

9 Spokes International Limited

# Corporate Governance Statement

Last Updated: 31 May 2022

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 31 May 2022 and has been approved by the Board of the Company.

The Company's corporate governance policies and charters are available at the Company's governance section of its website: <https://www.9spokes.com/corporate-governance> (**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.

ASX Recommendation	Status	Reference/Comment
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> <li>a) the respective roles and responsibilities of its board and management; and</li> <li>b) those matters expressly reserved to the board and those delegated to management.</li> </ul>	<p>Complying</p>	<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 from time to time to ensure it appropriately meets the needs of the Company, as it grows and develops. The internal Delegated Authority Policy was last reviewed and updated in December 2020 and will be reviewed and updated in 2022</p> <p>A copy of the Board Charter is available on the website, last reviewed in May 2021.</p>

<b>Principle 1: Lay solid foundations for management and oversight.</b>		
A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<p>1.2 A listed entity should:</p> <p>a) undertake appropriate checks before appointing a director or senior executive or putting forward for election as a director; and</p> <p>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.</p>	Complying	<p>The Board has 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>All directors are required to declare they have no criminal history and to keep the Company updated if there is any material change.</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>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Complying	<p>All Directors and senior executives have entered into written agreements with the Company setting out the terms of their appointment.</p>
<p>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.</p>	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>

<b>Principle 1: Lay solid foundations for management and oversight.</b>		
A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<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, last reviewed in December 2020 and which will be reviewed and updated in 2022. The Diversity Policy includes an objective to consciously strive to have an approximately equal gender split, subject to the overriding requirement that appointments must be based on merit. The Board did not set any further measurable objectives because the stated objective was deemed to be an appropriate and measurable objective, given the current size of the Company’s operations and number of employees. The Company endeavours to achieve social diversity and has an ethnically diverse workforce.</p> <p>Under the Diversity Policy:</p> <ul style="list-style-type: none"> <li>• The Company has designated an employee to be responsible for implementing and reporting to the CEO on progress towards achieving the objectives of the Policy;</li> <li>• The Company has continued to review and amend (as appropriate) all human resources policies of the Company to ensure they reflect the goal stated in the Diversity Policy;</li> <li>• The Company has adopted a Flexible Working Policy;</li> <li>• The breakdown of females and males appointed to leadership management positions including in the leadership team (that is acting in a management capacity): 4 women and 7 men</li> <li>• The proportion of men to women non-executive members on the Board: 1 woman and 3 men.</li> <li>• The proportion of men to women across the whole organisation: 12 women and 35 men.</li> </ul> <p>While the Company follows its Diversity Policy, as a New Zealand registered entity it is not governed by the Workplace Gender Equality Act.</p>

<b>Principle 1: Lay solid foundations for management and oversight.</b>		
A listed entity should establish and disclose the respective roles and responsibilities of its board and management and regularly review their performance.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for periodically evaluating the performance of the board, its Committees and individual directors; and</li> <li>b) disclose for each reporting period, whether a performance evaluation was undertaken in accordance with that process or in respect of that period.</li> </ul>	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 discloses, 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>An informal performance evaluation was completed during the reporting period and a formal performance evaluation has been initiated as at the date of this report which will be completed during the next reporting period.</p>
<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</li> <li>b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process or in respect of that period.</li> </ul>	Complying	<p>A central role of the Remuneration and Nomination Committee is to assist the Board in undertaking regular reviews of key Senior Management.</p> <p>The Board Charter provides that the Board will review the performance of key Senior Management, including the Chair of the Board reviewing the performance of the CEO annually. The performance of other key Senior Management is reviewed annually by the CEO against predetermined goals and criteria and also reviewed by the Remuneration and Nomination Committee, and if required, the Board.</p> <p>The Company discloses, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with the Board Charter, with assistance as required from the Remuneration and Nomination Committee.</p> <p>A formal performance evaluation of the CEO's performance against Company strategic objectives was undertaken by the Board Chair in this reporting period.</p> <p>Performance evaluations were undertaken by the CEO on key Senior Management during the reporting period, while the Board also provided continuous feedback and guidance to the CEO in relation to overall performance and appointments of Senior Management.</p>

**Principle 2: Structure the board to be effective and 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.

ASX 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"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the Committee;</li> <li>4) the members of the Committee; and</li> <li>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</li> </ol> <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>	Complying	<p>The Board has a Remuneration and Nomination Committee currently comprising four non-executive Board members: Paul Reynolds (Chair of the Board and Chair of this Committee), Thomas Power, Shelley Ruha and Kevin Phalen.</p> <p>Shelley Ruha is an Independent Director and Chair of the Audit &amp; Risk Committee. Kevin Phalen is an independent Director and from 31 May 2021, Paul Reynolds and Thomas Power have been regarded as Independent Directors.</p> <p>The Remuneration and Nomination Committee has four members and from 31 May 2021 has been chaired by an Independent Director. All members are Non-Executive Directors, and from 31 May 2021, all members were Independent Directors.</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. During the reporting period it was assessed that a further independent non-executive director with relevant expertise should be identified and appointed to the Board. Kevin Phalen was determined to be a suitable candidate and was subsequently appointed to the Board.</p> <p>The Remuneration and Nomination Committee meets at the times determined by the Chair of the Committee. A member of the Committee may request that a meeting of the Committee be convened at any other time.</p> <p>The Company discloses in the New Zealand Statutory Information section of 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. These disclosures are recorded on page 47 of the 2022 Annual Report</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, last reviewed in December 2020. The Board skills matrix will be reviewed and updated in 2022.</p>

<b>Principle 2: Structure the board to be effective and add value</b>		
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.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<p>2.3 A listed entity should disclose:</p> <p>a) the names of the directors considered by the board to be independent directors;</p> <p>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</p> <p>c) the length of service of each director.</p>	Complying	<p>The Board is currently comprised of five Directors: one Executive Director and four non-executive Directors.</p> <p>From 31 May 2021, the Board comprised of four Independent Directors and one Executive Director. The length of service of each Director is set out below by reference to each Director's date of appointment:</p> <p>Paul Reynolds appointed on 10 September 2014            Thomas Power appointed on 7 October 2014            Adrian Grant (CEO) appointed on 17 August 2017            Shelley Ruha appointed on 14 October 2019            Kevin Phalen appointed on 27 June 2021</p> <p>The Annual Report discloses the following information on the Directors:</p> <ul style="list-style-type: none"> <li>• Annual directors' fees (page 43)</li> <li>• Fees for any other services (page 43)</li> <li>• Amounts owed to and from Directors (page 43)</li> <li>• Shareholdings (page 47)</li> <li>• Any options issued (pages 35 and 52)</li> </ul> <p>See section 2.4 regarding independence.</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	Complying	<p>The Board comprised non-executive Directors Paul Reynolds (Chair), Thomas Power, Shelley Ruha, Kevin Phalen and executive Director and CEO, Adrian Grant</p> <p>Kevin Phalen was appointed on 27 June 2021 as an independent Director.</p> <p><b>Assessment of directors' independence</b></p> <p>At the time of the IPO (9 June 2016) Paul Reynolds and Thomas Power were considered to be non-independent directors as they were providing corporate advisory services to the Company pursuant to independent contract agreements, in addition to their role as directors. Since August 2018 neither Paul Reynolds nor Thomas Power provided any services under these contract agreements. Those contracts terminated on 31 May 2021.</p> <p>As a result of these circumstances, the Board considered that, from 31 May 2021, both Paul Reynolds and Thomas Power ceased to be non-Independent Directors.</p> <p>On 24 October 2017 both Paul Reynolds and Thomas Power were issued options over fully paid ordinary shares in the Company under the</p>



**Principle 2: Structure the board to be effective and 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.

ASX Recommendation	Status	Reference/Comment
		<p>Company's Employee Share Option Plan (<b>Director Options</b>):</p> <p>Paul Reynolds holds 667,013 options (representing 0.04% of share capital).</p> <p>Thomas Power holds 476,400 options (representing 0.03% of share capital).</p> <p>The vesting of the Director Options is subject to a performance hurdle, being the Company's share price reaching A\$0.30 which may raise an issue about the independence of the Directors holding the Director Options. More details of the Director Options are available on (pages 35 and 52) of the 2022 Annual Report issued to the ASX on 31 May 2022.</p> <p>Notwithstanding the nature of the Director Options, given the immateriality of the proportion of the Company's share capital represented by the Director Options, their issue in 2017 was not considered by the Board to impact on the independent judgement of the relevant directors' deliberations as board members. The Board remains of that view.</p> <p>The independence of Directors will be reviewed by the Board from time to time.</p>
2.5	Complying	<p>The CEO and the Chairman is not the same person. From 31 May 2021 the Company has had an independent Chairman.</p>
2.6	Complying	<p>The Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board on induction and continuing professional development programs for Directors.</p> <p>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 applicable to publicly listed companies.</p> <p>Directors are also made aware of legislative and regulatory changes from time to time, they are supported by the Company Secretary, and have an opportunity to seek independent advice from professional advisors, ensuring they develop and maintain the skills needed to perform their roles effectively.</p>

<b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>			
A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.			
<b>ASX Recommendation</b>		<b>Status</b>	<b>Reference/Comment</b>
3.1	A listed entity should articulate and disclose its values.	Part-Complying	The Company articulates its values and priorities with all employees, including in the annual Business Plan approved by the Board.
3.2	A listed entity should: <ul style="list-style-type: none"> <li>a) have a code of conduct for its directors, senior executives and employees; and</li> <li>b) disclose that code or a summary of it.</li> </ul>	Complying	The Board has adopted a Code of Conduct, a copy of which is available on the website. This was last reviewed in May 2021.  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.
3.3	A listed entity should: <ul style="list-style-type: none"> <li>a) have and disclose a whistle-blower policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	Complying	The Board has adopted a Whistle-blower Policy, a copy of which is available on the Company website. This was last reviewed in June 2020 and will be reviewed and updated in 2022.  This document sets out the Company's policy for reporting concerns of past, present or anticipated future instances of unethical or unlawful behaviour.
3.4	A listed entity should: <ul style="list-style-type: none"> <li>a) have and disclose an anti-bribery and corruption policy; and</li> <li>b) ensure that the board or a committee of the board is informed of any material breaches of the policy.</li> </ul>	Complying	The Board has adopted an Anti-bribery Policy, a copy of which is available on the Company Website. This was last reviewed in September 2021.  The policy acknowledges that the Company is committed to good corporate 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.  Any material breaches of the policy will be reported to the Board.

<b>Principle 4: Safeguard integrity in corporate reports</b>		
A listed entity should have appropriate processes to verify the integrity of its corporate reports.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<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"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the Committee;</li> <li>4) the relevant qualifications and experience of the members of the Committee; and</li> <li>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</li> </ol> <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>	Complying	<p>The Board has established an Audit and Risk Committee comprising four non-executive Directors: Thomas Power, Paul Reynolds, Shelley Ruha and Kevin Phalen.</p> <p>Shelley Ruha is an Independent Director and Chair of the Audit &amp; Risk Committee. Kevin Phalen is an independent Director and from 31 May 2021, Paul Reynolds and Thomas Power have been regarded as Independent Directors.</p> <p>A copy of the Audit and Risk Committee's Charter is available on the website. It was last updated in April 2020 and will be reviewed in 2022.</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 and risk management functions.</p> <p>The Audit and Risk Committee meets regularly, at the times determined by the Chair of the Committee. 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 the New Zealand Statutory Information section of 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. These disclosures are recorded on pages 46 and 47 of the 2022 Annual report.</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 fair 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 has a responsibility to ensure that before the Board approves the Company's financial statements for each relevant financial period, it ensures 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>

<b>Principle 4: Safeguard integrity in corporate reports</b>		
A listed entity should have appropriate processes to verify the integrity of its corporate reports.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
4.3	Complying	The Company's processes with respect to any periodic corporate report that is released to the market is set out in the Audit and Risk Committee Charter which is published on the Company's website.
4.3	Complying	The Company invites its external financial auditors to the AGM so that they are available to answer questions from security holders relevant to the financial audit.

<b>Principle 5: Make timely and balanced disclosure</b>		
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.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
5.1	Complying	The Board has adopted a Continuous Disclosure Policy, a copy of which is available on the website and was last reviewed in May 2021. 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	Complying	The Company Secretary or the Company's Head of Communications ensures copies of all material market announcements are provided to the Board after they have been made.
5.3	Complying	The Company has adopted a Continuous Disclosure Policy (last reviewed in May 2021), which requires that any substantive investor or analyst presentation must be filed with the ASX ahead of any such presentation.

<b>Principle 6: Respect the rights of security holders</b>		
A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise those rights as security holders effectively.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
6.1	Complying	The Governance section on the Company's website enables security holders and the public to review the Company's announcements, financial reports, corporate governance policies, constitution and Board charters.
6.2	Complying	The Board has adopted a Shareholder Communications Policy, a copy of which is available on the Website and was last reviewed in May 2021. 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.  For the Annual Shareholder meeting in 2021 the Company conducted an online Annual General Meeting (AGM) using video facilities that invite all shareholders to attend. The facilities further provide attending shareholders with the ability to ask questions of the Chair and senior executives through the online platform. This approach will be adopted for future AGMs.
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.

<b>Principle 6: Respect the rights of security holders</b>		
A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise those rights as security holders effectively.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
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.	Complying	<p>Investors are able to communicate with the Company electronically by emailing: <a href="mailto:investors@9spokes.com">investors@9spokes.com</a>.</p> <p>Investors are also able to communicate with the Company's share registry by contacting Boardroom by visiting the following website: <a href="http://www.boardroomlimited.com.au/contact-us">www.boardroomlimited.com.au/contact-us</a>.</p> <p>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.</p>

<b>Principle 7: Recognise and manage risk</b>		
A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
7.1 The board of a listed entity should: <ul style="list-style-type: none"> <li>a) have a Committee or Committees to oversee risk, each of which:               <ul style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ul>               and disclose:               <ul style="list-style-type: none"> <li>3) the charter of the Committee;</li> <li>4) the members of the Committee; and</li> <li>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</li> </ul> </li> <li>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.</li> </ul>	Complying	<p>The Board has established an Audit and Risk Committee comprising four non-executive Directors: Thomas Power, Paul Reynolds, Shelley Ruha and Kevin Phalen</p> <p>Shelley Ruha is an Independent Director and Chair of the Audit &amp; Risk Committee. Kevin Phalen is an independent Director and from 31 May 2021, Paul Reynolds and Thomas Powers have been regarded as independent Directors. The Audit and Risk Committee meets regularly, at the times determined by the Chair of the Committee. 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 discloses in the New Zealand Statutory Information of 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. These disclosures are recorded on pages 46 and 47 of the 2022 Annual report.</p>

<b>Principle 7: Recognise and manage risk</b>		
A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<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>	Complying	<p>The Company has a number of policies and procedures to identify, assess and manage business and operational risks.</p> <p>The Company continues to hold the internationally recognised ISO: 27001:2013 ISMS certification and it has a comprehensive set of policies and procedures around risk identification, assessment and management in compliance with this standard.</p> <p>The Audit and Risk Committee assists the Board with the overall risk management strategy for the Company, and ensuring any required actions are resourced appropriately. In particular, this Committee ensures that the Company identifies, assesses and mitigates 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>Pursuant to the policies and procedures described above, the Company reviewed and maintained its compliance with its ISO:27001:2013 ISMS certification during the reporting period and the Audit and Risk Committee is satisfied that the Company’s risk management framework continues to be sound.</p> <p>The Charter that establishes and prescribes the responsibilities of this Committee is 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>	Complying	<p>The Company does not currently have an internal financial audit function however it does have an internal information security management (ISMS) audit function. The Company continually evaluates and improves the effectiveness of its risk management and internal control processes by delegating to the Audit and Risk Committee an internal control function, which involves evaluating on an ongoing basis the processes the Company has in place to ensure that risk is appropriately managed.</p> <p>As part of the annual audit of the Financial Statements, the external Auditors will report on the internal control environment and testing of operational effectiveness of certain internal controls.</p> <p>The entity engages a third-party accounting firm to assist with applications of critical accounting policies.</p> <p>The Company has international ISMS accreditation (ISO 27001: 2013). Internal and external ISMS auditors measure compliance against internal</p>

<b>Principle 7: Recognise and manage risk</b>			
A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.			
<b>ASX Recommendation</b>		<b>Status</b>	<b>Reference/Comment</b>
			policies and procedures and against strict ISO 27001:2013 standards.
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	An Environmental, Social & Corporate Governance Policy is available on the Company's website. This policy will be reviewed in 2022.  In light of the Company's business operations, the Company does not consider that it has any material exposure to environmental and social risks.



<b>Principle 8: Remunerate fairly and responsibly</b>		
<p>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.</p>		
<b>ASX Recommendation</b>	<b>Status</b>	<b>Reference/Comment</b>
<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"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the Committee;</li> <li>4) the members of the Committee; and</li> <li>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</li> </ol> <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>	Complying	<p>The Board has a Remuneration and Nomination Committee currently comprising four non-executive Board members: Paul Reynolds (Chairman of the Board and Chair of the Committee), Thomas Power, Shelley Ruha and Kevin Phalen</p> <p>Shelley Ruha and Kevin Phalen are Independent Directors and from 31 May 2021 Paul Reynolds and Thomas Power have been regarded as independent Directors.</p> <p>The principal remuneration role of the Remuneration and Nomination Committee is to review and recommend to the Board remuneration packages for Executive Directors and Senior Management, and to review and approve the general remuneration framework for employees of the Company.</p> <p>The Remuneration and Nomination Committee meets regularly, at the times determined by the Chair of the Committee. A member of the Committee may request that a meeting of the Committee be convened at any other time.</p> <p>The Company discloses in the New Zealand Statutory Information section of 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. These disclosures are recorded on page 47 of the 2022 Annual report.</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>	Part-Complying	<p>The Remuneration and Nomination Committee Charter has specific responsibility for developing policies and practices regarding the remuneration of the Directors and other Senior Management.</p> <p>The remuneration of Directors is detailed in the Company's 2022 Annual Report on page 43.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>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</p> <p>b) disclose that policy or a summary of it.</p>	Complying	<p>The Company has an Employee Share Option Plan (<b>ESOP</b>) 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 (last reviewed December 2020 and to be reviewed in 2022), 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</p>

<b>Principle 8: Remunerate fairly and responsibly</b>		
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.		
ASX Recommendation	Status	Reference/Comment
		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.

<b>Additional recommendations that apply only in certain cases</b>			
ASX Recommendation	Status	Reference/Comment	
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	All Directors speak the language in which board or security holder meetings are held or key corporate documents are written.
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Complying	The Company's head office is based in Auckland, New Zealand. Meetings involving security holders are scheduled within normal business hours for both Australia and New Zealand. The Company also provides video online facilities that facilitate security holders attending online including the Annual General Meeting.
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.	Complying	The Company's auditor based in New Zealand attends the AGM and is available to answer questions from security holders relevant to the audit.