



**Retech Technology Co., Ltd**

ARBN 615 153 332

**Corporate Governance Statement**  
**For the year ended 31 December 2020**

## Corporate Governance Statement

The Corporate Governance Statement of the Company for the reporting period ending 31 December 2020 has been prepared based on the 4<sup>th</sup> edition of the Australian Securities Exchange's ('ASX') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('ASX Principles and Recommendations') pursuant to ASX Listing rule 4.10.3.

The Board of the Company is committed to principles of best practice in corporate governance and is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its Shareholders and other stakeholders.

ASX Listing rule 4.10.3. 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 details of any related alternative governance practice adopted.

This Corporate Governance Statement can also be accessed at <http://retech-rte.com/Announcement/CorporateGovernanceStatement2020.pdf>.

## Corporate Governance Statement

Principles/recommendations	Does Retech comply?	Particulars of compliance & if not why not
<b>Principle 1 – Lay solid foundations for management and oversight</b>		
<p><b>Recommendation 1.1:</b> A listed entity should have and disclose a board charter setting out</p> <ul style="list-style-type: none"> <li>• the respective roles and responsibilities of its board and management; and</li> <li>• those matters expressly reserved to the board and those delegated to management.</li> </ul>	Complies	<p>The Board's responsibilities are set out in Retech's Board Charter. Retech's Board Charter is set out in the Corporate Governance Plan.</p> <p>The functions of the Board and Chairman and those delegated to management are specifically set out in the Board Charter. The Board Charter also explains the relationship between the Board and management.</p> <p>The Board has established committees to oversee certain functions of the Board, including the Audit and Risk Management Committee and the Nomination and Remuneration Committee.</p>
<p><b>Recommendation 1.2:</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>• undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</li> <li>• 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.</li> </ul>	Complies	<p>The Nomination and Remuneration Committee undertakes appropriate checks, including police clearance checks, bankruptcy searches, verification of qualifications and experience of potential Directors, before appointing a Director or putting forward to Shareholders a candidate for election as a Director.</p> <p>All material information in relation to potential Directors will be provided to Shareholders as the need arises, including in the form of disclosures contained in an explanatory memorandum to a notice of meeting, seeking the approval of Shareholders for the election or re-election of Directors.</p>
<p><b>Recommendation 1.3:</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Complies	<p>Retech has entered into a written agreement with each Director and senior executive.</p> <p>Each of the Directors have consented to act as a director.</p> <p>Each Non-Executive Director has executed a formal letter of appointment which sets out their duties and responsibilities, rights and remuneration entitlements.</p> <p>Each Executive Director is employed under a Service Agreement which sets out the terms on which that Executive Director is employed, including details of the executive's duties and responsibilities, rights and remuneration</p>

		entitlements.
<p><b>Recommendation 1.4:</b> The Company Secretary of a listed entity should be directly accountable to the Board, through the chair on all matters to do with the proper functioning of the board.</p>	Complies	<p>The Company Secretary is directly accountable to the Board in relation to matters of governance. The Company Secretary's role includes advising the Board and its committees on governance matters, monitoring and ensuring that policies and procedures are followed, coordinating the timely completion and dispatch of Board papers, ensuring that the business at Board and committee meetings is accurately captured in the minutes and helping to organize and facilitate the induction and professional development of Directors. Further description of the role is set out in the Board Charter.</p> <p>The Company Secretary is accessible to all Directors. The Board is responsible for the appointment and removal of the Company Secretary.</p>
<p><b>Recommendation 1.5:</b> 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>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole</p>	Complies	<p>The Board has established a Diversity Policy. The Diversity Policy is set out in the Corporate Governance Plan which can be viewed on the Company's website.</p> <p>The Company has a strong commitment to diversity in business which is evidenced through its Diversity Policy.</p> <p>The Diversity Policy includes requirements for the Board to develop and set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them.</p> <p>The Company values diversity and the positive impact of female representation on its services. The Board will monitor the Company's ability to implement measurable objectives with the aim of diversifying its Board and will report on its efforts in its next annual report.</p>

<p>workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		
<p><b>Recommendation 1.6:</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>• have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>• disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	<p>Complies</p>	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment, performance and remuneration of the Directors.</p> <p>The process for evaluating the performance of the Board, its committees and individual Directors is set out in the Company’s Corporate Governance Plan on its website.</p>
<p><b>Recommendation 1.7:</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>• have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</li> </ul>	<p>Complies</p>	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment, performance and remuneration of senior executives and employees of the Company.</p>

<ul style="list-style-type: none"> <li>disclose, in relation to each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period</li> </ul>		
<b>Principle 2 – Structure the board to be effective and add value</b>		
<p><b>Recommendation 2.1:</b></p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <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 a Nomination and Remuneration Committee to oversee the process of appointment, performance and remuneration of senior executives and employees of the Company.</p> <p>The function of the Nomination and Remuneration Committee is set out in the Nomination and Remuneration Committee Charter which is set out in the Corporate Governance Plan which is available on the Company's website.</p> <p>The Nomination and Remuneration Committee is chaired by Ms Liu Qing, an independent director.</p> <p>The Nomination and Remuneration Committee consists of three non-executive directors. Of these members, all are independent Non-Executive Directors.</p> <p>The members of the Nomination and Remuneration Committee are:</p> <p>(a) Liu Qing (Chairwoman);</p> <p>(b) Ross Benson and</p> <p>(c) Lu Jiuping.</p> <p>The individual attendances of the members of the committee meeting are recorded on page 23 of the annual report.</p>
<p><b>Recommendation 2.2: A listed</b> companies should have and disclose a board skills matrix setting out the mix</p>	Complies	<p>The Board maintains a Board Skills Matrix which sets out the mix of appropriate skills, experience, expertise and diversity for Board membership. The Company's Board Skills Matrix is</p>

<p>of skills and diversity that the board currently has or is looking to achieve in its membership.</p>		<p>set out in the Board Charter which is set out in the Corporate Governance Plan available on the Company's website.</p>
<p><b>Recommendation 2.3: A listed</b> companies should disclose:</p> <ul style="list-style-type: none"> <li>• the names of the directors considered by the board to be independent directors;</li> <li>• 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</li> <li>• the length of service of each director.</li> </ul>	<p>Complies</p>	<p>The Company considers a Director to be independent if the Director is independent of management and free of any business or other relationship that could materially interfere, or be perceived as interfering, with the exercise of an unfettered and independent judgment in relation to matters concerning the Company.</p> <p>The Board considers that the following Non-Executive Directors of the Company are independent:</p> <p>(a) Calvin Cheng  (b) Liu Qing;  (c) Ross Benson;  (d) Lu Jiuping; and  (e) Lapto Yau.</p> <p>Information relating to the Directors of the Company, including whether they are independent, their skills, experience, expertise and period of office they have held are contained in the Director's Report section of this Annual Report.</p> <p>The length of service of each Director is as follows:</p> <p>(a) Ai Shungang - 4 years and 3 months;  (b) Calvin Cheng - 4 years and 3 months;  (c) Liu Quing - 4 years and 2 months;  (d) Ross Benson - 3 years and 1 months;  (e) Jiuping Lu - 3 years and 10 months;  (f) Kang Li- 2 years and 4 months;  (g) Guo Li – 1 year and 11 months; and  (h) Lapto Yau – 1 year and 6 months.</p>
<p><b>Recommendation 2.4:</b> A majority of the board of a listed entity should be independent directors.</p>	<p>Complies</p>	<p>The full Board is responsible for determining the size and composition of the Board, subject to limits imposed by the Company's Constitution.</p> <p>Of the eight Directors, seven are Non-Executive Directors and four of the Non-Executive Directors are deemed by the Board to be independent.</p>

		<p>Considering the size of the Company and the nature of its activities, the Board considers that the current mix of skills, qualifications and experience on the Board is consistent with the Company's current circumstances and its long-term interests.</p> <p>This Board structure will be reviewed at the appropriate stages of the Company's development. If it deems it appropriate, the Board may appoint additional independent Directors in the future.</p>
<p><b>Recommendation 2.5:</b> 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 Chief Executive Officer of the entity.</p>	<p>Does not comply</p>	<p>The Co-Chairmen (Mr. Ai Shungang and Mr. Calvin Cheng) of the Board are both Non-Executive Directors but are not considered independent under the ASX Corporate Governance Principles.</p> <p>The Board considers that having Co-Chairmen is good for business development and decision making in Hong Kong. Retech has adequate procedures to ensure the independence of the Co-Chairmen's decisions</p> <p>Neither of the Co-Chairmen are the Chief Executive Officer of Retech.</p>
<p><b>Recommendation 2.6: A listed entity</b> should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their roles as directors effectively.</p>	<p>Complies</p>	<p>The Nomination and Remuneration Committee Charter and Board Charter demonstrate the Company's compliance with this Recommendation.</p> <p>The Nomination and Remuneration Committee is responsible for the induction program for new Directors and the ongoing development program for Directors.</p> <p>The Directors have been provided with either an executive services agreement or a formal letter of appointment setting out the key terms and conditions of appointment, including duties, rights, responsibilities and the Board's expectations regarding their involvement with committee work.</p> <p>A formal induction is provided to all new directors, including meetings with the Chief Executive Officer, Chairman and information on key corporate and Board policies, and visits to the Company's operations.</p>
<p><b>Principle 3 – Instil a culture of acting lawfully, ethically and responsibly</b></p>		



<p><b>Recommendation 3.2: A listed entity</b> should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Complies	<p>The Board has established a Code of Conduct, which is set out in the Corporate Governance Plan available on the Company's website.</p> <p>The Code of Conduct sets out the Company's commitment to making positive economic, social and environmental contributions to each of the communities in which it operates, while complying with all applicable laws and regulations and acting in a manner that is consistent with the Company's foundational principles of honesty, integrity, fairness and respect.</p> <p>The Code of Conduct further provides that the Directors will act with honesty and integrity, will avoid conflicts of interest, protect confidential and proprietary information and treat others equitably and with professionalism, courtesy and respect.</p>
<p><b>Recommendation 3.3:</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Complied	<p>The Company's whistleblower policy is available on the Company's website.</p> <p>The Audit and Risk Management Committee will receive reports from management for any material incidents and oversee related investigation.</p>
<p><b>Recommendation 3.4:</b></p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	Complied	<p>The Company's Anti-Bribery, Fraud and Corruption policy is available on the Company's website.</p> <p>The Audit and Risk Management Committee will receive reports from management for any material incidents and oversee related investigation.</p>
<b>Principle 4 – Safeguard the integrity in corporate report</b>		
<p><b>Recommendation 4.1:</b></p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p style="padding-left: 20px;">(1) has at least three members, all of whom are</p>	Complies	<p>The Board has established an Audit and Risk Management Committee and has adopted an Audit and Risk Management Committee Charter to assist with ensuring the integrity and reliability of information prepared for use by the Board. The function of the Audit and Risk Management Committee is set</p>

<p>non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <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>		<p>out in the Audit and Risk Management Committee Charter, in the Corporate Governance Plan, which is available on the Company's website.</p> <p>The Audit and Risk Management Committee consists of three members, all of whom are independent Non-Executive Directors. The members of the Audit and Risk Management Committee are:</p> <p>(a) Ross Benson (Chairman),</p> <p>(b) Lu Jiuping, and</p> <p>(c) Liu Qing.</p> <p>The experience of each of the above is as follows:</p> <table border="1" data-bbox="810 736 1426 2031"> <tr> <td data-bbox="810 736 1118 1787"> <p><b>Ross Benson</b></p> </td> <td data-bbox="1118 736 1426 1787"> <p>Mr Benson established financial services and advisory company, Investorlink Group in 1986 and is currently Executive Chairman of the company. Mr Benson has also established associated business units in wealth management, private equity, property syndication and structured financial products. He brings more than 30 years' experience in the Australian financial services industry and has extensive expertise in securities, transaction advisory and business strategy. He has acted as lead negotiator for a number of medium to large enterprise divestment or acquisitions in both Australia and China.</p> </td> </tr> <tr> <td data-bbox="810 1787 1118 2031"> <p><b>Lu Jiuping</b></p> </td> <td data-bbox="1118 1787 1426 2031"> <p>Mr. Lu Jiuping was appointed as the Non-executive director of the Board. He has rich expertise in software</p> </td> </tr> </table>	<p><b>Ross Benson</b></p>	<p>Mr Benson established financial services and advisory company, Investorlink Group in 1986 and is currently Executive Chairman of the company. Mr Benson has also established associated business units in wealth management, private equity, property syndication and structured financial products. He brings more than 30 years' experience in the Australian financial services industry and has extensive expertise in securities, transaction advisory and business strategy. He has acted as lead negotiator for a number of medium to large enterprise divestment or acquisitions in both Australia and China.</p>	<p><b>Lu Jiuping</b></p>	<p>Mr. Lu Jiuping was appointed as the Non-executive director of the Board. He has rich expertise in software</p>
<p><b>Ross Benson</b></p>	<p>Mr Benson established financial services and advisory company, Investorlink Group in 1986 and is currently Executive Chairman of the company. Mr Benson has also established associated business units in wealth management, private equity, property syndication and structured financial products. He brings more than 30 years' experience in the Australian financial services industry and has extensive expertise in securities, transaction advisory and business strategy. He has acted as lead negotiator for a number of medium to large enterprise divestment or acquisitions in both Australia and China.</p>					
<p><b>Lu Jiuping</b></p>	<p>Mr. Lu Jiuping was appointed as the Non-executive director of the Board. He has rich expertise in software</p>					

			<p>development, and used to serve as a senior manager in iSoftstone, WSN Group and Yungu Capital. From 2007 to 2012, he held the role as an elected member of Jiangsu Province at the Tenth National Committee of the Chinese people's Political Consultative Conference (CPPCC).</p> <p>He holds a Bachelor of Computer Science from the Central South University of China and an MBA from the University of Science and Technology, Beijing.</p>
		<p><b>Liu Qing</b></p>	<p>Ms Liu Qing was appointed as the Non-executive director of Retech's Board. She has over 20 years of experience in equity, securities and finance. Liu Qing was also the partner of OFC, the top 10 "Best Local Investment Institution" in China, with a management capital of RMB7 billion, over 100 investment projects and a number of projects listed or merged drop out.</p> <p>Liu Qing graduated from Huazhong University of Science and Technology with a master's degree in management. In 2009 Liu Qing was hired as an MBA part-time professor at Lanzhou University of Finance and Economics.</p>

		<p>The Audit and Risk Management Committee had 3 meetings in the reporting period ending 31 December 2020.</p> <p>The individual attendances of the members at those meetings on 30 March 2020 and 27 August 2020 can be found on page 23 of the Annual Report</p>
<p><b>Recommendation 4.2:</b></p> <p>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>	Complies	<p>The Board Charter makes provision for the Chief Executive Officer and Chief Financial Officer to provide this declaration in accordance with section 295A of the <i>Corporations Act 2001</i> (Corporations Act).</p> <p>The Chief Executive Officer and Chief Financial Officer provide a declaration to the Board in accordance with section 295A of the Corporations Act for each financial report and assure the Board that such declaration is founded on a sound system of risk management and internal control.</p> <p>The Board receives the relevant signed declaration from the Chief Executive Officer and Chief Financial Officer prior to the approval of the Company's Annual Accounts and Half Yearly Accounts.</p>
<p><b>Recommendation 4.3:</b> A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor..</p>	Complies	<p>The Audit and Risk Management Committee is responsible for reporting to the Board on the Company's process to verify the integrity of any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor.</p> <p>The external auditor will be invited to attend the Company AGM and will be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.</p>
<p><b>Principle 5 – Make timely and balanced disclosure</b></p>		
<p><b>Recommendation 5.1:</b></p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	Complies	<p>The Board has adopted a Continuous Disclosure Policy and Communications Strategy which is set out in the Corporate Governance Plan. This policy sets out, amongst other matters, the manner in which the Board will ensure compliance with the disclosure requirements of the ASX Listing Rules.</p> <p>The Company respects the rights of its shareholders and facilitates the exercise of those rights, the Company is</p>

		committed to communicating effectively with shareholders, providing shareholders with ready access to balanced and understandable information about the Company and corporate proposals and making it easier for shareholders to participate in general meetings of the Company.
<b>Recommendation 5.2:</b> A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	Under the Continuous Disclosure Policy, the Board will receive copies of material announcements promptly after they have been made and properly approved.
<b>Recommendation 5.3:</b> A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation	Complies	Under the Continuous Disclosure Policy and Communications Strategy, the Company will release to ASX and post on the Company's website before a new or substantive presentation to investor or analysts.
<b>Principle 6 – Respect the rights of security holders</b>		
<b>Recommendation 6.1:</b> A listed entity should provide information about itself and its governance to investors via its website.	Complies	The Company's website has corporate governance landing page from where all relevant corporate governance material can be accessed ( <a href="http://www.retech-rte.com/CorporateGovernancePlan.html">http://www.retech-rte.com/CorporateGovernancePlan.html</a> ). The Corporate Governance Plan contains information about the Company and its corporate governance policies and procedures and is available on the Company's website.
<b>Recommendation 6.2:</b> A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Complies	The Company has adopted the Continuous Disclosure Policy and Communications Strategy which sets out, amongst other things, the manner in which the Company will promote effective communication with Shareholders and encourage their participation at general meetings and respond to Shareholder enquiries. A copy of the Continuous Disclosure Policy and Communications Strategy is contained in the Corporate Governance Plan available on the Company's website. The Company also established an investor relations program in 2020.
<b>Recommendation 6.3:</b> A listed entity should disclose how it facilitates and encourages participation at meetings of security holders	Complies	The Company has adopted the Continuous Disclosure Policy and Communications Strategy which sets out, amongst other things, the manner in which the Company will promote effective communication with security holders and encourage their participation at general meetings.

		<p>The shareholders communication policy is set out in the Continuous Disclosure Policy and Communications Strategy set out in the Corporate Governance Plan and is designed to ensure that shareholders are informed of all relevant developments.</p> <p>The Company also intends to establish on its website a facility for all shareholder communications.</p> <p>The Company encourages full participation of shareholders at any General Meeting or the Annual General Meeting. The notice of such meetings will be given in accordance with the Company's Constitution, The HK Companies Ordinances and the ASX Listing Rules.</p> <p>The security holders can attend the meetings in person, appoint a proxy or representative to vote on their behalf at any of the shareholder meetings</p> <p>The Chairman encourages shareholders to ask reasonable questions at any General Meeting or the Annual General Meeting of the Company .The Board makes itself available to all shareholders both before and after the Meetings.</p>
<p><b>Recommendation 6.4:</b></p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>Complies</p>	<p>The notice of the meetings will be drafted and reviewed by the Company's legal counsel . Any substantial resolutions considered under the ASX Listing Rules will be decided by poll . The Company registry, Computershare will be appointed as the independent third party to manage and conduct the poll process.</p>
<p><b>Recommendation 6.5: A listed entity</b> should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>Complies</p>	<p>The Company gives its shareholders the option to give and receive communications to and from both the Company and its security registry electronically.</p> <p>Electronic communications to the Company may be sent via email to Investor Relations account at <a href="mailto:investors@retech-rte.com">investors@retech-rte.com</a>.</p> <p>The Company's share register is managed and maintained by Computershare Investor Services Pty Limited (<b>Computershare</b>).</p> <p>Shareholders can access their shareholding details or make</p>

		<p>enquiries about their current shareholding electronically by quoting their Shareholder Reference Number or Holder Identification Number via <a href="https://www.computershare.com/au">https://www.computershare.com/au</a> or by following the online enquiry prompts on Computershare's website.</p> <p>Shareholders can also contact Computershare by telephone from Monday to Friday, 8am-7pm AEST: (Australia) 1300 555 159 (Overseas) +61 3 9415 4062</p>
<b>Principle 7 – Recognize and manage risk</b>		
<p><b>Recommendation 7.1:</b> The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <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 an Audit and Risk Management Committee to assist with risk oversight, risk management and internal control.</p> <p>The function of the Audit and Risk Management Committee is set out in the Audit and Risk Management Committee Charter. The Company's Audit and Risk Management Committee Charter has been adopted by the Board and is set out in the Corporate Governance Plan, which is available on the Company's website.</p> <p>The Audit and Risk Management Committee is chaired by Ross Benson ,an independent director who is not chairman of the Board.</p> <p>The Audit and Risk Management Committee consists of three members, all of whom are independent Non-Executive Directors. The members of the Audit and Risk Management Committee are:</p> <p>(a) Ross Benson (Chairman)</p> <p>(b) Lu Jiuping ; and</p> <p>(c) Liu Qing.</p> <p>The Company has disclosed in this Annual Report the names and relevant qualifications and experience of the members of the Audit and Risk Management Committee.</p> <p>The Audit and Risk Management Committee had 3 meetings in the reporting period ending 31 December 2020.</p> <p>The individual attendances of the members at those meetings on 30 March 2020 and 27 August 2020can be found on page 23 of the Annual Report</p>
<p><b>Recommendation 7.2:</b> The board or a committee of the board should:</p>	Complies	<p>The Audit and Risk Committee is responsible for the review of the Company's risk management program at least annually.</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 review has taken place.</p>		<p>The Company's Audit and Risk Management Committee Charter is set out in the Corporate Governance Plan, which is available on the Company's website.</p> <p>The Committee reviewed the Company's risk management framework, annual internal auditing report, development of the Enterprise Resource Program (ERP) system and implementation and internal audit function, Treasury Function etc., in December 2020.</p>
<p><b>Recommendation 7.3:</b> 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>Since 2017, Retech established an internal audit group and launched an internal control management risk assessment to develop a comprehensive risk management system and build the overall program through continuous integration of risk management concept and strength risk control measures.</p>
<p><b>Recommendation 7.4:</b> 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.</p>	Complies	<p>The Company has disclosed its risks, including environmental and social sustainability risks and how those risks are mitigated the Company's Audit and Risk Management Committee Charter.</p>
<p><b>Principle 8 – Remunerate fairly and responsibly</b></p>		
<p><b>Recommendation 8.1:</b></p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p>	Complies	<p>The Board has established a Nomination and Remuneration Committee.</p> <p>The function of the Nomination and Remuneration Committee is set out in the Nomination and Remuneration Committee Charter set out in the Corporate Governance Plan.</p> <p>The Nomination and Remuneration Committee is chaired by Liu Qing, an independent director. The Nomination and Remuneration Committee consists of three non-executive directors, all of whom are independent. The members of the Nomination and Remuneration Committee are:</p>



<p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration <b>committee</b>, 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>		<p>(a) Liu Qing (Chairwoman);</p> <p>(b) Ross Benson; and</p> <p>(c) Lu Jiuping</p> <p>The Company has disclosed above the names and relevant qualifications and experience of the members of the Nomination and Remuneration Committee in the annual report.</p> <p>The Nomination and Remuneration Committee met once during the reporting period ending 31 December 2020.</p> <p>The individual attendances of the members on the committee meeting on 20 January 2020 was recorded in the Annual Record.</p>
<p><b>Recommendation 8.2:</b> 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>	<p>Complies</p>	<p>The Board has adopted the Nomination and Remuneration Committee Charter, which sets out the role and the responsibilities and the practices of the Nomination and Remuneration Committee in overseeing the process of appointment and remuneration of senior executives and employees of the Company including the executive and non-executive directors</p> <p>A copy of the Nomination and Remuneration Committee Charter is contained in the Corporate Governance Plan which is available on the Company's website.</p>
<p><b>Recommendation 8.3:</b></p> <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</p>	<p>Not applicable</p>	<p>The Board has adopted the Nomination and Remuneration Committee Charter, which sets out the role and the responsibilities of the Nomination and Remuneration Committee in monitoring board members and senior executives to ensure no transactions in associated products are entered into which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.</p>

<p>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>		
<p><b>Principle 9 – Additional recommendations that apply only in certain cases</b></p>		
<p><b>Recommendation 9.1:</b></p> <p>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.</p>	<p>Not Applicable</p>	<p>All Directors can speak and understand the language in which the Board or security holder meetings are held or key corporate documents are written and can discharge their obligations in relation to those documents.</p>
<p><b>Recommendation 9.2:</b></p> <p>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>	<p>Complies</p>	<p>The Company encouraged full participation of shareholder meetings and the shareholders meeting will normally be held in a place and time where majority shareholders can be easily accessed.</p> <p>In any event that it is not possible to hold a meeting in a reasonable place and time such as the social distancing and travel restriction caused by Covid -19, the Company will try to organise the meetings in its place of establishment and using the video conference platform so that investors can observe and participate the meetings in different locations.</p>
<p><b>Recommendation 9.3:</b></p> <p>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</p>	<p>Complies</p>	<p>The Company invited the external auditors on its 2020 AGM who was available at the meeting to answer shareholders' questions regarding the financial statements and conduct of the audit.</p>

