



**Simble Solutions Limited**

**ACN 608 419 656**

**29 March 2019**

### **Corporate Governance Statement**

The Board of Directors of Simble Solutions Limited (**Simble** or **the Company**) is responsible for the corporate governance of the Company and its subsidiaries. The Board guides and monitors the business and affairs of Simble on behalf of shareholders by whom they are elected and accountable.

The table below summarises the Company's compliance with the ASX Corporate Governance Council's Principles and Recommendations 3<sup>rd</sup> edition.

#### **PRINCIPAL 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT**

	<b>Corporate Governance Council Recommendation</b>	<b>Compliance</b>	<b>Disclosure</b>
<b>1.1</b>	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.	Complies	<p>The role of the Board and delegation to Management is formalised in the Board Charter.</p> <p>The Board is responsible for the overall operation and stewardship of the Company and, in particular, for the long-term growth and profitability of the Company, the strategies, policies and financial objectives of the Company, and for monitoring the implementation of those policies, strategies and financial objectives.</p> <p>The role of Management is to support the Managing Director (or equivalent) and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.</p>

	Corporate Governance Council Recommendation	Compliance	Disclosure
1.2	<p>A listed entity should;</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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>	Complies	<p>When considering the appointment of a person as a Director, the Board will undertake appropriate checks before appointing the person or putting the person forward to shareholders as a candidate for election as a Director. These checks will include the candidate's character, experience, education, criminal record and bankruptcy history.</p> <p>All material information relevant to a decision on the election of a Director, including the qualifications, experience and special responsibilities are set out in the Directors' Report of the Financial Statements for the year ended 31 December 2018.</p>
1.3	A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Complies	The Company has entered into written agreements with each person appointed as a Director or senior executive of the Company, setting out the terms of their appointment.
1.4	The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.	Complies	The Company Secretary is accountable to the Board, through the Chair of the Board, on all matters to do with the proper functioning of the Board.
1.5	<p>A listed entity should;</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of</p>	Does not Comply	The Board has not adopted a formal diversity policy. However, the Board Charter provides that the Board should comprise people with

	<p>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;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(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;</p> <ol style="list-style-type: none"> <li>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;</li> <li>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 the Act.</li> </ol>		<p>a mix of skills and diversity of backgrounds to enable the Board to discharge its duties effectively. It is the Board's intention to continue to consider matters of diversity in the course of its recruitment and retention on the basis of merit.</p> <p>The Board believes given the current size of the Company this is appropriate and does not believe this departure from recommendation 1.5 will be detrimental.</p> <p>Men occupy 100% of the senior executive positions. A Senior Executive is a person in management.</p> <p>Approximately 25% of all employees are women.</p> <p>The Company is not a relevant employer under the Workplace Gender Equality Act.</p>
<b>1.6</b>	<p>A listed entity should;</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Complies	<p>The role of the Board in respect of performance monitoring includes undertaking an annual evaluation of the performance of the Board, each Board committee and individual Directors and comparing their performance with the requirements of the Board Charter, relevant Board Committee Charters and the reasonable expectation of individual Directors.</p>

	Corporate Governance Council Recommendation	Compliance	Disclosure
			<p>No evaluation was undertaken for the relevant period.</p> <p>Given the current size of the Board the Directors are in regular communication on these matters and do not believe that this departure from recommendation 1.6 is to the detriment of the Company. Directors do intend to hold evaluations in future periods.</p>
<b>1.7</b>	<p>A listed entity should;</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Complies	<p>The Board Charter provides for a process of ensuring that the performance of senior executives of the Company is reviewed at least annually.</p> <p>An evaluation was undertaken for the relevant period.</p>

## PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

	Corporate Governance Council Recommendation	Compliance	Disclosure
2.1	<p>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, and disclose:</li> <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>	Complies	<p>The Board has established the Remuneration and Nomination Committee. The majority of whom are independent Directors.</p> <p>Philip Tye an Independent Director is the Chair of the Committee.</p> <p>The Charter of the Committee is published on the Company's website.</p> <p>The Committee consists of Philip Tye, Fadi Geha, and David Astill.</p> <p>The number of times the Committee has met and the individual attendances is published in the 2018 Annual Report pages 8-9.</p>
2.2	<p>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>	Complies	<p>The Board has a skills matrix it believes is appropriate as per below:</p> <ul style="list-style-type: none"> <li>• Board experience</li> <li>• Executive Leadership and Management experience</li> <li>• Accounting and Financial Reporting</li> </ul>

			<ul style="list-style-type: none"> <li>• Corporate Governance and Compliance</li> <li>• Legal</li> <li>• Energy Sector Experience</li> <li>• Health Safety and Environment</li> <li>• Strategy development</li> <li>• People and Culture</li> <li>• Diversity Management</li> <li>• Finance</li> <li>• Risk Management and Capital Management</li> <li>• Intellectual property</li> <li>• Information Technology</li> <li>• Digital Commerce and Disruptive technologies</li> <li>• Sales, Branding and Marketing</li> <li>• Media and Telecommunications</li> </ul>
2.3	<p>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, association 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>	Complies	<p>Philip Tye is an Independent Non-Executive Director and Chairman of the Board (appointed 8 December 2017). Length of service: 1 year 3 months.</p> <p>David Astill is an Independent Non-Executive Director (appointed 24 September 2015). Length of Service: 3 years 5 months</p> <p>Fadi Geha is the Managing Director and Chief Executive Officer (appointed 1 September 2016). Length of service: 2 years 6 months.</p> <p>Independent Directors do not have an association as per the type in Box 2.3</p>
2.4	A majority of the Board should be independent directors.	Complies	The Board currently has a majority of Independent Directors.

2.5	The Chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Complies	The Chair of the Board, Philip Tye, is an Independent Non-Executive Director.
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.	Does not Comply	<p>The Board does not currently have a formal induction program for new Directors and does not have a formal professional development program for existing Directors.</p> <p>The Board does not currently have any plans to appoint any additional Directors and does not believe, given the size of the Company, that this departure will be detrimental to Simble or its Shareholders.</p>

### PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

	Corporate Governance Council Recommendation	Compliance	Disclosure
3.1	<p>A listed entity should;</p> <p>(a) Have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) Disclose that code or a summary of it.</p>	Complies	<p>The Company has adopted a Code of Conduct which sets out a framework to enable Directors to achieve the highest possible standards in the discharge of their duties and to give a clear understanding of best practice on corporate governance.</p> <p>A copy of the code is available on the Company's website. (<a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a>)</p>

## PRINCIPAL 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

	Corporate Governance Council Recommendation	Compliance	Disclosure
4.1	<p>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 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> </ol> <p>in relation to each reporting period the number of times the committee met through the period and the individual attendances of the members at those meetings; or</p> <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>	Does not Comply	<p>The Board has an Audit and Risk Management Committee. The Committee consists of at least three members, a majority of independent directors and a Chairperson who is the Chair of the Board.</p> <p>The Charter of the Committee is published on the Company's website. (<a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a>)</p> <p>The Committee members, their qualifications and number of times the Committee has met, and individual attendances is published in the Company's 2018 Annual Report pages 8-9.</p> <p>The Company has not complied with this recommendation as Directors were of the view Mr Philip Tye is the most qualified person on the Board to perform this function.</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.	Complies	To approve the annual and half year financial statements, the Board receives a declaration from the Chief Executive Officer and the Chief Financial Officer that Company's Financial Reports represent a true and fair view in all material respects of the Company's financial condition and operational results, and are in accordance with relevant accounting standards; and that this statement is founded on a sound system of risk management and internal compliance and control. A similar process is followed for the approval of the Company's Appendix 4C.
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.	Complies	The Company will request its auditor to attend each AGM and members will be entitled to ask questions of the auditor.

## PRINCIPLE 5: MAKE TIMELY AND BALANCE DISCLOSURE

	Corporate Governance Council Recommendation	Compliance	Disclosure
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.	Complies	The Company has a written Communication Policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the ASX Listing Rules.

			A copy of the policy can be found on the Company's website: <a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a>
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## PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

	Corporate Governance Council Recommendation	Compliance	Disclosure
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Complies	The Company's Corporate Governance policies and other relevant material are available on the Company's website.  ( <a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a> )
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complies	The Company aims to ensure that all Shareholders are well informed of all major developments affecting the Company and that the full participation by Shareholders is facilitated. This will be implemented through an investor portal on Simble's website.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders	Complies	The Board encourages full participation of Shareholders at the Company's Annual General Meetings and any General Meetings to ensure a high level of accountability and identification with the Company's strategy. The External Auditor will also be invited to attend the Annual General Meeting of shareholders and will be available to answer any questions concerning the conduct, preparation and content of the Auditor's Report.

6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and is security register electronically.	Complies	The Company's registrar, provides the option for shareholders to receive and send communications electronically. Shareholders are encouraged to create an online account at <a href="https://www.boardroomlimited.com.au">https://www.boardroomlimited.com.au</a> .
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## PRINCIPAL 7: RECOGNISE AND MANAGE RISK

	Corporate Governance Council Recommendation	Compliance	Disclosure
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, and disclose:</li> <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 risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Complies	<p>The Board has established the Audit and Risk Committee. The majority of Board Members are Independent Directors. The Committee consists of Philip Tye, David Astill and Fadi Geha.</p> <p>The Committee is Chaired by Philip Tye. The Charter of the Committee is published on the Company's website.</p> <p>The number of times the Committee meets and the attendance of its members is published in the Company's 2018 Annual Report on pages 8-9.</p>

7.2	<p>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</p> <p>(b) disclose, in relation to each reporting period whether such a review has taken place.</p>	Does not Comply	<p>The Audit and Risk Committee is charged with reviewing the Company's risk management framework.</p> <p>No review was undertaken during the period. Given the current size of the Company, risk management is a regular focus of Directors. The Company does not believe that this departure from recommendation 7.2 is to the detriment of the Company.</p>
7.3	<p>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>	Complies	<p>The Company does not have a formal internal audit function. Given the current size of the Company, its internal controls are regularly a focus of management attention.</p> <p>The Audit and Risk Management Committee has been established to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports, financial reporting process and internal control structure, risk management systems (financial and non- financial) and the internal and external audit process.</p>
7.4	<p>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.</p>	Complies	<p>The Company has economic environmental and social sustainability exposures typical for a SaaS company. The Board considers sustainable and responsible business practices as an important long-term driver of performance and shareholder value and is committed to transparency, fair dealing.</p>

## PRINCIPAL 8: REMUNERATE FAIRLY AND RESPONSIBLY

	Corporate Governance Council Recommendation	Compliance	Disclosure
8.1	<p>The board of a listed entity should;</p> <p>(a) Have a remuneration committee which;</p> <ol style="list-style-type: none"> <li>Has at least three members, a majority of whom are independent directors; and</li> <li>Is chaired by an independent director, and disclose</li> <li>The charter of the committee;</li> <li>The members of the committee and</li> <li>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>	Complies	<p>The Board has established the Remuneration and Nomination Committee. The Committee consists of three members, the majority of whom are Independent Directors. The committee consists of Philip Tye, David Astill and Fadi Geha.</p> <p>The Chair of the Committee, Philip Tye, is an Independent Non-Executive Director.</p> <p>The Charter of the Committee is published on the Company's website:  <a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a></p> <p>At the end of each reporting period, the number of times the Committee met and the individual attendances are disclosed in the Company's 2018 Annual Report on pages 8-9.</p>
8.2	<p>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>	Complies	<p>The policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of senior executives and Executive Directors has been separately disclosed in the Remuneration Policy which is available on the Company's website:  <a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a>.</p>

8.3	<p>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>	Complies	<p>The Company has an equity based incentive plan. In accordance with the Company's Securities Trading Policy, participants are not permitted to enter into transactions which limit economic risk without written clearance. A copy of which is available on the Company's website. (<a href="https://simblegroup.com/investors/governance">https://simblegroup.com/investors/governance</a>)</p>
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Unless otherwise indicated, Simble's corporate governance practices were in place for the financial year ended 31 December 2018 and to the date of signing the Directors' Report.

Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by the Company, refer to our website [www.simblegroup.com](http://www.simblegroup.com).