

9 Spokes International Limited

Corporate Governance Statement

Last Updated: June 2019

The Directors and management of 9 Spokes International Limited (**9 Spokes** or **Company**) are committed to conducting business in an ethical manner, and in accordance with the highest standards of corporate governance. Accordingly, the Company has adopted, and substantially complies with, the *ASX Corporate Governance Principles and Recommendations (Fourth Edition)* (**Recommendations**) to the extent appropriate to the size and nature of the Company's operations.

This statement identifies and provides reasons if some Recommendations have not been followed.

This statement is current as at 28 June 2019 and has been approved by the Board of the Company.

The Company's corporate governance policies and charters are available at the Company's online Investor Centre (<https://www.9spokes.com/investors>) (**Website**).

| Principle 1: | | | |
|---|---|--------------------------|---|
| Lay solid foundations for management and oversight. | | | |
| A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance. | | | |
| Recommendation | Status | Reference/Comment | |
| 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. | Complying | <p>The Board has adopted a Board Charter that sets out in detail the responsibilities of the Board.</p> <p>The Board Charter requires that the Board comprise Directors with a range of skills, expertise, experience and diversity which are relevant to the Company's business and the Board's responsibilities.</p> <p>The Board Charter and the Constitution of the Company allows the Board to delegate powers and responsibilities to Committees established by the Board. In addition, the Board has adopted a Delegated Authority Policy which provides detail of the permitted delegation to the CEO, other specified members of the Executive or to other Committees. This delegation permits the CEO to delegate responsibility and authority to other senior management.</p> <p>The Board retains ultimate accountability to security holders in discharging the Company's duties.</p> <p>The Board will review the Board Charter and the Delegated Authority Policy from time to time to ensure it appropriately meets the needs of the Company, as it grows and develops.</p> <p>A copy of the Board Charter is available on the Website.</p> |
| 1.2 | A listed entity should: a) undertake appropriate checks before appointing a director or senior executive or putting 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. | Complying | <p>The Board has established and operates a Remuneration and Nomination Committee, with functions and powers as set out in the Remuneration and Nomination Committee Charter, a copy of which is available on the Website.</p> <p>Prior to, and following the Company's admission to the official list of the ASX, the Company arranged for background checks to be undertaken on all Directors, to the extent possible, including criminal history checks and insolvency checks.</p> <p>The Company will provide information to security holders about Directors seeking re-election at a general meeting to enable them to make an informed decision on whether to re-elect that Director.</p> <p>In the event a person stands for election as a Director for the first time, the Company will provide all material information in its possession to security holders to enable them to make an informed decision.</p> |
| 1.3 | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | Complying | All Directors and senior executives have entered into written agreements with the Company 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. | Complying | <p>The company secretary is responsible for day to day secretarial duties, including the administration of the Board and Committee meetings, overseeing the Company's relationship with its share registry and liaising with the ASX when appropriate, and ongoing compliance with the ASX Listing Rules.</p> <p>The company secretary is accountable to the Board, through the Chair, and all Directors have access to the company secretary as required.</p> |

| <p>Principle 1: Lay solid foundations for management and oversight. A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance.</p> | | |
|--|-----------|---|
| Recommendation | Status | Reference/Comment |
| <p>1.5 A listed entity should:</p> <p>a) have and disclose a diversity policy;</p> <p>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;</p> <p>c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity’s progress towards achieving those objectives; and:</p> <p>(iii) either</p> <p>1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined “senior executive” for these purposes); or</p> <p>2) 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.</p> | Complying | <p>The Company’s employees and Directors have diverse skills, backgrounds, perspectives and experiences.</p> <p>The Company does not discriminate on any grounds and determines appointments based on merit only.</p> <p>The Company has a Diversity Policy, a copy of which is available on the Website. The Diversity Policy includes relevant and measurable gender diversity targets to be established within the next reporting period.</p> <p>Since the Diversity Policy’s adoption, the Company has:</p> <ul style="list-style-type: none"> • Designated an employee to be responsible for implementing and reporting to the CEO on progress towards achieving the objectives of the Policy; • Reviewed and amended all human resources policies of the Company to ensure they reflect the goal stated in the Diversity Policy; • Implemented a Diversity Training Programme; and • Adopted a Flexible Working Policy. |
| <p>1.6 A listed entity should:</p> <p>a) have and disclose a process for periodically evaluating the performance of the board, its Committees and individual directors; and</p> <p>b) disclose for each reporting period, whether a performance evaluation was undertaken in accordance with that process or in respect of that period.</p> | Complying | <p>A central role of the Remuneration and Nomination Committee is to assist the Board in undertaking regular reviews of the Board, its Committees and individual Directors.</p> <p>The Board Charter provides that the Board will review its overall performance, the performance of its Committees and individuals.</p> <p>The Company will disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with the Board Charter, and with assistance as required from the Remuneration and Nomination Committee.</p> <p>Due to change in the construct of the Board over the course of the reporting period the Board has decided to defer its performance evaluation until it has had a reasonable period of time operating as a smaller or reformed board. Notwithstanding that, the Board does intend to undertake a formal performance evaluation during the next reporting period.</p> |

| <p>Principle 1: Lay solid foundations for management and oversight. A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance.</p> | | |
|--|------------------|--|
| Recommendation | Status | Reference/Comment |
| <p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> 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 or in respect of that period. | <p>Complying</p> | <p>A central role of the Remuneration and Nomination Committee is to assist the Board in undertaking regular reviews of senior executives.</p> <p>The Board Charter provides that the Board will review the performance of those senior executives.</p> <p>The Company will disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with the Board Charter, and with assistance as required from the Remuneration and Nomination Committee.</p> <p>Although a formal performance evaluation of senior management has not been undertaken in this reporting period, the Board provide continuous feedback and guidance to senior management. It is envisaged that they will be undertaken in the next reporting period.</p> |

| Principle 2: Structure the board to add value | | |
|---|----------------|--|
| The Board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates to enable it to discharge its duties effectively and to add value. | | |
| Recommendation | Status | Reference/Comment |
| <p>2.1 The board of a listed entity should:</p> <p>a) have a nomination Committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: <ol style="list-style-type: none"> 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 <p>(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.</p> | Part Complying | <p>The Board has established a Remuneration and Nomination Committee comprising two members: Thomas Power (non-executive Director), and Paul Reynolds (non-executive Director, Chairman of the Board and Chair of the Committee).</p> <p>A copy of the Remuneration and Nomination Committee's Charter is available on the Website.</p> <p>The principal nomination role of the Remuneration and Nomination Committee is to review and recommend to the Board its size and composition, and to assist the Board in the appointment, election, re-election and review of the performance of Directors.</p> <p>The Remuneration and Nomination Committee has two members and the Committee is not chaired by an independent Director.</p> <p>As a result, the entity partly complies with this recommendation. The Board is of the view that the current members of the Remuneration and Nomination Committee are the most appropriate to achieve its objectives (having regard to their experience and skills) and that each member will bring independent judgement to its deliberations.</p> <p>The Remuneration and Nomination Committee meets at the times determined by the Chair of the Committee, and normally not less than two scheduled times a year. A member of the Committee may request that a meeting of the Committee be convened at any other time.</p> <p>The Company will disclose in its annual report the number of times the Remuneration and Nomination Committee meets throughout each financial year and the individual attendances of the members at those meetings.</p> |
| <p>2.2 A listed entity should have and disclose 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.</p> | Complying | <p>The Board has adopted a specific Board skills matrix which sets out the mix of skills and diversity that the Board currently has in its membership, a copy of which is available on the Website.</p> |
| <p>2.3 A listed entity should disclose:</p> <ol style="list-style-type: none"> a) the names of the directors considered by the board to be independent directors; b) if a director has an interest, position, association 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. | Complying | <p>The Board is currently comprised of four Directors; two executive directors and two non-executive directors.</p> <p>The length of service of each Director is set out below by reference to each Director's date of appointment:</p> <p>Mark Estall: 19 September 2011</p> <p>Paul Reynolds: 10 September 2014</p> <p>Thomas Power: 7 October 2014 Adrian Grant: 17 August 2017.</p> |

| Principle 2: Structure the board to add value | | |
|---|----------------|--|
| The Board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates to enable it to discharge its duties effectively and to add value. | | |
| Recommendation | Status | Reference/Comment |
| 2.4 A majority of the board of a listed entity should be independent directors. | Not Complying | As at 30 May 2019, the Board comprised Mark Estall, Paul Reynolds, Thomas Power and Adrian Grant. The Board does not currently have any directors that it would consider an independent Director. The entity does not comply with this recommendation. The Board has considered whether the majority of the Board should be independent and concluded that due to the unique operations of the Company, particularly in light of its accelerated expansion and development, a requirement of a majority of independent Directors is not appropriate for the Company at this time. The independence of Directors will be reviewed by the Board from time to time. |
| 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. | Part Complying | Although the CEO and the Chairman is not the same person, the Company has a non-independent Chairman. As a result, the entity only part complies with this recommendation. Paul Reynolds, Chair does however have extensive experience in all of the operations of the Company and has served on the boards of large telecommunications companies. For these reasons, the Board has decided to appoint Paul Reynolds to guide the Company as its non-independent Chairman. |
| 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. | Complying | The Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board on induction and continuing professional development programs for Directors. During the process of the Company being admitted to the official list of the ASX, the Directors cultivated their existing skills in relation to the corporate governance requirements imposed on publicly listed companies. Directors are also made aware of legislative and regulatory changes from time to time and have an opportunity to seek independent advice from professional advisors, ensuring they develop and maintain the skills needed to perform their roles effectively. |

| Principle 3: Act ethically and responsibly | | |
|---|----------------|--|
| A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly. | | |
| Recommendation | Status | Reference/Comment |
| 3.1 A listed entity should articulate and disclose its values. | Part Complying | The Company articulates its values with all employees and proposes to disclose its values on its website when it is next updated. |
| 3.2 A listed entity should: a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it. | Complying | The Board has adopted a Code of Conduct, a copy of which is available on the Website. This Code sets out the guidelines that Directors, senior managers and employees of the Company are required to follow in performing their duties, with a view to achieving the highest possible standards in the discharge of their obligations, and to assist them to achieve best practice in all facets of corporate governance. |

| Principle 3: Act ethically and responsibly | | |
|--|---------------|---|
| A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly. | | |
| Recommendation | Status | Reference/Comment |
| <p>3.3 A listed entity should:</p> <ul style="list-style-type: none"> a) have and disclose a whistle-blower policy; and b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. | Complying | <p>The Board has adopted a Whistle-blower Policy, a copy of which is available on the Company Website.</p> <p>This document sets out the Company’s policy for reporting concerns of past, present or expected future instances of unethical or unlawful behaviour.</p> |
| <p>3.4 A listed entity should:</p> <ul style="list-style-type: none"> a) have and disclose an anti-bribery and corruption policy; and b) ensure that the board or a committee of the board is informed of any material breaches of the policy. | Complying | <p>The Board has adopted an Ant-bribery Policy, a copy of which is available on the Company Website.</p> <p>The policy acknowledges that it is committed to good conduct in all of its business dealings and ensuring that it and all members of the business act honestly, ethically and with integrity. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all our dealings wherever we operate. The Company is also committed to implementing and enforcing effective systems to counter bribery and corruption</p> |

| Principle 4: Safeguard integrity in corporate reporting | | |
|--|----------------|--|
| A listed entity should have appropriate processes to verify the integrity of its corporate reports. | | |
| Recommendation | Status | Reference/Comment |
| <p>4.1 The board of a listed entity should:</p> <p>a) have an audit Committee which:</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> 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 <p>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.</p> | Part Complying | <p>The Board has established an Audit and Risk Committee comprising two members: Thomas Power (non-executive Director), and Paul Reynolds (non-executive Director, Chairman of the Board). A copy of the Audit and Risk Committee's Charter is available on the Website.</p> <p>The principal audit role of the Audit and Risk Committee involves overseeing the Company's financial reporting and its internal and external audit functions.</p> <p>The Audit and Risk Committee has two members, both of whom are non-executive Directors. As a result, the entity only partly complies with this recommendation. The Board is of the view that the current members of Audit and Risk Committee are the most appropriate to achieve its objectives (having regard to their experience and skills) and that each member will bring independent judgement to its deliberations.</p> <p>The Audit and Risk Committee meets regularly, at the times determined by the Chair of the Committee, but not less than two scheduled times a year. A member of the Committee, or the external auditor, may request that a meeting of the Committee be convened at any other time.</p> <p>The Company will disclose in its annual report the number of times the Audit and Risk Committee meets throughout each financial year and the individual attendances of the members at those meetings.</p> |
| <p>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.</p> | Complying | <p>The Directors are committed to the preparation of financial statements that present a balanced and clear assessment of the Company's financial position.</p> <p>The Audit and Risk Committee (established by the Audit and Risk Committee Charter, a copy of which is available on the Website) review the Company's financial statements.</p> <p>The Audit and Risk Committee have a responsibility to ensure that before the Board approves the Company's financial statements for each relevant financial period, including ensuring that the Board receives declarations regarding the accuracy of the Company's financial position as disclosed in those financial statements from the CEO and CFO.</p> |
| <p>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 external auditor.</p> | Complying | <p>The Company's processes with respect to any periodic corporate report that is released to the market is set out in the Audit & Risk Charter which is published on the Company's website.</p> |

| Principle 5: Make timely and balanced disclosure | | |
|---|---------------|--|
| A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities. | | |
| Recommendation | Status | Reference/Comment |
| 5.1 a) A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1. | Complying | The Board has adopted a Continuous Disclosure Policy, a copy of which is available on the Website. The Company is committed to promoting investor confidence by complying with all continuous disclosure obligations imposed by the ASX Listing Rules, and as otherwise required by law. The Company also ensures that its announcements are presented in a factual, clear and balanced way and that all security holders have equal and timely access to material information. |
| 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | Complying | The Company Secretary distributes copies of all material market announcements to the Board 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. | Complying | The Company has adopted a Continuous Disclosure Policy, which requires that any substantive investor or analyst presentation must be filed with the ASX ahead of any such presentation. |

| Principle 6: Respect the rights of security holders | | |
|---|---------------|--|
| A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise those rights as security holders effectively. | | |
| Recommendation | Status | Reference/Comment |
| 6.1 | Complying | The Investor Centre located on the Website permits security holders and the public to review the Company's announcements, financial reports, and corporate governance policies and charters. |
| 6.2 | Complying | The Board has adopted a Shareholder Communications Policy, a copy of which is available on the Website. The Company supports open communication with its investors and is committed to providing security holders with balanced and understandable information about its business and performance. |
| 6.3 | Complying | The Company's policies and processes it implements to facilitate and encourage participation at meetings of security holders are set out in its Shareholder Communications Policy. In particular, security holders are encouraged to attend the Company's annual general meeting. The notice of this meeting is given in accordance with the Constitution of the Company, the <i>Companies Act 1993</i> (NZ), and the ASX Listing Rules. The Company will assist security holders to participate in the meeting using audio-visual facilities, or otherwise encourage them to participate by appointing a proxy, attorney or representative to participate on their behalf. |
| 6.4 | Complying | The Company has a policy of reviewing all resolutions proposed at meetings of security holders and promotes a policy of utilising a poll rather than a show of hands where appropriate. |
| 6.5 | Complying | Investors are able to communicate with the Company electronically by emailing: investors@9spokes.com . Investors are also able to communicate with the Company's share registry by contacting Boardroom by visiting the following website: www.boardroomlimited.com.au/contact-us . The Company encourages its security holders to receive information of the Company electronically by registering their email addresses online with the Company's share registry, Boardroom. |

| Principle 7: Recognise and manage risk | | |
|---|-----------------------|--|
| A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework. | | |
| Recommendation | Status | Reference/Comment |
| <p>7.1 The board of a listed entity should:</p> <p>a) have a Committee or Committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: <ol style="list-style-type: none"> 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 <p>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.</p> | <p>Part Complying</p> | <p>The Board has established an Audit and Risk Committee comprising two members: Thomas Power (non-executive Director), and Paul Reynolds (non-executive Director, Chairman of the Board and acting Committee Chair). A copy of the Audit and Risk Committee's Charter is available on the Website.</p> <p>The principal risk management role of the Audit and Risk Committee involves approving the Company's overall risk management strategy and ensuring that any required actions in this regard are resourced appropriately.</p> <p>The Audit and Risk Committee has two members. The acting Chair is a non-executive Director. As a result, the entity only partly complies with this recommendation. However, the Board is of the view that the current members of Audit and Risk Committee are the most appropriate to achieve its objectives (having regard to their experience and skills) and that each member will bring independent judgement to its deliberations.</p> <p>The Audit and Risk Committee meets regularly, at the times determined by the Chair of the Committee, but not less than two scheduled times a year. A member of the Committee, or the external auditor, may request that a meeting of the Committee be convened at any other time.</p> <p>The Company will disclose in its annual report the number of times the Audit and Risk Committee meets throughout each financial year and the individual attendances of the members at those meetings.</p> |
| <p>7.2 The board or a Committee of the board should:</p> <p>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</p> <p>b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <p>Complying</p> | <p>The Company has a number of policies and procedures to identify, assess and manage business and operational risks and will further develop these policies and procedures in the future as the Company grows.</p> <p>The Audit and Risk Committee is, for instance, delegated powers to approve the overall risk management strategy for the Company, and to ensure any required actions are resourced appropriately. In particular, this Committee will ensure that the Company identifies, reviews and regularly updates the profile of the principal business risks to which it is exposed. The Committee's role is to assist the Board to meet its oversight responsibilities.</p> <p>The Charter that establishes and prescribes the responsibilities of this Committee is set out in the Audit and Risk Committee Charter, a copy of which is available on the Website.</p> |
| <p>7.3 A listed entity should disclose:</p> <p>a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>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 risk management and internal control processes.</p> | <p>Complying</p> | <p>The Company does not currently have an internal audit function. However, the Company will continually evaluate and improve the effectiveness of its risk management and internal control processes by delegating to the Audit and Risk Committee an internal control function, which will evaluate on an ongoing basis the processes the Company will have in place to ensure that risk is appropriately managed.</p> <p>The Audit and Risk Committee has engaged the External Auditors to extend the scope of their audit work to report on the internal control environment and testing of operational effectiveness of certain internal controls.</p> |

| Principle 7: Recognise and manage risk | | |
|--|---------------|---|
| A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework. | | |
| Recommendation | Status | Reference/Comment |
| 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. | Complying | In light of the Company's operations and the contexts in which it operates, the Company does not consider that it has any material exposure to environmental and social risks. However, the performance of the Company, in common with other companies, is subject to general risks, including economic risks. For instance, the Company may be affected by changing interest and inflation rates, and the movement of currency exchange rates. |

| Principle 8: Remunerate fairly and responsibly | | |
|---|----------------|--|
| A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders. | | |
| Recommendation | Status | Reference/Comment |
| <p>8.1 The board of a listed entity should:</p> <p>a) have a remuneration Committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: <ol style="list-style-type: none"> 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 <p>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.</p> | Part Complying | <p>The Board has established a Remuneration and Nomination Committee comprising two members: Thomas Power (Non-Executive Director), and Paul Reynolds (Non-Executive Director, Chairman of the Board and Chair of the Committee). A copy of the Remuneration and Nomination Committee's Charter is available on the Website.</p> <p>The principal remuneration role of the Remuneration and Nomination Committee is to review and recommend to the Board contractual arrangements for executive Directors and senior executives, and to review and approve the general remuneration framework for employees of the Company.</p> <p>The Remuneration and Nomination Committee has two members; both of who are non-executive Directors and the Committee is not chaired by an independent Director. As a result, the entity only partly complies with this recommendation. However, the Board is of the view that the current members of the Remuneration and Nomination Committee are the most appropriate to achieve its objectives (having regard to their experience and skills) and that each member will bring independent judgement to its deliberations.</p> <p>The Remuneration and Nomination Committee meets regularly, at the times determined by the Chair of the Committee, but not less than two scheduled times a year. A member of the Committee may request that a meeting of the Committee be convened at any other time.</p> <p>The Company will disclose in its annual report the number of times the Remuneration and Nomination Committee meets throughout each financial year and the individual attendances of the members at those meetings.</p> |
| <p>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.</p> | Complying | <p>The Remuneration and Nomination Committee Charter has specific responsibility to develop policies and practices regarding the remuneration of the Directors and other senior executives.</p> <p>The remuneration of Directors is detailed in the Company's annual report.</p> |
| <p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <ol style="list-style-type: none"> 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. | Complying | <p>The Company has an Employee Share Option Plan (ESOP) to promote a culture of ownership amongst the stakeholders of the Company and to motivate its staff.</p> <p>The Company also has a Securities Trading Policy, a copy of which is available on the Website. This Policy also applies to people who acquire securities under the ESOP.</p> <p>Under the Securities Trading Policy, Key Management Personnel (as that term is defined in that Policy) who participate in the Company's equity-based incentive plans (like the ESOP) must not enter into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in securities, or securities subject to a holding lock, which are issued by the Company.</p> |