

The Board of Directors ('the Board') of Trimantium GrowthOps Limited ('GrowthOps' or the 'company') is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of the company on behalf of the shareholders by whom they are elected and to whom they are accountable.

This Corporate Governance Statement has been prepared in accordance with the 3rd Edition of the Australian Securities Exchange's ('ASX') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('ASX Principles and Recommendations') and is included on the company's website - <https://www.growthops.com.au/investors/corporate-governance/>. The listing rules requires the company to disclose the extent to which it has followed the recommendations during the financial year, including reasons where the company has not followed a recommendation and any related alternative governance practice adopted.

This statement has been approved by the company's Board of Directors ('Board') and is current as at 27th September 2019.

The ASX Principles and Recommendations and the company's response as to how and whether it follows those recommendations are set out below.

#### Principle 1: Lay solid foundations for management and oversight

*Recommendation 1.1 - A listed entity should disclose:*

- (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.*

The Board is dedicated to maximising performance, generating appropriate levels of shareholder value and financial return. The Board is therefore committed to ensure that the company is properly managed to protect and enhance shareholder interests and that the company and consolidated entity, its directors, officers and employees operate in an appropriate environment of corporate governance.

The company's Board maintains the following roles and responsibilities:

- being accountable for the performance of the company;
- providing leadership and setting the strategic objectives of the company;
- appointing the Chair and, and/or the "senior independent director";
- appointing, and when necessary replacing, the Chief Executive Officer ('CEO') and other senior executives including the CFO and Company Secretary;
- assessing the performance of the CEO and overseeing succession plans for senior executives;
- overseeing management's implementation of the company's strategic objectives;
- approving operating budgets and major capital expenditure;
- review and approving of M&A opportunities that meet the company's strategic goals;
- overseeing the integrity of the company's accounting and corporate reporting systems, including the external audit;
- overseeing the company's process for market disclosure of all material information concerning the company that a reasonable person would expect to have a material effect on the price or value of the company's securities;
- ensuring that the company has in place an appropriate risk management framework and setting the risk parameters within which the Board expects management to operate;
- approving the company's remuneration framework;
- monitoring the effectiveness of the company's governance practices; and
- reporting to and communications with shareholders.

The Board has delegated the day-to-day management of the company to the CEO, and other senior executives ('management'). The company's management is responsible for implementing the strategic objectives set by the Board, operating within the risk parameters set by the Board and providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

*Recommendation 1.2 - A listed entity should:*

- (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.*

The Board undertakes reference checks before appointing a director or proposing a director to shareholders for appointment. The checks cover elements such as the person's character, experience, employment history, qualifications, criminal history, bankruptcy history, and disqualified officer status. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC').

An election of directors is held each year. A director that has been appointed during the year must stand for election at the next Annual General Meeting ('AGM'). Retiring directors are not automatically re-appointed.

The company provides to shareholders for their consideration information about each candidate standing for election or re-election as a director that the Board considers necessary for shareholders to make a fully informed decision. Such information includes the person's biography, which include experience and qualifications, details of other directorships, adverse information about the person that the Board is aware of including material that may affect the person's ability to act independently on matters before the Board, and whether the Board supports the appointment or re-election.

*Recommendation 1.3 - A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.*

The terms of the appointment of a director are set out in an agreement. This covers requirements such as committee work and other special duties, requirements to disclose their relevant interests which may affect independence, corporate policies and procedures, indemnities, and remuneration entitlements. All directors on the Board have extensive experience as directors of other companies and are knowledgeable regarding their responsibilities.

Executive directors and senior executives are issued with executive service contracts which detail the above matters as well as the person or body to whom they report, the circumstances in which their service may be terminated (with or without notice), and any entitlements upon termination.

*Recommendation 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.*

The Company Secretary reports directly to the Board through the Chairman and is accessible to all directors. The Company Secretary is responsible for:

- advising the Board and its Committees on governance matters;
- overseeing and coordinating the disclosure of information to the ASX, analysts, stockbrokers, shareholders, the media and the public.
- inform the directors, senior management and employees of the company's continuous disclosure obligations;
- monitoring compliance of the Board and associated committees with policies and procedures;
- coordinating all Board business;
- retaining independent professional advisors;
- ensuring that the business at Board and committee meetings is accurately minuted; and
- assisting with the induction and development of directors.

*Recommendation 1.5 - A listed entity should:*

- (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;*
- (b) disclose that policy or a summary of it; and*
- (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:*
  - (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*
  - (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.*

The Board has adopted a Diversity Policy that outlines the objectives in relation to gender, age, ethnicity, religion, sexual orientation, cultural background and disability. At GrowthOps, diversity means embracing the contribution of all people and recognising that contribution based on merit. The Diversity Policy advocates an environment of collaboration, understanding, and promoting the benefits of diversity.

The responsibility of accepting and promoting diversity is shared by every staff member of GrowthOps, which translates positively into our interaction with customers, shareholders, business partners and other stakeholders. It also further reinforces our ability to attract, recruit, reward and promote talented people with diverse backgrounds, developing their skills and preparing them for Board and senior management positions. The Diversity Policy is available on the company's website.

The respective proportion of Full Time Equivalent women and men in the consolidated entity as at 30 June 2019 are as follows:

	Proportion of women	Proportion of men
On the Board	50%	50%
In senior executive positions	27%	73%
Across the whole organisation	50%	50%

The Workplace Gender Equality Act 2012 prescribes that all non-public sector employers with 100 or more staff are to report to the Workplace Gender Equality Agency (the Agency) on an annual basis, and must continue to report until their workforce falls, and remains, below 80 employees during that period.

For this purpose, the Board defines a senior executive as a person who makes, or participates in the making of, decisions that affect the whole or a substantial part of the business or has the capacity to affect significantly the company's financial standing.

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*Recommendation 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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

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(a) The Board will implement a process to evaluate the performance of the Board, the Board committees and individual directors. The process will include the assessment of the Board's key areas of responsibility. The Board's contribution will be reviewed and areas where improvement can be made are to be noted. The performance evaluation process will be as follows:

- i) each director will periodically evaluate the effectiveness of the Board and its committees and submit observations to the Chairman;
- ii) the Chairman of the Board will make a presentation incorporating his assessment of such observations to enable the Board to assess, and if necessary, take action;
- iii) the Board will agree on development and actions required to improve performance;
- iv) outcomes and actions will be minuted; and
- v) the Chairman will assess during the year the progress of the actions to be achieved.

This process aims to ensure that individual directors and the Board contribute effectively in satisfying the duties and responsibilities of the Board.

(b) The Board notes that a formal review in accordance with these procedures did not take place during this reporting period due to the small size of the Board. However, with the regularity with which the Board members met, consulted and the Board is satisfied in how it discharged their duties during the reporting period.

*Recommendation 1.7 - A listed entity should:*

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and*
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

- (a) The Board conducts an annual performance assessment of the CEO against agreed performance measures determined at the start of the year. The CEO undertakes the same assessments of senior executives. In assessing the performance of the individual, the review includes consideration of the senior executive's function, individual targets, group targets, and the overall performance of the company.

The CEO provides a report to the Board on the performance of senior executives together with remuneration recommendations which must be approved by the Board after consultation with the Remuneration Committee.

- (b) During the reporting period several changes have been made to the senior leadership team. A formal process is currently being established under this new team.

## **Principle 2: Structure the board to add value**

*Recommendation 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.*

- (a) The company has established a Nomination and Remuneration Committee as a subcommittee of the Board that is responsible for determining and reviewing the remuneration of the directors and key executives, and accordingly, remuneration and nomination issues are discussed and resolved at Board meetings. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining executives with the skills to manage the company's and consolidated entity's operations. In making decisions regarding the appointment of directors, the assesses the appropriate mix of skills and experience represented on the Board. The Board may also obtain information from, and consult with management and external advisers, as it considers appropriate. The majority of the Committee members and the Chair are independent, thereby satisfying this Recommendation.

During the reporting period the Nomination and Remuneration Committee met three times.

Director's name	Executive status	Independence status	
Dominique Fisher	Non-executive	Independent	
Melissa Field	Non-executive	Independent	
Phillip Kingston	Executive	Not-independent	

*Recommendation 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.*

The Board's skills matrix indicates the mix of skills, experience and expertise that are considered necessary at Board level for optimal performance of the Board. It is therefore used when recruiting new directors and assessing which skills need to be outsourced based on the attributes of the current Board members. The existence of each attribute is assessed by the Board as either, High, Medium or Low.

Skill category	Description of attributes required	Level of importance	Existence in current Board
Risk and compliance	Identification of key risks to the company related to each key area of operations. Monitoring of risks satisfy compliance issues and knowledge of legal and regulatory requirements.	High	Medium
Financial and audit	Analysis and interpretation of accounting and finance issues including assessment and resolution of audit and financial reporting risks, contribution to budgeting and financial management of projects and company, assessing and supervising capital management.	High	High
Strategic	Development of strategies to achieve business objectives, oversee implementation and maintenance of strategies, and identification and critical assessment of strategic opportunities and threats to the company.	High	High
Operating policies	Key issue identification representing operational and reputational risks and development of policy responses and parameters within which the company should operate.	Medium	Medium
Information technology	Knowledge of IT governance including privacy, data management and security.	High	Medium
Executive management	Performance assessments of senior executives, succession planning for key executives, setting of key performance hurdles, experience in industrial relations and organisational change management programmes.	Medium	Medium
Age and gender	Board aims for equal gender representation and range of experienced individuals to contribute towards better Board outcomes.	High	High

The Board currently believes that its membership adequately represents the required skills as set out in the

matrix though it may increase the board size as the Company grows. External consultants may be brought in with specialist knowledge to address areas where this is an attribute deficiency in the Board.

In addition to the specific areas that are required at the Board level identified the matrix above, all members of the Board are assessed for the following attributes before they are considered an appropriate candidate.

**Board Member Attributes**

Leadership	Represents the company positively amongst stakeholders and external parties; decisively acts ensuring that all pertinent facts considered; leads others to action; proactive solution seeker
Ethics and integrity	Awareness of social, professional and legal responsibilities at individual, company and community level; ability to identify independence conflicts; applies sound professional judgement; identifies when external counsel should be sought; upholds Board confidentiality; respectful in every situation.
Communication	Effective in working within defined corporate communications policies; makes constructive and precise contribution to the Board both verbally and in written form; an effective communicator with executives.
Negotiation	Negotiation skills which engender stakeholder support for implementing Board decisions.
Corporate governance	Experienced director that is familiar with the mechanisms, controls and channels to deliver effective governance and manage risks

*Recommendation 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, 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, association or relationship in question and an explanation of why the board is of that opinion; and*
- (c) the length of service of each director.*

- (a) The Board assesses annually the independence of each director to ensure that those designated as independent do not have any alliance to the interests of management, substantial shareholders or other relevant stakeholders. They must be free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the company and its security holders generally.

Details of the Board of directors, their appointment date, length of service and independence status is as follows:

<b>Director's name</b>	<b>Appointment date</b>	<b>Length of service at reporting date</b>	<b>Independence status</b>
Dominique Fisher	18 October 2017	2 year, 9 months	Independent
Melissa Field	18 October 2017	2 year, 9 months	Independent
Phillip Kingston	14 August 2017	2 year, 11 months	Not independent
Paul Mansfield	18 October 2017	2 year, 9 months	Not independent

The Board may determine that a director is independent notwithstanding the existence of an interest, position, association or relationship of the kind identified in the examples listed under Recommendation 2.3 of the ASX Principles and Recommendations.

- (b) Details of directors that the Board has declared as independent, but which maintain an interest or relationship that could be perceived as impairing independence, and the reason as to the Board's determination are as follows:

<b>Director's Name</b>	<b>Details of interest or relationship</b>	<b>Board reasoning why director is independent</b>
Dominique Fisher	is a shareholder of GrowthOps.	shareholding is not substantial, being less than 1% of total voting rights.
Melissa Field	is a shareholder of GrowthOps.	shareholding is not substantial, being less than 1% of total voting rights.

The Board is of the opinion that the interest or relationship in each case, would not interfere with the director's capacity to bring an independent perspective and act in the best interests of the company and its security holders.

- (c) As part of its independence assessment, the Board considers the length of time that the director has been on the Board, as a prolonged service period may also be seen to impair independence. The Board concludes that no non-executive independent director has been on the Board for a period which could be seen to compromise their independence. Such a period is generally considered to be more than 10 years. Being on the Board for a period more than 10 years does not however constitute an automatic deeming of non-independence.

Where it is determined that a non-executive director should no longer be considered independent, the company shall make an announcement to the market.



*Recommendation 2.4 - A majority of the board of a listed entity should be independent directors.*

At the date of this statement and reporting date, the Board comprises four directors, of which two are deemed independent as defined under the Board policy on director independence.

The Board is reviewing the composition of the Board and intends to appoint an additional independent director in order to satisfy the recommendation that the majority of the board should be independent.

*Recommendation 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.*

The Chairman, Dominique Fisher, is considered to be an independent director as defined under the Board policy on director independence, Paul Mansfield is the Chief Executive Officer and Managing Director, and Phillip Kingston is an Executive Director.

*Recommendation 2.6 - A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.*

New directors undertake an induction program coordinated by the Company Secretary on behalf of the Board. The program includes strategy briefings, explanations of company policies and procedures, governance frameworks, cultures and values, company history, director and executive profiles and other pertinent company information. Directors are also provided with opportunities to enhance their skills and remain abreast of important developments to enable them to discharge their director obligations as effectively as possible.

### **Principle 3: Act ethically and responsibly**

*Recommendation 3.1 - A listed entity should:*

- (1) have a code of conduct for its directors, senior executives and employees; and*
- (2) disclose that code or a summary of it.*

(a) The Board has an established Code of Conduct that provides a framework in which the company and its representatives conduct their business and activities in a fiscally efficient and socially responsible manner whilst seeking to maximise shareholder returns.

The Code of Conduct outlines how the company expects directors, management and employees to behave and conduct business in a range of circumstances. In particular, the Operating Procedures and Policy Guidelines require awareness of, and compliance with, laws and regulations relevant to GrowthOps' operations including environmental laws and community concerns. Senior executives and employees are all rostered to complete a series of legally approved training and testing on a variety of matters including privacy, workplace health and safety, and anti-money laundering.

Board members are qualified professionals within their respective industries and accordingly are required to conduct themselves in a professional and ethical manner in both their normal commercial activities and the discharge of their responsibilities as directors.

(b) The Code of Conduct adopted by the company is available at the company's website.

#### Principle 4: Safeguard integrity in corporate reporting

*Recommendation 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.*

The Board has an established Audit and Risk Committee. The composition of this committee and its effectiveness is reviewed on a regular basis. The Audit and Risk Committee currently consists of the full Board comprising two non-executive and independent directors of the company, the Chief Executive Officer, and one executive director.

The Audit and Risk Committee monitors and reviews the effectiveness of the company's controls in the areas of market, operational, regulatory and financial risk. The committee meets at least every six months and is responsible for:

- overseeing the implementation and the operation of the Code of Conduct;
- administering continuous disclosure and compliance;
- monitoring the integrity of external financial reporting;
- risk management, internal control structures and compliance with laws and regulations; and
- review and oversee systems of risk management, internal control and legal compliance;
- review the adequacy of the corporate reporting processes;
- oversee the process for identifying significant risks facing the Company and implementing appropriate and adequate control, monitoring and reporting mechanisms; and
- liaise with and monitor the performance and independence of the external auditor.

Members of senior management and the company's external auditors attend meetings of the Audit and Risk Committee by invitation. The Audit and Risk Committee may also have access to financial and legal advisers in accordance with the Board's general policy.

(1) The Audit and Risk Committee currently consists of the full Board comprising two non-executive and independent directors of the company, the Chief Executive Officer, and one executive director.

- The Board is reviewing the composition of the Board and intends to appoint an additional independent director in order to satisfy the recommendation that the Committee have at least three non-executive directors.

(2) Melissa Field is Chairman of the Audit and Risk Committee. The Board is of the view that:

- It is appropriate that Melissa Field, an independent non-executive director is part of the committee, due to the extensive accounting, industry experience and expertise Melissa brings to the committee; and

(3) The Audit and Risk Committee operates under a charter approved by the Board.

It is the Board's responsibility to ensure that an effective internal control framework exists to examine the effectiveness and efficiency of significant business processes such as the safeguarding of assets, the maintenance of proper accounting records and the integrity of financial information, the implementation of quality assurance practices and procedures and ensuring compliance with regulations. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control mechanisms for the management of the company to the Audit and Risk Committee.

(4) The qualifications of the Audit and Risk Committee members are detailed in the Directors' Report and on the company's website.

(5) During the reporting period the Audit and Risk Committee met five times.

*Recommendation 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.*

In relation to the financial statements for the financial year ended 30 June 2019, Paul Mansfield as the company's Chief Executive Officer, and Dustine Pang, as the company's Chief Financial Officer, have provided the Board with declarations, that in their opinion;

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

Paul Mansfield and Dustine Pang have also declared to the Board that the company's risk management, internal compliance and control system is operating efficiently and effectively in all material respects.

*Recommendation 4.3 - A 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.*

The engagement partner for the company's audit attends the AGM and is available to answer shareholder questions from shareholders relevant to the audit.

#### Principle 5: Make timely and balanced disclosure

*Recommendation 5.1 - A listed entity should:*

- (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and*
- (b) disclose that policy or a summary of it.*

- (a) The Board and senior management are aware of the continuous disclosure requirements of the ASX and have written policies and procedures in place, including a 'Continuous Disclosure and Compliance Policy' to disclose any information concerning the company that a reasonable person would expect to have a material effect on the price of the company's securities.

The directors and senior management of GrowthOps acknowledge that they each have an obligation to immediately identify and immediately disclose information that may be regarded as material to the price or value of the company's securities.

The Chief Executive Officer and Chairman are authorised to make statements and representations on the company's behalf. The Company Secretary is responsible for overseeing and coordinating the disclosure of information to the ASX, analysts, stockbrokers, shareholders, the media and the public. The Company Secretary must inform the directors, senior management and employees of the company's continuous disclosure obligations on a quarterly basis.

The directors and senior management of GrowthOps ensure that the Company Secretary is aware of all information to be presented at briefings with analysts, stockbrokers, shareholders, the media and the public. Prior to being presented, information that has not already been the subject of disclosure to the market and is not generally available to the market is the subject of disclosure to the ASX. Only when confirmation of receipt of the disclosure and release to the market by the ASX is received may the information be presented.

If information that would otherwise be disclosed comprises matters of supposition, or is insufficiently definite to warrant disclosure, or if the effect of a disclosure on the value or price of GrowthOps' securities is unknown, GrowthOps may request that the ASX grant a trading halt or suspend GrowthOps' securities from quotation. Management of GrowthOps may consult its external professional advisers and the ASX in relation to whether a trading halt or suspension is required.

- (b) The company's Continuous Disclosure Policy is available on the company's website.

#### Principle 6: Respect the rights of security holders

*Recommendation 6.1 - A listed entity should provide information about itself and its governance to investors via its website.*

The Board aims to ensure that in accordance with Recommendation 6.1, all shareholders are informed of major developments affecting the affairs of the company. Information is communicated to the shareholders through the annual and half year reports, disclosures made to the ASX, notices of meetings and letters to shareholders where appropriate.

A description of the arrangements the company to promote communications with shareholders is detailed in the Code of Conduct available at the company's website.

The company maintains information in relation to governance documents, directors and senior executives,

codes and policies, annual reports, ASX announcements and contact details on the company's website.

*Recommendations 6.2 and 6.3*

*A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors (6.2).*

*A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders (6.3).*

For investors to gain a greater understanding of the company's business, governance practices, financial performance and prospects, the company schedules interactions during the year where it engages with institutional and private investors, analysts and the financial media.

Meetings and discussions with analysts must be approved by the CEO and are generally conducted by the CEO and the CFO. The discussions are restricted to explanations of information already within the market or which deal with non-price sensitive information. These meetings are not held within the Company's blackout period in advance of the release of interim or full-year results.

The company encourages shareholders to attend the company's AGM and to send in questions prior to the AGM so that they may be responded to during the meeting. It also encourages ad hoc enquiry via email which are responded to. Written transcripts of the meeting are made available on the company's website.

*Recommendation 6.4 - A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.*

The company engages its share registry to manage the majority of communications with shareholders. Shareholders are encouraged to receive correspondence from the company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry.

## **Principle 7: Recognise and manage risk**

*Recommendations 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 (7.1).*

*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 (b) disclose, in relation to each reporting period, whether such a review has taken place (7.2).*

The Board has an established Audit and Risk Committee. The composition of this committee and its effectiveness is reviewed on a regular basis. The Audit and Risk Committee currently consists of the full Board comprising two non-executive and independent directors of the company, the Chief Executive Officer, and one executive director.

The Audit and Risk Committee monitors and reviews the effectiveness of the company's controls in the areas of market, operational, regulatory and financial risk.

Members of senior management and the company's external auditors attend meetings of the Audit and Risk Committee by invitation. The Audit and Risk Committee may also have access to financial and legal advisers in accordance with the Board's general policy.

- (1) The Audit and Risk Committee currently consists of the full Board comprising two non-executive and independent directors of the company, the Chief Executive Officer, and one executive director. The Board is reviewing the composition of the Board and intends to appoint an additional independent director in order to satisfy the recommendation that the Committee have at least three non-executive directors.
- (2) Melissa Field is Chairman of the Audit and Risk Committee.
- (3) The Audit and Risk Committee operates under a charter approved by the Board.
- (4) The full Audit and Risk Committee will meet at least twice throughout the year and those members of the Audit and Risk Committee that were present at the meetings are detailed in the 'Meeting of directors' section of the Directors' Report in this Annual Report.

The company is committed to the proper identification and management of risk, and accordingly has assessed and is implementing an enterprise risk management framework and will regularly undertake reviews of its risk management procedures which include implementation of a system of internal sign-offs to ensure that GrowthOps complies with its legal obligations. Once completed, the Board intends to delegate its enactment to the Audit and Risk Committee. Monthly reporting of financial performance is in place as are policies covering operational and business risks.

The Code of Conduct sets out the company's commitment to maintaining the highest level of integrity and ethical standards in all business practices which is available at the company's website.

The company's management is responsible for providing leadership and direction, for establishing a context which fosters a risk management culture and for ensuring business, financial and risk management approaches are integrated during the planning, implementation and reporting of major ventures at all levels within the organisation.

The company will regularly undertake reviews of its risk management procedures, which include implementation of a system of internal approvals to ensure that it complies with its legal obligations. As part of this risk management process, the company's management has reported to the Board in relation to its management of the company's material business risks.

Risk related matters during the period have been addressed by the Audit and Risk Committee during FY19.

*Recommendation 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 risk management and internal control processes.*

The company does not have an internal audit function due to the small size and scale of the company's operations. The function of providing the Board and management with independent and objective



assurance on the effectiveness of the company's governance, risk management and internal control processes is satisfied by informal and formal reviews of operations by the Management team. In addition to self-testing and continuous improvement conducted by senior management, the external auditor also conducts thorough independent reviews of internal controls and procedures of the company.

*Recommendation 7.4 - A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.*

The company considers the economic, environmental and social sustainability risks within the areas in which it operates. To mitigate any material exposure to these risks, the company undertakes regular monitoring and assessment of its operations.

The management of the company and the execution of its growth strategies are subject to a number of risks which could adversely affect the company's future development. The following table is not exhaustive and details those risks and uncertainties considered by management to be the principal material risks:

Key personnel	GrowthOps' success is dependent to a significant degree upon the efforts, contributions and client relationships of a number of key management personnel who are associated with the GrowthOps Businesses. There is a risk that there will be significant difficulties in effectively and harmoniously bringing together the different entrepreneurial personalities and management styles of the key management personnel, and in combining the corporate cultures of each GrowthOps Business. These factors may lead to a decrease in productivity and potentially one or more key management personnel leaving GrowthOps.
Managing and supporting growth	Certain of the GrowthOps Businesses are in a period of rapid growth. There is a risk that it will not be possible to effectively and efficiently maintain the quality and delivery of GrowthOps' services and products, or the profitability and performance of the GrowthOps Businesses during this rapid growth period.
Maintenance of reputation	GrowthOps' success is reliant on its reputation and the reputation of the GrowthOps Businesses. Reputational damage could arise due to any number of circumstances, including inadequate service delivery, conflicts of interest, failing to deliver on a client's desired outcomes, or the mere perception of the existence of any of these circumstances. As a proportion of GrowthOps' sales are derived from renewed contracts with long term clients (and as the GrowthOps business model relies on the further development of existing client relationships), reputational damage may severely impact on GrowthOps' relationships with existing clients and consequently result in a fall in revenue.
Industry and technology risk	GrowthOps operates in the IT consulting industry and relies in part on the competitive position of key technologies it supports (including but not limited to Google Cloud and Amazon Web Services), and the continued development of marketable technologies. There is a risk that the rate of such advancements may slow, which may negatively affect GrowthOps' profitability. There is also a risk that there may be certain developments in the IT consulting industry which supersede, and render obsolete, the existing products and services offered by GrowthOps, which would also negatively affect GrowthOps' profitability.

Refer to commentary at Recommendations 7.1 and 7.2 for information on the company's risk management framework.



## Principle 8: Remunerate fairly and responsibly

*Recommendation 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.*

- (1) The Board has established a Nomination and Remuneration Committee as a subcommittee of the Board, and consists of two independent directors, and one executive director.
- (2) The Nomination and Remuneration Committee is chaired by Dominique Fisher, an independent director.
- (3) The Board is responsible for determining and reviewing the remuneration of the directors, the Chief Executive Officer and the executive officers of the company and reviewing the operation of the company's planned Employee Share and Option Plans. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining executives with the skills to manage the company's operations. In making decisions regarding the appointment of directors, the Board periodically assesses the appropriate mix of skills and experience represented on the Board. It is the company's objective to provide maximum shareholder benefit from the retention of high-quality Board members having regard to the company's level of operations and financial resources. Directors are remunerated with reference to market rates for comparable positions. Remuneration policies for non-executive director are disclosed in the Directors' Report.
- (4) The Nomination and Remuneration Committee members consists Dominique Fisher, Melissa Field and Phillip Kingston.

The full Nomination and Remuneration Committee met three times during FY19.

The Board maintains a combined Nomination and Remuneration Committee. The members of the Committee are detailed in Recommendation 2.1 above.

Details of the qualifications and experience of the members of the Committee is detailed in the 'Information of directors' section of the Directors' report.

The Nomination and Remuneration Committee oversees remuneration policy and monitors remuneration outcomes to promote the interests of shareholders by rewarding, motivating and retaining employees.

The Charter of the Committee is available at the company's website. The Committee's charter sets out the roles and responsibilities, composition and structure of the Committee. In summary, the charter provides for the committee to monitor and advise upon the following matters:

- the company's remuneration structure including long term incentives and superannuation arrangements;

- remuneration and incentives of the Board, CEO, CFO, Company Secretary and COO;
- performance and remuneration of senior management;
- remuneration strategies, practices and disclosures generally;
- workplace health and safety;
- workplace diversity;
- employee share payment plans;
- recruitment, retention and termination strategies;
- management succession, capability and talent development; and
- the Remuneration Report contained within the Directors' report.

When considered necessary, the Committee may obtain external advice from independent consultants in determining the company's remuneration practices including remuneration levels.

The number of Committee meetings held and attended by each member is disclosed in the 'Meetings of directors' section of the Directors' report.

*Recommendation 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.*

The remuneration structure of non-executive directors and executives is disclosed in the director's report in this Annual Report. The remuneration of executives is dependent on the terms of the service agreement with those executives. The remuneration structure of non-executive directors and executives is clearly distinguishable as required by recommendation 8.3.

Non-executive directors are remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees. The level of remuneration reflects the anticipated time commitments and responsibilities of the position. Performance based incentives are not available to non-executive directors as it could be perceived to impair their independence in decision making. For the same reason, equity-based remuneration is limited to non-performance-based instruments such as shares.

Executive directors and other senior executives are remunerated using combinations of fixed and performance-based remuneration. Fees and salaries are set at levels reflecting market rates having regard to the individual's performance and responsibilities. Performance based remuneration is linked directly to specific performance targets that are aligned to both short and long-term objectives. Share options and rights are aligned to longer term performance hurdles. Termination payments are detailed in individual contracts and payable on early termination with the exclusion of termination in the event of misconduct.

Further details in relation to the company's remuneration policies are contained in the Remuneration Report, within the Directors' report.

*Recommendation 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.*

The company's securities trading policy prohibits the use of derivatives or other hedging arrangements for unvested securities of the company or vested securities of the company which are subject to escrow arrangements. Where a director or other senior executive uses derivatives or other hedging arrangements over vested securities of the company, this will be disclosed.