisions and take action, set stretch targets, measure the things that really matter, and remain accountable for outcomes. We take measured risks, learn from experience, and embrace change.

These Culture Commitments underpin the Group's approach to recruitment, induction, development, recognition, and reward, and reinforce the standards of conduct expected across the organisation.

4.1 Code of Conduct

The Board has adopted a formal Code of Conduct which sets out the standards of behaviour expected of Adairs' directors, senior executives and employees in performing their roles, including in their dealings with customers, suppliers, colleagues and the wider community.

The Code of Conduct requires (amongst other things) employees and directors to:

- comply with all Company policies, procedures, rules and regulations;
- be honest and fair in dealings with customers, clients, co-workers, Company management and the general public;
- maintain the confidentiality of any information, records or other materials acquired in the course of their role with Adairs; and
- respect Adairs' ownership of resources and property.

The Code of Conduct specifically covers the following areas: Adairs' culture commitments; Company assets; confidential information; conflicts of interest; ethical decision making; equal opportunity and discrimination; fair trading and transparency; gifts and gratuities; harassment and workplace bullying; health and safety; standards of behaviour; and the Whistleblower Policy.

The Board is provided with details of any material breaches of the Code of Conduct in accordance with Adairs' reporting processes and procedures.

4.2 Whistleblower Policy

Adairs has adopted a formal Whistleblower Policy setting out how eligible whistleblowers – broadly, current and former employees, officers, directors, contractors and suppliers, and their relatives and dependants – can report actual or suspected wrongdoing. The policy adopts the 'eligible whistleblower' concept in Part 9.4AAA of the Corporations Act, so any person who qualifies under that Part is covered. The purpose of the Whistleblower Policy is to:

- help detect and address unacceptable conduct;
- help provide employees and contractors with a supportive working environment, in which they feel able to raise issues of legitimate concern to them and to Adairs;
- provide information about the protections available to people who report unacceptable conduct;
- provide information about to whom reports of unacceptable conduct may be made, how they may be made, and how Adairs will investigate them where appropriate; and
- help support and protect people who report unacceptable conduct.

Reports may be made to the designated whistleblower protection officers within the Company or through an independent, externally operated whistleblower service, Core Integrity, which is available at all times and supports anonymous disclosure.

The Board is provided with details of any material incidents raised under the Whistleblower Policy in accordance with Adairs' reporting processes and procedures.

4.3 Anti-Bribery & Corruption Policy

Adairs has an Anti-Bribery & Corruption Policy which applies to all current and former directors, employees, officers, agents and contractors of Adairs and all external suppliers and subcontractors to Adairs.

Under this policy, the actual or attempted use of any form of bribery or corruption either directly or indirectly on Adairs' behalf to advance its business interests or those of its associates is strictly prohibited. The policy provides guidelines as to what constitutes bribery or corruption.

Bribery and corruption are incompatible with Adairs' Code of Conduct and the probity and integrity expected of Adairs employees and suppliers. Employees who knowingly violate this policy will be subject to appropriate disciplinary action, up to and including termination of employment. Contractors or consultants who fail to comply with this policy will be in breach of contract which will provide grounds for the termination of their contract.

The Board is provided with details of any material breaches of the Anti-Bribery & Corruption Policy in accordance with Adairs' reporting processes and procedures.

4.4 Trading in Adairs securities

Adairs has a Securities Dealing Policy which:

- prohibits directors, executives and employees (as well as connected persons over whom they may be expected to have control or influence) from acquiring, selling or otherwise trading in the Company's securities where they are in possession of material price-sensitive information which is not in the public domain;
- prohibits designated employees (and their connected persons) from dealing in Adairs securities during 'Blackout Periods' and from dealing in the Company's securities on a short-term basis;
- requires that, prior to a designated employee or their connected persons undertaking any trade, a designated employee must notify the Company Secretary and seek the necessary written approval as detailed in the policy; and

- places restrictions on designated employees (and their connected persons) in relation to margin lending arrangements and the entering into of any arrangements which seek to limit the economic risk associated with holding Adairs securities.

Breaches of the Securities Dealing Policy are subject to appropriate sanctions, which can include disciplinary action (including forfeiture of securities and/or suspension or termination of employment).

5. SUSTAINABILITY

Adairs is committed to developing sustainable business practices, creating better outcomes for people throughout its supply chains, business operations, and the communities in which it operates. Sustainability encompasses a wide range of important issues, such as the Group's carbon footprint, the amount of waste sent to landfill, its community support efforts, and the diversity of its Board and team.

FY26 is the first annual reporting period for which Adairs is required to prepare a Sustainability Report under Chapter 2M of the Corporations Act 2001 (Cth), containing climate statements prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures.

The FY26 Sustainability Report, which forms part of the Annual Report, discloses material information about the climate-related risks and opportunities that could reasonably be expected to affect Adairs' financial position, financial performance or cash flows across the short, medium and long term, structured around the four pillars of governance, strategy, risk management, and metrics and targets, including the Group's Scope 1 and Scope 2 greenhouse gas emissions.

The climate-related disclosures in the Sustainability Report are the product of the Group's first comprehensive climate-related risk and opportunity assessment and climate scenario analysis, undertaken in FY26. Two climate scenarios were applied – a low-emissions scenario aligned with the Paris Agreement goal of limiting warming to 1.5°C and a high-emissions scenario – across short-, medium- and long-term time horizons, covering all three business units and the upstream, operational and downstream stages of the Group's value chain. Climate-related risks identified through this process are integrated into, and managed through, the Group's Enterprise Risk Management Framework on a consistent basis with other enterprise risks (see section 9).

The Board has ultimate accountability for the oversight of climate-related risks and opportunities, which it discharges directly and through the Audit & Risk Committee, and has overall responsibility for the Company's climate-related disclosures. The Audit & Risk Committee oversees the reporting processes, internal controls and data underpinning the Sustainability Report and the scope of external assurance, and makes recommendations to the Board (see section 2.7.1).

Within management, the Group CEO and Managing Director holds executive accountability for climate-related risks and opportunities and reports to the Board on their monitoring and management, emerging climate-related risks and progress against any climate-related targets. The Group General Manager – Risk, Compliance & Sustainability supports the coordination of climate-related risk identification, monitoring, assessment and escalation through the Enterprise Risk Management Framework, with oversight exercised by the Group CEO and the Audit & Risk Committee. The Group CFO supports consideration of potential connections between climate-related risks and the financial statements, including impairment, useful lives and provisions. Functional leaders across Supply Chain, Property, Store Operations, People & Culture, Finance and the operating business units provide input through established management and risk processes, supporting the identification, monitoring and escalation of climate-related risks and opportunities across the business. Climate-related performance measures are not currently included in executive remuneration; the Board will consider the integration of climate-related measures into remuneration frameworks alongside the setting of the Group's revised climate-related targets.

The directors' declaration in respect of the Sustainability Report is set out in the FY26 Annual Report. The Company's external auditor, Ernst & Young, has provided limited assurance over the climate statements in accordance with Australian Standards ASSA 5000 and the phased assurance timeline in ASSA 5010, which for the Group's first reporting year covers the governance disclosures, the identification of the Group's climate-related risks and opportunities, and the Group's Scope 1 and Scope 2 greenhouse gas emissions. Consistent with the transitional reliefs available in the first year of reporting under AASB S2, the Sustainability Report does not include Scope 3 greenhouse gas emissions or comparative information; Scope 3 emissions will be reported from FY27.

The Sustainability Report also sets out the status of the Group's climate-related targets, including the review of the Group's previously announced commitment to achieve net-zero Scope 1 and 2 emissions by 2030, with a revised climate-related target to be set for disclosure in the Group's FY27 reporting.

Adairs also publishes broader sustainability information within its Annual Report, outlining the Company's sustainability strategy, goals, and initiatives, including how these are being integrated into the business and how they influence its decision-making.

6. INVESTOR COMMUNICATION

Adairs aims to communicate all important information relating to the Company to its shareholders in a timely and convenient manner with shareholders able to elect how and when they receive these communications. In particular, the Company gives shareholders the option to receive communications from, and send communications to, the Company and its security registry electronically. At the date of this Statement over 98% of shareholders have elected to receive their annual report electronically while 69% have elected to receive all investor communication electronically.

The Company also recognises potential investors and other interested stakeholders may wish to obtain information about the Company from time to time.

To achieve these communication objectives, the Company employs a Head of Investor Relations and communicates information regularly to shareholders and other stakeholders through a range of platforms, forums and publications, including:

6.1 Investor relations website

Adairs has a dedicated investor relations website (investors.adairs.com.au) which provides unrestricted access to:

- current and historical annual reports, presentations and other ASX announcements;
- recordings of important management presentations and conference calls;
- share price and volume information (near real-time and historical);
- information about the Board and senior management team;
- information about environmental, social and governance (‘ESG’) matters including copies of all key corporate governance documents;
- historical information on dividends paid and the Dividend Reinvestment Plan (‘DRP’), including the DRP Information booklet;
- a secure portal through which shareholders can liaise directly with the share registry in relation to their shareholding, their participation in the DRP (when activated) and associated banking and communication preferences;
- an email alert service where investors can register to receive notification of Adairs ASX announcements and/or share trading data; and
- contact details for the Head of Investor Relations to facilitate investor queries.

6.2 Annual general meeting

The Company’s annual general meeting (AGM) provides an important opportunity for shareholder engagement where:

- the Company provides information to its shareholders;
- shareholders participate in the meeting through voting and by asking questions about the business of the AGM and management of the Company; and
- the Company’s independent external auditor attends and is available to answer questions from shareholders about the conduct of the audit and preparation of the auditor’s report.

Presentations and speeches made by the Chair and Managing Director are made available via the Company’s website and via the ASX website immediately prior to the commencement of the AGM.

Shareholders who are unable to attend the AGM in person are encouraged to vote on the proposed resolutions by voting prior to the AGM or by appointing a proxy. All resolutions at the AGM are decided by a poll rather than a show of hands, ensuring that voting outcomes reflect the proportionate holdings of all shareholders who vote (whether in person or by proxy or other representative).

Shareholders have the opportunity to submit written questions to the Company and to its independent external auditor relevant to their audit of the Company ahead of the meeting. The Company encourages shareholders to submit questions or requests for information ahead of the AGM by registering these at the share registry’s website (au.investorcentre.mpms.mufg.com).

It is Company practice for all general meetings to be physical whenever possible, with arrangements allowing anyone unable to, or preferring not to, attend in person to follow the meeting in real-time online. In the event that conditions exist which mean that a physical meeting is not possible, or otherwise restricted, the Company will make alternate arrangements such as a ‘virtual’ meeting, where members can participate via online facilities.

6.3 Annual report

Adairs’ current and historical Annual Reports are available on its investor relations website and contain important information about the Company’s activities and results for the relevant financial year.

6.4 ASX announcements

All ASX announcements and investor presentations, including those covering the annual and half year financial results, are intended to be clear and concise and are posted on the Company’s investor relations website as soon as they have been released on the ASX announcements platform.

6.5 Investor briefings

Group and one-on-one briefings are held with institutional investors, at least every six months to coincide with the release of full and half-year results. Investor briefings also occur at investor conferences, typically hosted by a broker or research house.

6.6 Engaging with retail stockbrokers

Retail investors trade Adairs shares through authorised ASX stockbrokers, many of whom provide advisory services (including the provision of equity research) to their retail investor client base. Adairs monitors the trading activities of retail brokers and seeks to support those particularly active in its shares by including them in investor roadshows.

6.7 Communication blackout periods

From the beginning of the final month of each reporting period until the announcement of the corresponding financial results, the Company imposes a communication blackout period in order to avoid the risk of creating a false market by inadvertently disclosing information that is incomplete or uncertain. The Company's policy is that during this time it will not hold one-on-one briefings with institutional investors, individual investors or stockbroking analysts to discuss financial information concerning the Company, and will not hold any open briefings to discuss anything other than information which has already been announced to the ASX.

7. INTEGRITY OF CORPORATE REPORTS

The Audit & Risk Committee assists the Board in carrying out its accounting, auditing and financial reporting responsibilities and its responsibilities in overseeing processes which ensure the integrity of financial statements and reporting. The role of the Audit & Risk Committee includes:

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

Non-committee members, including members of management and the external auditor, may attend meetings of the Committee by invitation of the Committee Chair. Minutes of meetings of the Committee are kept by the Company Secretary and, after approval by the Committee Chair, are presented at the next Board meeting.

The Committee has unfettered 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.

7.1 Verification of corporate reports

Adairs is committed to:

- providing all investors with material information in a full and timely manner; and
- disclosing material information to the market in a clear, concise, factual and balanced manner.

The Company has a comprehensive process for preparing, verifying and approving the full and half year financial statements, and the external auditor provides an audit opinion in accordance with auditing standards ahead of release to the market. From FY26, an equivalent process applies to the preparation, verification and approval of the Sustainability Report, over which the external auditor provides assurance in accordance with Australian Standards on Sustainability Assurance ASSA 5000 and the phased assurance timeline in ASSA 5010 (see section 5).

The Company publishes additional unaudited information in its reports and investor presentations. This information is prepared by, or under the supervision of, the business or functional executive with subject matter responsibility for it. Although this information is not externally audited, material statements in these documents are verified by the responsible business executive prior to approval for release to the market to ensure that such reports are accurate, balanced and provide investors with appropriate information to make informed investment decisions. Confirmation that this verification process has been completed is provided to the Audit & Risk Committee in respect of periodic corporate reports, and otherwise to the Disclosure Officer, before release. The Board approves announcements and disclosures in respect of matters within the reserved powers of the Board or matters that are otherwise of fundamental significance to the Company.

7.2 External audit

Adairs' external auditor, Ernst & Young, attend the Company's AGM to answer any questions from shareholders on the conduct of its audit and the content of its audit report. The Audit & Risk Committee provides a link between the external auditor, the Board and management. It also has the responsibility (subject to Corporations Act requirements) for the appointment and remuneration of the external auditor, as well as for evaluating its effectiveness and independence.

If it becomes necessary to replace the external auditor for performance or independence reasons, the Audit & Risk Committee will formalise a procedure and policy for the selection and appointment of a new auditor.

7.3 Non-audit services

The Board has approved a policy on non-audit services provided by the external auditor which clearly sets out the type of non-audit services which are prohibited because they would create a real or perceived threat to the independence of the external auditor.

7.4 CEO and CFO assurance

Prior to approval of the financial statements for each full year and half year relevant reporting period, the Board receives written assurances from the CEO and the CFO in relation to the Company's financial reporting processes.

In respect of the financial statements for the half year ended 28 December 2025 and the full year ended 28 June 2026, the CEO and CFO declared that:

- in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity; and
- the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

8. DISCLOSURE OF INFORMATION

Adairs is committed to complying with its disclosure obligations under the Corporations Act and the ASX Listing Rules to keep the market informed of information which may have a material effect on the price or value of Adairs' securities.

Adairs has a Continuous Disclosure Policy which establishes procedures aimed at ensuring the Company fulfils its obligations in relation to the timely disclosure of material price-sensitive information.

The CEO and CFO have ultimate management responsibility for compliance with the Company's continuous disclosure obligation. This includes responsibility for approving ASX announcements and trading halts and determining when announcements are to be referred to the Board for approval and input.

8.1 Disclosure Officer

The Company Secretaries are the appointed Disclosure Officers under the Continuous Disclosure Policy, and either may act in that capacity. The Disclosure Officer is responsible for ensuring there is an adequate system in place for the disclosure of all material information to the ASX and for advising the CEO, CFO and Chair of the Board in relation to the disclosure of information reported to them. Eryl Baron is responsible for communications with the ASX in relation to Listing Rule matters for the purposes of Listing Rule 12.6.

As the Group Chief Financial Officer also serves as a joint Company Secretary, disclosure matters that concern the CFO's own areas of executive responsibility are considered with the CEO and, where appropriate, escalated directly to the Chair of the Board, preserving independent oversight of disclosure decisions. All ASX announcements include details of the body or officer who authorised the document to be released to ASX.

8.2 Investor materials

Adairs releases announcements and presentation materials containing new or market sensitive material to the ASX prior to the time of the corresponding presentation to analysts, investors or conference. Following confirmation of release of such materials by the ASX, the materials are published on the Adairs investor relations website and circulated by email to subscribers of Adairs' investor relations update service. The Company makes announcements available to directors promptly after receiving confirmation from the ASX that an announcement has been released to the market.

8.3 Open briefings

Adairs holds open briefing sessions for interested stakeholders from time to time, usually when it has posted results or made other significant announcements. Adairs will not disclose any information in these sessions which may have a material effect on the price or value of its securities unless such information has already been announced to the ASX.

Where the Company undertakes a recorded conference call or web cast of its open briefings, it keeps a clearly dated and readily accessible historical archive record of these on its investor relations website for at least a six-month period.

8.4 Small group briefings and site visits

From time to time the Company conducts one-on-one briefings with institutional investors and/or members of the media. Where such briefings occur, no information will be provided which may have a material effect on the price or value of the Company's securities unless it has been announced previously to the ASX. Unless agreed otherwise, the CEO or CFO or their representative will be involved in all discussions and meetings with analysts and investors. The CEO and CFO will be fully briefed about these meetings.

The Company may conduct site visits to its stores, distribution centres or Customer Support office from time to time which involve the presence of members of the investment community. Nothing will be disclosed during these site visits which may have a material effect on the price or value of the Company's securities unless it has already been announced to the ASX.

9. RISK MANAGEMENT

The Board recognises that risk management and internal compliance and controls are key elements of good corporate governance. As detailed in section 2.7.1, the Audit & Risk Committee has specific functions with respect to reporting to the Board on risk management and compliance, including confirmation that it 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.

A Group General Manager – Risk, Compliance & Sustainability is employed to provide a direct reporting line to the Chair of the Audit & Risk Committee and, therefore, to the Board. This role also involves responsibility for coordinating the internal audit plan.

9.1 Approach to risk management

Adairs adopts a comprehensive, integrated approach to risk management, combining both top-down and bottom-up perspectives to ensure that financial and non-financial risks – including climate-related risks – are effectively identified, assessed, and managed across the business.

TOP-DOWN
Strategic and enterprise-level risks are identified and assessed by senior leadership and the Board, ensuring alignment with Adairs' long-term objectives and risk appetite.

BOTTOM-UP
Operational teams actively identify and escalate risks arising from day-to-day activities, projects, and processes. This ensures that emerging risks are identified early and addressed appropriately.

9.2 Enterprise Risk Management Framework

Adairs has established a comprehensive Enterprise Risk Management Framework to proactively and systematically identify, analyse, treat, and monitor risks that could impact business and strategic objectives, aligning with the international standard for risk management (ISO 31000:2018) and the ASX Principles and Recommendations. Key components of the framework include:

STEP	EXPLANATION
Context setting	Understanding the internal and external context to identify and assess risks effectively. This involves considering the internal environment, strategic objectives, and a range of external factors, including political, economic, social, technological, environmental, legal and ethical factors.
Risk identification and analysis	Systematic identification and evaluation of risks based on likelihood and potential impact. A summary of material business risks faced by Adairs is included in the Annual Report.
Risk evaluation and treatment	Comparing risks against Adairs' risk appetite and tolerance to determine appropriate responses, including mitigation, transfer, acceptance, or exploitation of opportunities.
Monitoring and review	Ongoing oversight of risk controls and regular reviews to ensure the framework remains effective and fit for purpose.
Communication and consultation	Engaging stakeholders across all levels of the organisation to promote a strong risk culture and ensure transparency in risk management practices.
Recording and reporting	Documenting the risk management process and providing clear, timely information to decision makers.

During FY26, ahead of the Group's first climate scenario analysis, the Enterprise Risk Management Framework was reviewed and enhanced to strengthen the identification and assessment of climate-related risks and opportunities. The enhancements included the addition of an environment-related consequence category to the enterprise risk matrix, the introduction of a formal climate-related risk appetite statement, the alignment of likelihood ratings with the time horizons used in climate scenario analysis, and the development of a dedicated matrix for assessing climate-related opportunities. Climate-related risks are assessed, prioritised and reported on a consistent basis with other enterprise risks and are reviewed at least annually, with material changes escalated to the Audit & Risk Committee. Further detail is set out in the Risk Management section of the FY26 Sustainability Report.

The Board conducts an annual review of the risk management framework to satisfy itself that the framework continues to be sound, that the Group is operating with due regard to the risk appetite set by the Board, and that the framework remains aligned with Adairs' strategic direction. This review was completed for the year ended 28 June 2026.

9.3 Internal Audit

Adairs operates an internal audit function to:

- provide an independent assessment and assurance to the Board and executive leadership team regarding the effectiveness of Adairs' risk management framework, including whether the Company is operating within the risk appetite set by the Board, and the effectiveness of controls in place to manage particular risks; and
- provide feedback to enhance the Risk Management Framework and supporting processes and activities, with the aim of strengthening the control environment.

The internal audit function operates under the Audit & Risk Committee charter. The function is co-sourced, combining internal resources with specialist external providers engaged for particular reviews. The annual internal audit plan is risk-based and approved by the Audit & Risk Committee, and may be adjusted during the year with the committee's agreement. Internal audit findings, management's agreed actions and the status of remediation are reported to the committee at each scheduled meeting, and internal audit has unrestricted access to the Group's records, personnel and systems and direct access to the Chair of the Audit & Risk Committee.

Coordination of the internal audit plan sits within the Group's risk and compliance function. The Board is satisfied that appropriate safeguards preserve the objectivity of internal audit activity, including Audit & Risk Committee approval of the internal audit plan, the engagement of independent external providers for reviews of areas in which the risk and compliance function itself has operational responsibility, and the function's direct reporting line to the committee.

9.4 Material exposure to environmental and social risks

In accordance with Recommendation 7.4 of the ASX Principles and Recommendations, the Board has considered whether the Company has a material exposure to environmental and social risks.

Adairs has a material exposure to environmental risks, principally climate-related physical and transition risks: physical risks relating to extreme heat and to weather-driven disruption of climate-sensitive raw materials and supplier regions, and transition risk arising from the concentration of the Group's offshore supplier base. The FY26 Sustainability Report discloses each climate-related risk that could reasonably be expected to affect the Group's prospects, together with its current and anticipated financial effects, the controls in place and the Group's planned responses. These risks are managed through the Enterprise Risk Management Framework described in this section.

Adairs also has a material exposure to social risks, principally relating to labour practices and human rights in its offshore supply chain, workplace health and safety across its store and distribution network, and the responsible handling of customer and team member data. These risks are managed through the Enterprise Risk Management Framework and the Group's Ethical Sourcing Policy, Code of Conduct, Whistleblower Policy and Privacy Policy. The Group reports annually on its supply chain due diligence in its Modern Slavery Statement, and a summary of the material business risks facing the Group is set out in the FY26 Annual Report.

adairs

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Adairs Limited

ABN/ARBN	**Financial year ended:**
50 147 375 451	28 June 2026

Our corporate governance statement[1] for the period above can be found at:[2]

☐ These pages of our annual report:

☒ This URL on our website: https://investors.adairs.com.au/Investors/

The Corporate Governance Statement is accurate and up to date as at 24 August 2026 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.[3]

Date:	24 August 2026
Name of authorised officer authorising lodgement:	Matthew Edmonds, Joint Company Secretary

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[1] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

[2] Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

[3] Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter on the "Corporate Governance" page of our investor relations website at https://investors.adairs.com.au/investors/?page=corporate-governance	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒	

[4] Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with "*insert location*" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate governance/charters/").

[5] If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		Where a box below is ticked, we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ and we have disclosed a copy of our diversity policy on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance, and we have disclosed the information referred to in paragraphs (b) and (c) in our Corporate Governance Statement (Section 2.12)	
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement (Section 2.10) and have confirmed that a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement (Section 2.10)	
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement (Section 3.2) and have confirmed that a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement (Section 3.2)	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ and we have disclosed a copy of the charter of the committee on the “Corporate Governance” page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance and the information referred to in paragraphs (4) and (5) on page 59 of our FY26 Annual Report (under “Directors’ Report – Meetings of Directors”)	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix in our Corporate Governance Statement (Section 2.11)	
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors: in our Corporate Governance Statement (Section 2.8) and, where applicable, the information referred to in paragraph (b): in our Corporate Governance Statement (Section 2.8) and the length of service of each director: in our Corporate Governance Statement (Section 2.8)	
2.4	A majority of the board of a listed entity should be independent directors.	☒	
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values in our Corporate Governance Statement (Section 4) and in our Code of Conduct, which can be found on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance	
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance	
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance	
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ and we have disclosed a copy of the charter of the committee on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance, the relevant qualifications and experience of the members of the committee referred to in paragraph (4) on pages 56 to 58 of our FY26 Annual Report (under "Directors' Report – Directors"), and the information referred to in paragraph (5) on page 59 of our FY26 Annual Report (under "Directors' Report – Meetings of Directors")	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒ and we have disclosed our process to verify the integrity of any periodic corporate report we release to the market that is not audited or reviewed by an external auditor in our Corporate Governance Statement (Section 7.1)	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure policy on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance.	
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒	
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒	
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance (including the latest edition of our Corporate Governance Statement) on our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance.	
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒	
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement (Section 6.2)	
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒	
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ and we have disclosed a copy of the charter of the audit and risk committee on the "Corporate Governance" page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance and the information referred to in paragraphs (4) and (5) on page 59 of our FY26 Annual Report (under "Directors' Report – Meetings of Directors").	
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement (Section 9.2)	
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ and we have disclosed how our internal audit function is structured and what role it performs in our Corporate Governance Statement (Section 9.3)	
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement (Section 9.4), in our FY26 Sustainability Report and in our FY26 Annual Report (under "Directors' Report – Material Business Risks", pages 50 to 54), and this also details how we manage those risks	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ and we have disclosed a copy of the charter of the committee on the “Corporate Governance” page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance and the information referred to in paragraphs (4) and (5) on page 59 of our FY26 Annual Report (under “Directors’ Report – Meetings of Directors”).	
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in our Corporate Governance Statement (Section 3) and in our FY26 Annual Report (under “Remuneration Report” which can be found on pages 61 to 75)	
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our policy on this issue in our Securities Dealing Policy, which is available on the “Corporate Governance” page of our investor website at https://investors.adairs.com.au/investors/?page=corporate-governance, and a summary of it in our Corporate Governance Statement (Section 4.4)	

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	Not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	Not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Not applicable	Not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	Not applicable	Not applicable
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	Not applicable	Not applicable