

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Gratifici Limited

ABN/ARBN

ACN 125 688 940

Financial year ended:

30 June 2021

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://gratifici.com/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 6 October 2021 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 6 October 2021

Name of authorised officer authorising lodgement: Iain Dunstan

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have <b>NOT</b> followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://gratiffi.com/corporate-governance/">https://gratiffi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<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>(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 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><input type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at:</p> <p>and we have disclosed the information referred to in paragraph (c) at:</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>in the Company's Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>in the Company's Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>in the Company's Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>in the Company's Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	<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, 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>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) at: in the Company's Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix in the Company's Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: in the Company's Corporate Governance Statement  and, where applicable, the information referred to in paragraph (b) at: in the Company's Corporate Governance Statement  and the length of service of each director at: in the Company's Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input type="checkbox"/> and we have disclosed our values at: ..... [insert location]	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

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<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are 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><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) at: in the Company's Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<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>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>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>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



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<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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> <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>	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a>  and the information referred to in paragraphs (4) and (5) at: in the Company's Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement
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 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>	<input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: the Company's Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	<input checked="" type="checkbox"/> and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: in the Company's Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: in the Company's Annual Report and, if we do, how we manage or intend to manage those risks at: in the Company's Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement

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<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<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, 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 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>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) at: in the Company's Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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>	<p><input checked="" type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: in the Company's Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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>	<p><input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
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.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... <i>[insert location]</i>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

**GRATIFII LIMITED (ACN 125 688 940)****(‘Company’)****CORPORATE GOVERNANCE STATEMENT**

The Board of Directors of Gratifii Limited and its controlled entities (“Gratifii” and/or “the Company”) are committed to achieving the best practice in corporate governance commensurate with the Company’s size, its operations and the industry within which it operates.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company’s corporate governance practices.

This Corporate Governance Statement summarises the corporate governance practices adopted by the Board of Directors and the Company’s compliance with the Corporate Governance Principles and Recommendations 4th Edition (Recommendations) during the reporting period ended 30 June 2021.

The Principles and Recommendations are not mandatory. However, the Company is required to provide an annual statement disclosing the extent to which the Company has followed the Principles and Recommendations during the reporting period; identify the recommendations that have not been followed; and provide reasons for any variance. If a recommendation has been followed for only part of a year, the entity must state the period during which it has been followed.

Gratifii’s Corporate Governance Plan containing policies and charters is available on the Company’s website at <https://gratifii.com/corporate-governance/> and are listed below:

**Charters**

Board Charter

Audit and Risk Committee Charter

Remuneration and Nomination Committee Charter

**Policies**

Anti-Corruption and Bribery Policy

Disclosure and Communication Policy

Risk Management Policy Securities

Trading Policy

Code of Conduct

Privacy Policy

Whistleblower Policy

PRINCIPLE AND RECOMMENDATION	REQUIREMENT	COMPLY	EXPLANATION
<b>PRINCIPLE 1</b>	<b><i>Lay solid foundations for management and oversight</i></b>		
<b>Recommendation 1.1</b>	<p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Yes	<p>The Company has adopted a Board Charter which sets out the specific roles and responsibilities of the Board, the Chair and the Company Secretary and management. The Board Charter includes a description of those matters expressly reserved to the Board and delegated to the Board Committees, with tasks not expressly reserved for the Board being delegable by the Board to management</p> <p>The Board Charter sets out the membership and operation of the Board, requirements as to Board composition, delegation and establishment of Board Committees, the process of selection and appointment of directors, the roles and responsibilities of the Chairman and Company Secretary, requirements for advising on conflicts of interest and details regarding the Board's interaction with the Company.</p> <p>A copy of the Company's Board Charter is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a>.</p>
<b>Recommendation 1.2</b>	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone 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>	Yes	<p>(a) The Company's Remuneration and Nomination Committee Charter requires the Remuneration and Nomination Committee to undertake appropriate checks before putting forward a candidate for appointment or election as a director.</p> <p>(b) The Company's Remuneration and Nomination Committee Charter requires the Committee to provide shareholders with all material information in its possession relevant to a decision whether or not to elect or re-elect a director.</p> <p>Information on directors standing for election or re-election is provided to Shareholders in the Notice of Meeting and includes biographical details as well as their relevant qualifications and experience and the skills they bring to the board; and details of any other material directorships currently held by the candidate.</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.	Yes	The Company has written agreements with each of its Directors and senior executives setting out the terms of their appointment.

<b>Recommendation 1.4</b>	<p>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>	<p>Yes</p>	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board through the Chairman on all matters relating to the proper functioning of the Board.</p>												
<b>Recommendation 1.5</b>	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(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</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</li> <li>(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.</li> </ul> </li> </ul> </li> </ul> <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> <ul style="list-style-type: none"> <li>(i)</li> </ul>	<p>No</p>	<p>The Company has not been in compliance with this recommendation as the Board is comfortable that the Company already has an appropriate approach to encouraging workplace diversity.</p> <p>The workforce of the Company and its controlled entities are made up of individuals with diverse skills, backgrounds, perspectives and experiences and this diversity is recognised, respected and valued by the Company. While the Company is committed to gender diversity in its workplace, the Board believes that the Company is not yet of a size where it is appropriate to implement a Diversity Policy or to implement measurable objectives for achieving gender diversity.</p> <p>The following is the respective proportions of men and women on the board, in senior executive positions and across the whole organisation.</p> <table border="1" data-bbox="1355 746 1948 858"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>100%</td> <td>0%</td> </tr> <tr> <td>Senior Executive</td> <td>80%</td> <td>20%</td> </tr> <tr> <td>Whole Organisation</td> <td>52%</td> <td>48%</td> </tr> </tbody> </table>		Male	Female	Board	100%	0%	Senior Executive	80%	20%	Whole Organisation	52%	48%
	Male	Female													
Board	100%	0%													
Senior Executive	80%	20%													
Whole Organisation	52%	48%													
<b>Recommendation 1.6</b>	<p>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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	<p>Yes</p>	<ul style="list-style-type: none"> <li>(a) The Remuneration and Nomination Committee Charter has and discloses the process for periodically evaluating the performance of the board, its committees and individual directors. Performance reviews are carried out by the Remuneration and Nomination Committee.</li> <li>(b) No evaluations have been undertaken during the reporting period. The Company expects to undertake the next evaluation performance during FY22.</li> </ul>												



<b>Recommendation 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>	<p>Yes</p>	<p>(a) The Board Charter has and discloses the process for periodically evaluating the performance of senior executives, which the Board is responsible for.</p> <p>(b) No evaluations have been undertaken during the reporting period. The Company expects to undertake the next evaluation performance during FY22.</p>
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<b>PRINCIPLE 2</b>	<b>Structure the board to be effective and add value:</b>		
<b>Recommendation 2.1</b>	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> </ul> </li> <li>(v) 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> <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>	Yes	<p>On 17 April 2020, the Board established a Remuneration and Nomination Committee and comprised of Messrs. Zekulich, Dunstan and Hill. Mr Zekulich has been appointed as the Chairman of the Committee.</p> <p>The number of meetings held by this Committee during the reporting period is disclosed in the Annual Report.</p> <p>The Remuneration and Nomination Charter which is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a>.</p>

<b>Recommendation 2.2</b>	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.	Yes	<p>The current Board comprises of individuals with a comprehensive mix of experience and expertise across a variety of industries. When contemplating a proposed board appointment, the Board strives to ensure that it considers diversity of experience and any perceived gaps in skills and experience.</p> <p>The Board has a formal skills matrix, which is disclosed in the Company's Annual Report.</p>
<b>Recommendation 2.3</b>	<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 of the Recommendations 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>	Yes	<p>During the reporting period, the Board comprised of four Directors, three of which, Bryan Zekulich, Michael Hill and Stephen Borness, are Independent, Non-Executive Directors.</p> <p>a) Independent Directors</p> <p>During the period, the Board considers three directors, Bryan Zekulich, Michael Hill and Stephen Borness to have satisfied the test of independence as defined in the ASX Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition)</p> <p>b) Non-Independent Directors</p> <p>Iain Dunstan, the Executive Chairman is the only Director the Board considers to be Non-Independent.</p> <p>c) The Company's Annual Report discloses the length of service for each Director as at the financial year end.</p>
<b>Recommendation 2.4</b>	A majority of the board of a listed entity should be independent directors.	Yes	The Board's majority has comprised of independent directors.
<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 CEO of the entity.	No	The Chair of the Board is Iain Dunstan, who is an Executive Director. He also fulfills the role of CEO. Given the size of the Company, the Board does not consider it practicable to have the roles performed by two separate people.
<b>Recommendation 2.6</b>	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	The Remuneration and Nomination Committee, is responsible for developing, implementing and reviewing director induction programmes and continuing education measures to enhance director competencies and update and enhance directors' knowledge and skills in order to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

<b>PRINCIPLE 3</b>	<b><i>Instil a culture of acting lawfully, ethically and responsibly</i></b>		
<b>Recommendation 3.1</b>	A listed entity should articulate and disclose its values.	No	At present the Company has not published a statement of values, however it will look to do so in the future.
<b>Recommendation 3.2</b>	A listed entity should: <ul style="list-style-type: none"> <li>a) have and disclose a code of conduct for its Directors, senior executives, and employees; and</li> <li>b) ensure that the Board or a committee of the board is informed of any material breaches of that code</li> </ul>	Yes	The Company's Corporate Governance Plan includes a Corporate Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment.  The Company's Corporate Governance Plan including the Code of Conduct is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a> .  All breaches are reported to the Board.
<b>Recommendation 3.3</b>	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>	Yes	The Company has a Whistleblower Policy which is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a>  Material incidents are reported to the Board.
<b>Recommendation 3.4</b>	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 committee of the Board is informed of any material breaches of that policy.</li> </ul>	Yes	The Company has an Anti-Corruption and Bribery Policy which is available on the website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a> .  All material breaches are reported to the Board.

<b>PRINCIPLE 4</b>	<b><i>Safeguard the integrity of corporate reports:</i></b>		
<b>Recommendation 4.1</b>	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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>	Yes	<p>The Company has established an Audit and Risk Committee comprised of Messrs. Dunstan, Hill and Zekulich. Mr Zekulich has been appointed as the Chairman of the Committee.</p> <p>The number of meetings held by this Committee during the reporting period is disclosed in the Annual Report.</p> <p>The Audit and Risk Committee Charter is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a>.</p>
<b>Recommendation 4.2</b>	<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>	Yes	<p>During the reporting period, the Board received the declaration referred to from the CEO. The Company currently does not have a CFO however Mr Dunstan who has oversight for the functions of the CFO, has given the declaration in relation to section 295A in that capacity.</p> <p>Going forward, the Company intends to require that the CEO and CFO (or, if none, the person fulfilling the CFO function) to provide a sign off on those terms in each financial year.</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.	Yes	The Company's board reviews all periodic unaudited report releases to the public through a review process that includes senior management requests for verification of provided information. Once satisfied with content and source of information the board approves the report for release to the market.
<b>PRINCIPLE 5</b>	<b><i>Make timely and balanced disclosure:</i></b>		
<b>Recommendation 5.1</b>	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	(a) The Company has a Disclosure and Communication Policy, which sets out the corporate governance measures adopted by the Company to ensure that market releases are presented in a clear and factual way, ensure that shareholders have equal and timely access to material information concerning the Company and to communicate effectively with shareholders.  (b) The Company's Disclosure and Communication Policy is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a> .
<b>Recommendation 5.2</b>	A listed entity should ensure that its board receives copies of all market announcements promptly after they have been made.	Yes	The Board receives copies of the market announcements as soon as they are released to the ASX.
<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.	Yes	The Company issued presentations to the ASX Market Announcements Platform ahead of the presentation.
<b>PRINCIPLE 6</b>	<b><i>Respect the rights of security holder</i></b>		
<b>Recommendation 6.1</b>	A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a> .
<b>Recommendation 6.2</b>	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has adopted a Disclosure and Communication Policy to facilitate effective two-way communication with investors. This Policy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a> .
<b>Recommendation 6.3</b>	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	Shareholders are encouraged to participate at all general meetings and AGMs of the Company.  The Disclosure and Communication Policy contains the relevant policies and procedures is available on the Company's website at <a href="https://gratifii.com/corporate-governance/">https://gratifii.com/corporate-governance/</a>

<b>Recommendation 6.4</b>	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.	Yes	The Company confirms that all substantive resolutions are decided based on poll.
<b>Recommendation 6.5</b>	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Shareholders have been given the option to receive information from the share registry electronically or by post. The registry maintains a database of investors who wish to receive information updates about the Company

<b>PRINCIPLE 7</b>	<b>Recognise and manage risk:</b>		
<b>Recommendation 7.1</b>	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors;</p> <p>(ii) is chaired by an independent director and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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>	Yes	The Company has a Risk and Audit Committee which incorporates both Audit and Risk functions. See above discussion in recommendation 4.1 which is also applicable for recommendation 7.1
<b>Recommendation 7.2</b>	<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 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>	Yes	<p>(a) The Audit and Risk Committee intends to review the Audit and Risk Committee Charter annually to keep it up to date and report to the Board any changes it considers should be made.</p> <p>The Audit and Risk Committee Charter and the Company's Risk Management Policy was last reviewed in December 2018. The Committee intends to undertake a review of the Charter and the Company's Risk Management Policy during the next reporting period. The Company has not conducted a review of its Risk Management framework during the current period, largely due to</p>

			<p>the Board and management having to manage the immediate impacts of the COVID-19 pandemic.</p> <p>(b) The Company intends to disclose in each Annual Corporate Governance Statement whether such a review has taken place.</p>
<b>Recommendation 7.3</b>	<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 governance, risk management and internal control processes.</p>	Yes	<p>Due to the size of the Company, it does not have an internal audit function.</p> <p>Accordingly, the responsibility of evaluating and improving the effectiveness of the Company's risk management and internal control processes rest primarily with the Audit and Risk Committee. The Audit and Risk Committee Charter identifies risk management and internal compliance and control systems and provides that the Audit and Risk Committee is responsible for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>
<b>Recommendation 7.4</b>	<p>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>	Yes	<p>The Company discloses in its Annual Report whether it has any material exposure to environmental or social risks and if so, how to manage those risks.</p>



<b>PRINCIPLE 8</b>	<b>Remunerate fairly and responsibly:</b>		
<b>Recommendation 8.1</b>	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors;</li> <li>(ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> </ul> </li> <li>(v) 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> <p>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>	Yes	The Company has a Remuneration and Nomination Committee which incorporates both Remuneration and Nomination functions. See above discussion in recommendation 2.1 which is also applicable for recommendation 8.1
<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.	Yes	Detailed commentary on the remuneration of the executive and nonexecutive Directors and senior executives is set out in the Remuneration Report contained within the Company's Annual report. The Company follows the practice of disclosing the amount of remuneration and all monetary and non-monetary components for each director and executive during the reporting period.
<b>Recommendation 8.3</b>	<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>	Yes	The Company has adopted an equity-based remuneration scheme. The Company's Securities Trading Policy sets out whether the 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). The Securities Trading Policy prohibits participants limiting exposure to elements of their remuneration which have not vested or remain subject to a holding lock, but otherwise participants are permitted to enter into transactions permitted by law. The Company's Securities Trading Policy is available on the Company's Website at <a href="https://gratifi.com/corporate-governance/">https://gratifi.com/corporate-governance/</a> .