

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Aconex Limited

ABN / ARBN:

ABN 49 091 376 091

Financial year ended:

30 June 2017

Our corporate governance statement² for the above period above can be found at:³

☐ These pages of our annual report:

☒ This URL on our website: <http://investor.aconex.com/company-information/?page=corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 21 August 2017 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 22 August 2017

Name of Director or Secretary authorising
lodgement: Anna Gorton, Company Secretary

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

² "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.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 1.1 and 1.2 ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 1.1 and 1.2	Not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.3	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.4	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.5	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.6</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.6</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.6</p>	Not applicable
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7</p>	Not applicable
1.7	<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>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.7</p>	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
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>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.2</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.2 and in the 2017 Annual Report</p>	Not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.3</p>	Not applicable
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.1</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.1 and 2.7</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 1.4</p>	Not applicable
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.1 and 2.7</p>	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.4 and 2.7	Not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 2.8	Not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 3.1 <input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 4.1</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 4.1 and in the 2017 Annual Report</p>	Not applicable
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>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 4.2</p>	Not applicable
4.3	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 4.3</p>	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 5.1	Not applicable
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance	Not applicable
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <input type="checkbox"/> in our Corporate Governance Statement at Section 6.1	Not applicable
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <input type="checkbox"/> in our Corporate Governance Statement at Section 6.2	Not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <input type="checkbox"/> in our Corporate Governance Statement at Section 6.1	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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>	<p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 4.1 and 7.1</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 4.1 and 7.1 and in the 2017 Annual Report</p>	Not applicable
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.1</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.1</p>	Not applicable
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.3</p>	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 7.2 and the 2017 Annual Report</p>	Not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.2 and 8.1</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Sections 2.2 and 8.1 and in the 2017 Annual Report</p>	Not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration 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"/> in our Corporate Governance Statement at Section 8.2 and in the Remuneration Report contained within the 2017 Annual Report</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/results-reports/</p>	Not applicable
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>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement at Section 8.3</p> <p><input checked="" type="checkbox"/> at http://investor.aconex.com/company-information/?page=corporate-governance</p>	Not applicable

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board of Directors (**Board**) is committed to maintaining high standards of safety, performance and corporate governance for Aconex Limited (**Company** or **Aconex**) and the entities it controls (**Group** or **Aconex Group**). Good corporate governance is about having a set of core values and behaviours that underpin the Group's activities and ensure transparency, accountability, fair dealing and protect the interests of stakeholders – including shareholders, personnel, suppliers and communities in which the Group operates.

The Board supports the Corporate Governance Principles and Recommendations (**ASX Recommendations**) developed by the ASX Corporate Governance Council (**Council**).

The Company's practices in respect of the financial year ended 30 June 2017 (**Reporting Period**) are largely consistent with the ASX Recommendations. The Board endeavours to ensure that exceptions to the ASX Recommendations do not have a negative impact on the Company and the interests of shareholders.

As required by the ASX Listing Rules, this Corporate Governance Statement (**CGS**) discloses the extent to which the Company has followed the ASX Recommendations during the Reporting Period.

The Company has also prepared an ASX Appendix 4G – Key to Disclosures of Corporate Governance Principles and Recommendations (which reports on the Company's compliance with each of the ASX Recommendations) – which has been lodged with the CGS on ASX and may be viewed and downloaded from the Company's Investor Centre website <http://investor.aconex.com/company-information/?page=corporate-governance>

A copy of the ASX Recommendations can be found on the ASX website at the following URL:
<http://www.asx.com.au/documents/asx-compliance/cgc-principles-and-recommendations-3rd-edn.pdf>

The Company's latest Annual Report (and other ASX market announcements and media releases) may be viewed and downloaded from the Company's Investor Centre website at the following URL:
<http://investor.aconex.com/results-reports/>

The Corporate Governance page of the Aconex Investor Centre website contains the charters, codes and policies which are referred to in this CGS, at the following URL:
<http://investor.aconex.com/company-information/?page=corporate-governance>

The names of the Independent and Non-Executive Directors currently in office and their qualifications and experience are included in the Company's latest [Annual Report](#).

This Corporate Governance Statement is current as at 21 August 2017 and has been approved by the Company's Board.

Principle 1 Lay Solid foundations for management and oversight

1.1. Board of Directors - Role and Responsibilities

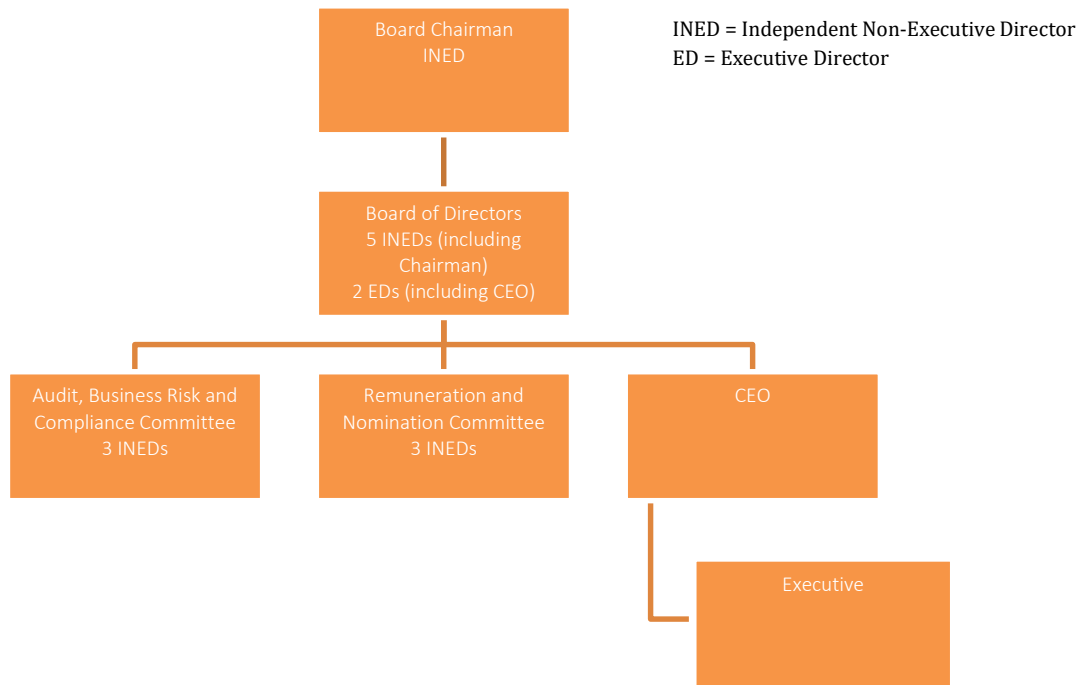
The Board plays a key role in overseeing the policies, performance and strategies of the Company to enhance long-term shareholder value. It is accountable to the Shareholders and must act in the best interest of the Company. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy including approving the strategic objectives, plans and budgets of the Company. The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The Board has established a Board Charter to outline the manner which its constitutional powers and responsibilities will be exercised and discharged, having regard to principles of good governance, international best practice and applicable laws. The Board will review the Board Charter as required and at least bi-annually to ensure strong corporate governance is added to the performance of the Company.

The Board has delineated key matters which are reserved for the Board's approval (**Board Reserved Authorities**) and those delegated to the Board Committees and the Chief Executive Officer (**CEO**) together with the Executive Team. The delegation of authority of the Board Committees (namely the Audit, Business Risk and Compliance Committee and the Remuneration and Nomination Committee) and CEO and Executive Team are set out in the Board Charter and the charter of the respective committees and the Company's Schedule of Authorities (**SOA**), respectively.

The Board Reserved Authorities are set out in the Board Charter and the SOA which include but are not limited to appointment of the chair; appointment and removal of the CEO, CFO, Directors and company secretary; establishment of Board Committees, their membership and delegated authorities; setting the strategic objectives of the Group and monitoring management's implementation of the approved strategy; review and approval of major capital expenditure, acquisitions and divestitures with values exceeding the SOA; approving remuneration; dividends; calling of meetings of shareholders; and any other specific matters nominated by the Board from time to time, subject always to compliance with the laws and regulations applicable to the Group.

The diagram below depicts the Group's overall governance framework:



1.2. Executives - Role and Responsibilities

As permitted under the Company's Constitution, the Board has delegated a portion of its authorities to the CEO (and through the CEO to the Executive Team), who is responsible for the day to day management and operation of the Group. The delegated authorities are set out in the SOA, which requires Board approval to amend

Authority to process payments using the Company's online or cheque payment facility is limited to the CEO and CFO and any of their authorised delegates (as approved by the Board). All payments must be properly authorised according to the SOA, supported by the appropriate supporting documents and authorised by a minimum of 2 persons.

1.3. Board Nominations

The Board, with recommendations made by the Remuneration and Nomination Committee, has set in place the following factors in reviewing a potential candidate for Board appointment, including without limitation:

- the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- the existing composition of the Board, having regard to the factors outlined in the Company's Diversity Policy and the objective of achieving a Board comprising Directors from a diverse range of backgrounds;
- the capability of the candidate to devote the necessary time and commitment to the role (which involves a consideration of matters such as other Board or executive appointments); and

- potential conflicts of interest and independence.

The Remuneration and Nomination Committee will provide detailed background information in relation to a potential candidate to the Board and appropriate checks will be undertaken prior to appointment or before putting the candidate forward to the shareholders for election. The identification of the potential director may be assisted by the use of an external search organisation as appropriate. An offer of a Board appointment must be made by the Chair only after having consulted all directors, with recommendations from the Remuneration and Nomination Committee having been circulated.

The Remuneration and Nomination Committee will report to the Board, outlining the detail of the selection process annually. The Company will provide shareholders with any material information in the Company's possession which is relevant to a decision on whether or not to elect or re-elect a director.

1.4. Terms of Appointment – Directors and Executive Team

All directors of the Company are required to sign a letter of appointment outlining the material terms of their appointment and the key roles based on their experience and skills. The level of remuneration for Non-Executive Directors primarily reflects the experience, time commitment, level of responsibilities and complexity shouldered. The remuneration of the directors of the Company (including the CEO and CFO) are outlined in the Remuneration Report in the Company's latest Annual Report.

The members of the Executive Team have written employment agreements with the Company setting out their key roles, obligations and remuneration. The remuneration is commensurate to the market rate and their experience and skills in the respective field. The remuneration for the CEO and each of his direct reports have been approved by the Board.

The Company's constitution requires that no director (who is not the managing director) may hold office without re-election beyond the third annual general meeting following the meeting at which the director was last elected or re-elected. Information on each director's initial appointment and the anticipated re-election dates, are set out below:

Director's Name	First Appointed	Re-Election Date
Adam Lewis	1 November 2011	2018 AGM
Leigh Jasper	2 February 2000	Not applicable
Robert Phillpot	2 February 2000	2018 AGM
Keith Toh	22 June 2009	2019 AGM
Paul Unruh	1 November 2011	2019 AGM
Simon Yencken	1 August 2008	2017 AGM
Rosemary Hartnett	9 September 2015	2018 AGM

1.5. The Company Secretary

The Company Secretary is appointed by the Board and is responsible for developing and maintaining the information systems and processes that are appropriate for the Board to fulfil its role. The Company Secretary is responsible to the Board for advising on and monitoring compliance with Board procedures

and governance matters. The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. Each director can directly access the services and advice of the Company Secretary.

The joint Company Secretaries during the Reporting Period were Anna Gorton (appointed in June 2016), and Andrew Metcalfe (appointed in December 2014), whose qualifications and experience are stated in the Company's latest Annual Report. Steve Recht resigned as Company Secretary in February 2017.

1.6. Diversity

The Company recognises that diversity drives the Company's ability to attract, retain, motivate and develop talent, create an engaged workforce, deliver the highest quality of service to its customers and continue to grow the business.

In view of the above, the Board has adopted a Diversity Policy to address the representation of women in executive positions and on the Board and to actively facilitate a more diverse and representative management and leadership group. Accordingly, the primary focus of the Diversity Policy is achieving, over a reasonable transition period, adequate representation of women in executive positions and on the Board. A copy of the Company's Diversity Policy can be found at <http://investor.aconex.com/company-information/?page=corporate-governance>.

The Company acknowledges that it did not make as much progress as it would have liked against the diversity goals outlined in the Company's 2016 Corporate Governance Statement, which were:

Initiative	Objective	Proposed Activities	Progress to date
Recruitment Practices	Recruitment practices that attract broad appeal, reduce unconscious bias and encourage diversity of candidates.	<ul style="list-style-type: none"> Review recruitment practices. Improve awareness of diversity and inclusion strategies for selection panel members. 	<ul style="list-style-type: none"> This will remain a key focus for 2017.
Manager Training	Companywide training on the value of diversity and inclusion.	<ul style="list-style-type: none"> Targeted training. Guest speakers - leadership level. 	<ul style="list-style-type: none"> Several speakers were invited to present to the business on gender and diversity related issues. Diversity feedback from staff survey has been analysed and the results will be used to form FY18 diversity goals.

Initiative	Objective	Proposed Activities	Progress to date
Staff awareness / engagement	Raise awareness of diversity and inclusion and drive engagement.	<ul style="list-style-type: none"> • Culture awareness programs and initiatives. • Lunch and learn sessions. • Leadership Team communications and role modelling. 	<ul style="list-style-type: none"> • Workshops to test assumptions and proposed FY17 initiatives. The outcome was to test small and targeted trials across the business. • Visibility of the importance of gender diversity through key initiatives, such as International Woman's Day and International Food Day events. • Partnering with Global Sisters – an Australian not for profit focusing on assisting disadvantaged women from all backgrounds to establish their own businesses.
Women in IT	Increase the % of women in technical functions	<ul style="list-style-type: none"> • Explore internships and opportunities to sponsor female university students. • Develop a mentoring framework. 	<ul style="list-style-type: none"> • Internship program has commenced. • Investment in development of senior female talent, including supporting a number of female staff members to attend Executive Ready programs (managed by WLA) and attendance at quality conferences.
Policy Review	Policies and procedures to enable diversity and inclusion	<ul style="list-style-type: none"> • Revise policies and processes in light of articulated diversity framework and focus. • Review flexible work arrangements. 	<ul style="list-style-type: none"> • This will be an ongoing area of focus.

The Board has endorsed a recommendation that gender diversity continue to be the primary area of focus in FY18. The Company has planned to undertake several specific initiatives in FY18, including:

- Review composition, role and focus of the Diversity Council:
 - a. Ensure the active engagement of male and female leaders across all regions to improve the reach and effectiveness of the council; and
 - b. Sharpen the focus and develop a clear charter to identify how the Company will address under-representation of women through meaningful internal and external focus and investment.
- Agree the role of the Company in the industry to drive visible leadership:
 - a. Identify initiatives and investment targeted to improving access to opportunities in STEM for girls and women (i.e. education initiatives); and
 - b. Representation of Aconex Executive / Senior Leaders in external initiatives and industry forums.
- Strengthen our commitment to develop and retain top female talent globally:
 - a. Focus on the development of top female talent with targeted investment and executive sponsorship and coaching; and
 - b. Identify female talent as part of succession plans for key senior roles across Aconex.
- Improve our focus on attracting and retaining key female talent within our Sales, Product and Engineering Teams:
 - a. Targeted investment to improve identification and placement of female candidates;
 - b. Option to consider EEO exemption (and equivalent bodies globally) to directly target females only for key positions; and
 - c. Develop an employment branding strategy that profiles female ambassadors on Aconex careers website/job board posts to attract top female talent.

The Company currently has one woman Director on the Board.

As at 30th June 2017, the number of women employees in the Group and in Executive positions were:

	FY17	FY16
Total Employees	824	750
Women Employees	265	229
Executives*	12	12
Women Executives	3	2

* Executives means the Management Team as disclosed on the Company's website.

Since 30 June 2017, Gabriele Famous was appointed Chief Marketing Officer and joined the Executive Team.

It is also important to the Board and the Company to recognise that in addition to gender, diversity includes differences in age, ethnicity, intellectual or physical ability, cultural, sexual or gender identity characteristics, education, socioeconomic status, faith, marital status, family responsibilities and experience.

The Board will continue to monitor the implementation plan on a periodic basis to ensure the objectives of the Diversity Policy is being enforced.

1.7. Performance Review and Evaluation

The Remuneration and Nomination Committee is responsible for assisting the Board in relation to the performance evaluation of the Board, its committees and individual Directors and in developing and

implementing plans for identifying, assessing and enhancing Director skills and competency. The Board initiated a performance evaluation in August 2016 where, with the assistance of an external facilitator, the Board assessed their performance individually and collectively and the role that they have played in the performance of the Company in terms of achieving and meeting key objectives, executing strategies and providing independent advice and support for the Executive Team.

A performance evaluation of the Executive Team was completed in August 2016 and February 2017 based on the respective applicable Key Performance Indicators set by the CEO in accordance with the business requirements of the Company.

Principle 2 Structure the board to add value

2.1. Board of Directors – Composition, Structure and Process

The Company's Board has 7 Directors, comprising of 5 Independent Non-Executive Directors (including the Chairman) and 2 Executive Directors (including the Chief Executive Officer).

The composition of the Board is reflected in the table below:

Name	Position
Adam Lewis	Independent Non-Executive Chairman
Leigh Jasper	Executive Director/CEO
Robert Phillpot	Executive Director
Keith Toh	Independent Non-Executive Director
Paul Unruh	Independent Non-Executive Director
Simon Yencken	Independent Non-Executive Director
Rosemary Hartnett	Independent Non-Executive Director

A profile of each Director is set out in the Company's latest [Annual Report](#) (pages 18 – 19).

2.2. Remuneration and Nomination Committee

The Board has a Remuneration and Nomination Committee. It has three members, all of whom are Independent Non-Executive Directors. The Remuneration and Nomination Committee will meet at least twice per year and comprises of the following members:

- Adam Lewis (Chair) (INED)
- Simon Yencken (INED)
- Rosemary Hartnett (INED)

The Remuneration and Nomination Committee Charter can be viewed and downloaded from the Company's Investor Centre website: <http://investor.aconex.com/company-information/?page=corporate-governance>. Additional information about the members of the Remuneration and Nomination Committee, their relevant qualifications and experience, together with the number of times the committee met throughout the most recent reporting period and individual attendances of members, is set out in the Company's latest [Annual Report](#) (pages 18 – 22).

The key roles of the Remuneration and Nomination Committee include:

- assist the Board to develop 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;
- review and recommend to the Board the size and composition of the Board and criteria for membership, including review of Board succession plans and the succession of the Chairman and CEO;
- review and recommend arrangements for the Non-Executive Directors (including CEO) and the executives reporting to the CEO, including planning to manage the succession of the CEO and other senior executives;
- review major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for executives;
- review and recommend to the Board the remuneration arrangements for the Chairman and the Non-Executive Directors of the Board, including fees, travel and other benefits;
- assist the Board as required in relation to the performance evaluation of the Board, its committees and individual Directors;
- review executive performance assessment processes and results;
- review and recommend to the Board short term incentive strategy, performance targets and bonus payments, including major changes and developments in the Company's employee equity incentive plans; and
- review the effectiveness of the Company's Diversity Policy.

2.3. Skills, Knowledge and Experience

The Board considers the present composition, size and balance in respect of qualifications and experience of the Board to be appropriate and effective for the current and future control and direction of the Group's business. Each Director is expected to bring to the Company their experience and skills in the respective fields, particularly their industry expertise, to add value to the performance of the Company. The Board looks to have diversity of gender, experience and attributes representation in its membership.

The skills, experience and expertise of the Board and their relative importance to the Company are set out in the following table:

Skills, Experience and Expertise	Importance
SaaS, Management & Leadership, People & Culture, Construction Industry Experience, and Sales	Very Important
Finance/Accounting, Technology/Digital, Strategy Development & Planning, Governance, Cyber Security, and International/Regional Experience	Important
Marketing, Risk Management, Capital Management/Investment, Legal, Health Safety & Environment	Relevant

Each Director has undertaken a self-assessment against the skills, experience and expertise and rated themselves against the criteria noted in the table above. The outcomes of the individual assessments have been discussed with the rest of the Board as part of the annual review process.

The Board has fed the outputs of this discussion in to its board succession planning.

2.4. Chairman

The Board Chairman is responsible for the leadership, operations and governance of the Board and Board Committees. The Chairman chairs all Board and shareholder meetings. A profile of the Chairman of the Company, Adam Lewis, is stated in the Company's latest Annual Report. Adam Lewis is an Independent Non-Executive Director.

2.5. Executive Director

The Company's two Non-Executive Directors are Leigh Jasper (Chief Executive Officer) and Robert Phillpot (Senior Vice President, Product & Engineering), both founders of the Company and whose profiles are contained in the Company's latest Annual Report.

2.6. Non-Executive Directors

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. The Board currently has a majority of Non-Executive Directors. The Board as a whole is satisfied that the Non-Executive Directors bring an independent discretion to their deliberations. The Company's Non-Executive Directors are listed in the table in Section 2.1, their length of service is listed in Section 1.4 and their profiles are contained in the Company's latest Annual Report.

2.7. Independence

The Board has adopted the following guidelines to assist in considering the independence of Directors. In general, a Director will be considered independent if they are not member of the management of the Company (a Non-Executive Director) and:

- has not previously been employed in an Executive capacity within the Group, unless a period of at least 3 years has elapsed between ceasing such employment and serving on the Board;
- has not within the last 3 years been a partner, Director or senior employee of a provider of material professional services to the Group or another group member;
- has not within the last 3 years been in a material business relationship (e.g. supplier or customer) with the Group, or an officer of or otherwise associated with someone with such a relationship;
- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly or indirectly with, a substantial shareholder of the Company;
- has no material contractual relationship with the Company or another group member, other than as a Director of the Company;
- has no close family ties with any person who falls within any of the categories described above;
- has not been a Director of the Company for such a period that his or her independence may have been compromised; and

- is free from any interest, business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

In the case where any of the above interests, positions or relationships exists, the Company assesses its materiality to determine whether it might interfere, or reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

The Board is consistently reminded of the independence requirement and closely adheres to such requirement. Guidelines are made available to the Board to assist in considering the independence of Directors, including the materiality of any given relationship on a case by case basis. In general, the Board will consider either (a) a holding of 5% or more of the Company's shares; and (b) an affiliation with a business which accounts for more than 5% of the relevant base, to be material. Overall, the Board will also take into account quantitative and qualitative assessments of independence.

During the Reporting Period, the Company maintained a Board of 7 Directors which comprised 5 Independent Non-Executive Directors (including the Chairman); and 2 Executive Directors (including the Chief Executive Officer).

2.8. Induction and Professional Development

It is a policy of the Board to ensure that Directors and executives of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively and that individual and collective performance is regularly and fairly reviewed.

The Company has a program for inducting new Directors. This includes educating new Directors about the nature of the business, current issues, the corporate strategy, culture and values and the expectations of the Board concerning the performance of Directors. Directors have an opportunity to visit Group offices and meet employees to gain full background on the Company's operations. Directors are expected to undertake Director training and professional development courses, as may be required to enable them to develop and maintain the skills and knowledge needed to effectively perform their roles as Directors.

2.9. Meetings of the Board

The Board holds regular meetings, approximately 10 times a year, and holds additional meetings whenever necessary to deal with specific matters requiring attention. Directors' Circulatory Resolutions are used where appropriate either in place of or in addition to formal Board meetings. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity, provided that these commitments do not materially interfere with their ability to serve as a Director of the Company.

2.10. Conflicts of Interest

To ensure that Directors are acting in the interests of the Company, Directors must:

- disclose to the Board actual or potential conflicts that may reasonably be thought to exist

- between the interests of the Director or his duties to any other parties and the interests of the Company in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Corporations Act, absent himself from the room when Board discussion and/or voting occurs on matters to which the conflict relates (save with the approval of the remaining Directors and subject to the Corporations Act).

2.11. Related-Party Transactions

Related party transactions include any financial transaction between a Director and the Company as defined in the Corporations Act and the ASX Listing Rules. Unless there is an exemption under the Corporations Act from the requirement to obtain shareholders' approval for the related party transaction, the Board may not approve the transaction. The Company also discloses related party transactions in its Annual Report as required under the Corporations Act and relevant Accounting Standards.

2.12. Share Dealings and Disclosures

The Company has adopted a Policy for dealing in securities, which applies to Relevant Persons of the Group (including Directors, officers, executives and employees) and Connected Persons of the employees. Connected Persons are defined as a family member of the employee and a company or any other entity which the employee has an ability to control. The policy is designed to:

- explain the type of conduct in relation to dealings in the Company's securities that is prohibited under the relevant law and by the Group, including insider trading; and
- establish a procedure for buying, selling or otherwise dealing in the Company's securities (generally and during specified prohibited periods) which requires (the Relevant Person who is in possession of "inside" information or has been notified by the Company of such "inside" information) the prior approval from the Chairman of the Board or the Chairman of the Audit, Business Risk & Compliance Committee or the CEO, as appropriate. During prohibited periods, approval will only be granted where there are exceptional circumstances which include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the approver.

A copy of the Company's Policy for dealing in securities has been released to ASX and may also be viewed and downloaded from the Company's Investor Centre website <http://investor.aconex.com/company-information/?page=corporate-governance>

2.13. Independent Professional Advice

Subject to prior approval by the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as a Director.

2.14. Company Information and Confidentiality

All Directors have the right of access to all relevant Company books and to executives. In accordance with legal requirements and agreed ethical standards, Directors and employees of the Company have agreed to keep confidential all information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

2.15. Directors' and Officers' Deeds

The Company has entered into a deed of indemnity, insurance & access with each of the Directors to regulate certain matters between the Company and each officer, both during the time the officer holds office and after the officer ceases to be an officer of the Company (or companies within the Aconex Group) for up to seven years. The deeds of indemnity, insurance and access also require the Company to indemnify Directors to the full extent permitted by law against all losses or liabilities (including all reasonable legal costs) incurred by the Director as an officer of the Company or of a related body corporate. A summary of the terms of such deeds is contained within the Remuneration Report in the Company's latest Annual Report.

Principle 3 Promote ethical and responsible decision-making

3.1. Code of Business Ethics

As the Company continues to grow as a global enterprise, Aconex remains passionate about running the business in a manner that is sustainable and reflects the values and history of the Group. Operating to the highest ethical principles is integral to the Company's vision of being the global standard in its industry.

To support this, the Board has set in place a Code of Business Ethics that is designed to provide a benchmark for professional behaviour throughout the Company; support the Company's business reputation and corporate image within the community; and make Directors and employees aware of the consequences if they breach the policy. It includes legal compliance and guidelines on appropriate ethical standards.

The Code of Business Ethics applies to all employees of the Company regardless of role, level or location and is equally applicable to temporary employees, contractors, consultants, agents and Directors. It also applies to all business activities with suppliers, contractors, customers, shareholders and employees in Australia and overseas.

A copy of the Company's Code of Business Ethics may be viewed and downloaded from the Company's Investor Centre website: <http://investor.aconex.com/company-information/?page=corporate-governance>.

Principle 4 Safeguard in Integrity in Corporate Reporting

4.1. Audit, Business Risk & Compliance Committee

The Company has established an Audit, Business Risk and Compliance Committee Charter based on the ASX Recommendations, including having three members, all of whom are Independent Non-Executive Directors, and a chair that is not the chair of the Board. The member composition is as follows:

- Paul Unruh (Chair) (INED)
- Simon Yencken (INED)
- Keith Toh (INED)

In order to ensure that the committee is able to discharge its responsibilities effectively, it is intended

that between the members of the committee there should be accounting and financial expertise and sufficient understanding of the industry. The quorum of the committee is at least 2 members and the committee will meet as often as the committee deems necessary or at least on a quarterly basis. Any Committee member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Minutes of the meeting must be taken and kept by the Company Secretary and be available for inspection by any Director.

The Company has established an External Audit Policy wherein the committee will review the appointment, reappointment, replacement and remuneration of the external auditor as well as evaluating its effectiveness and independence on an annual basis. The external auditor will be assessed based on a number of criteria, including but not restricted to:

- the overall comprehensiveness of the external audit plan;
- the timeliness and quality of communications promised under the plan and delivered during the audit;
- the competency and industry knowledge of external audit staff; and
- the adequacy of resources to achieve the scope as outlined in the plan.

In assessing the independence of the external auditor, the external auditor is required to provide:

- a report which sets out all relationships that may affect its independence, including the provision of non-audit services, financial relationships, employment and other relationships and any other matters that may reasonably be thought to have bearing on the external auditor's independence. The report should outline any safeguards that the external auditor has in place to reduce any threat to independence to an acceptable level.
- a declaration on a half yearly and annual basis, testifying to its independence in respect of the financial period in question. Further, the external auditor will have continuing obligation to notify the committee, via the Company Secretary, of any new information it believes may be material to reviewing independence.

The external audit engagement partner is required to rotate at least once every 5 years.

The Audit, Business Risk & Compliance Committee Charter may be viewed and downloaded from the Company's Investor Centre website: <http://investor.aconex.com/company-information/?page=corporate-governance>.

The number of times that the Audit, Business Risk & Compliance Committee met during the Reporting Period and the individual attendances of Committee members at those meetings are disclosed in the Company's latest Annual Report (page 22)

4.2. CEO and CFO Declarations

The Company has a Managing Director (who also acts as the CEO) and a Chief Financial Officer (CFO). The Board has determined that the CEO and CFO are the appropriate persons to make the declaration as required under section 295A of the Corporations Act and as per the ASX Recommendations.

These declarations state that, in their respective opinions, the financial records of the Company have been properly maintained, 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 Company, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. The CEO and CFO issue written assurances prior to the Board's

approval of the Company's financial statements for a financial period (i.e. the half year and full year financial reports).

4.3. External Auditor

The Company's external auditor (Auditor) is selected for its professional competence, reputation and provision of value for professional fees. Within the audit firm, the partner responsible for the conduct of the Company's audits is rotated every 5 years. The external Auditor attends the Company's AGMs (in person or by teleconference) and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Principle 5 – Make Timely and Balanced Disclosure

5.1. Continuous Disclosure to ASX

In accordance with the Corporations Act and ASX Listing Rule 3.1, the Company immediately notifies ASX of information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, subject to exceptions permitted by that rule. A reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

The Board has appointed the Chair, CEO and CFO as the 'Disclosure Committee' with responsibility for compliance with the Company's continuous disclosure obligations.

If management becomes aware of any information that should be considered for release to the market, it must be reported immediately to a member of the Disclosure Committee. Only material information requires disclosure and the Disclosure Committee will determine the materiality of such information in accordance with the guidelines and requirements of the ASX.

In general, the Company will not respond to market speculation or rumours unless required to do so by law or by the ASX Listing Rules.

The Company's Continuous Disclosure Policy may be viewed and downloaded from the Company's Investor Centre website: <http://investor.aconex.com/company-information/?page=corporate-governance>

The Company's ASX announcements are available after they are released to the ASX on the Company's Investor Centre website: <http://investor.aconex.com/results-reports/?page=asx-announcements>

Principle 6 Respect the rights of security holders

6.1. Market and Shareholder Communications

The Company aims to ensure that shareholders are kept informed of all major developments affecting the state of affairs of the Company. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. The Company also has in place an investor relations program to facilitate communication with investors.

One of the Company's key investor communication tools is its Investor Centre website located at investor.aconex.com, where all up-to-date important information about the Company is published.

Information is communicated to shareholders and other stakeholders regularly through a range of forums

and publications, including the following:

- notice of meetings and explanatory material are available on the Company's Investor Centre website. The Company encourages shareholders to provide email addresses so that notices of meetings and explanatory material can be sent to shareholders via email;
- the Company encourages full participation of shareholders at its AGM each year. For those shareholders who are unable to attend in person, the Company provides a full transcript of the Chairman's and CEO's speeches on its website. Shareholders are encouraged to lodge direct votes or proxies electronically;
- the Company's annual report is available on the Company's Investor Centre website and contains important information about the Company's activities and results for the previous financial year. Shareholders can elect to receive the Company's annual report as an electronic copy or in hard copy through mail;
- all ASX announcements, including annual and half yearly financial results, are posted on the Company's website as soon as they have been released by ASX. The Company's reports and ASX announcements may also be viewed and downloaded from the ASX under ASX ticker code "ACX";
- copies of all media releases made by the Company are posted on the Company's website;
- copies of all investor presentations made to analysts and media are posted on the Company's Investor Centre website, and where appropriate the Company uses webcasting or teleconferencing of these presentations and briefings; and
- the Company provides a telephone and email helpline facility to assist shareholders and investors with any queries on investor relations.

The ownership and shareholder information are available on the Company's Investor Centre website. Information on the Company's share registry, including requests to obtain copies of some standard share registry forms, can be found at www.boardroomlimited.com.au.

6.2. Shareholders' Meetings

Shareholders can communicate with Directors through various means including:

- asking questions of Directors at all general meetings;
- the presence of the Auditor at AGMs (in person or by teleconference, as practicable and appropriate) to take shareholder questions on any issue relevant to their capacity as Auditor;
- the Company's policy of expecting Directors to be available to meet shareholders at the AGM; and
- the Company making Directors and selected executives available to answer shareholder questions submitted by telephone, email and other means (where appropriate).

Traditionally, the key forum for two-way communication between the Company and its shareholders is its AGM. The Board encourages shareholder participation at the Company's AGM and other general meetings of shareholders, and the Chairman encourages questions and comments from shareholders and seeks to ensure that shareholders are given ample opportunity to participate. Shareholders who are unable to attend the AGM or a general meeting may submit questions and comments before the meeting to the Company and or to the Auditor (in the case of the AGM).

Principle 7 – Recognise and Manage Risk

7.1. Risk Committee

The Company's Audit, Business Risk & Compliance Committee (refer to Section 4.1 for further details) oversees the Company's risk management and compliance function, with key responsibilities being to ensure that an appropriate risk management framework is in place and is operating properly and reviewing and monitoring legal and policy compliance systems and issues.

The Audit, Business Risk & Compliance Committee Charter may be viewed and downloaded from the Company's Investor Centre website: investor.aconex.com.

The Audit, Business Risk & Compliance Committee reviewed the Company's risk management framework during the Reporting Period, and implemented improvements to its structure and procedures in order to satisfy itself that the Company's risk management framework continues to be sound.

The number of times that the Audit, Business Risk & Compliance Committee met during the Reporting Period and the individual attendances of Committee members at those meetings are disclosed in the Company's latest Annual Report.

7.2. Internal Control and Risk Management

The Audit, Business Risk & Compliance Committee has the responsibility to oversee the internal control framework (which includes risk management) and manage the Company's process and policies of identification and management of risks that have the potential to significantly impact operations, financial performance or reputation.

The Board recognises that no cost-effective internal control system will preclude all errors and irregularities from occurring. The system is based, in part, on the appointment of suitably qualified and experienced service providers and suitably qualified and experienced management personnel. The effectiveness of the system is monitored and continually reviewed by management on an on-going basis and at least annually by the Board. On a day-to-day basis, managing the various risks inherent in the Company's operations is the responsibility of the CEO in conjunction with the CFO. Risks facing the Company can be divided into the broad categories of operations, compliance and market risks.

Operations risk refers to risks arising from day-to-day operational activities which may result in direct or indirect loss from inadequate or failed internal processes, decision-making, exercise of judgment, people or systems, or external events.

Compliance risk is the risk of failure to comply with all applicable legal and regulatory requirements and industry standards and the corresponding impact on the Company's business, reputation and financial condition. The Company's compliance risk management strategy ensures compliance with key legislation affecting the Company's activities. The Company's compliance strategy is kept current with advice from external professionals and ongoing training of executives and other senior personnel.

The Company has policies on responsible business practices and ethical behaviour, including conflict of interest and share trading policies, to maintain confidence in the Company's integrity and ensure legal compliance.

The material economic, environmental and social sustainability risks to which the Company is exposed principally consist of market risk. Market risk encompasses risks to the Company's performance from changes in equity prices, interest rates, currency exchange rates, capital markets, competition and economic

conditions generally. Further details are in the financial risk management note to the financial statements in the Company's latest Annual Report.

The Company's approach to risk management is not stationary; it evolves constantly in response to developments in operations and changing market conditions.

Management has reported to the Board, via the Audit, Risk and Compliance Committee, as to the effectiveness of the Company's management of its material business risks in respect of the Company's latest financial year.

7.3. Internal Audit

The Company does not have an independent internal audit function.

The Board and the Audit, Business Risk & Compliance Committee performs key elements of an internal audit function, including:

- evaluating the adequacy and effectiveness of the management reporting and control systems used to monitor adherence to policies, guidelines and limits approved by the Board for management of balance sheet risks;
- evaluating the adequacy and effectiveness of the Group's financial and operational risk management control systems by reviewing risk registers and reports from management and external auditors;
- evaluating the structure and adequacy of the Group's Business Continuity Plans;
- evaluating the structure and adequacy of the Group's own insurances on an annual basis;
- reviewing and making recommendations on the strategic direction, objectives and effectiveness of the Group's financial and operational risk management policies;
- overseeing the establishment and maintenance of processes to ensure that there is:
 - an adequate system of internal control, management of business risks and safeguard of assets;
 - a review of internal control systems and the operational effectiveness of the policies and procedures related to risk and control; and
 - a review, at least annually, of the Company's risk management framework;
- evaluating the Group's exposure to fraud and overseeing investigations of allegations of fraud or malfeasance;
- reviewing the Group's main corporate governance practices for completeness and accuracy;
- Evaluating any material exposure of the Company to economic, environmental and social sustainability risks and, if necessary, considers management of those risks;
- Reviewing the procedures in place to ensure compliance with insider trading laws, continuous disclosure requirements and other best practice corporate governance processes (including requirements under the ASX Listing Rules, Corporations Act and international financial reporting standards);
- Considering the appropriateness of significant policies and procedures relating to financial processes and disclosures and reviewing the effectiveness of the Company's internal control framework;
- Direct reporting to the Board by function areas, including but limited to Finance, Customer Service, IT and Regional heads; and
- approving the Schedule of Authorities.

Principle 8 – Remunerate Fairly and Responsibly

8.1. Remuneration and Nomination Committee

Please refer to Section 2.2 for information on the Remuneration and Nomination Committee.

The number of times that the Remuneration and Nomination Committee met during the Reporting Period and the individual attendances of Committee members at those meetings are disclosed in the Company's latest Annual Report.

8.2. Remuneration Policy

The Company has established a number of incentive arrangements to enable the attraction, motivation and retention of management and employees of the Company. For the executive team, remuneration consists of (a) fixed remuneration; (b) the Company's legacy share option plan; (c) a cash-based short term incentive plan; and (d) a new equity based long term incentive plan. During the Reporting Period the Company adopted an equity incentive plan that provided the flexibility for the Board to grant one or more of the following securities as incentives, subject to the terms of the individual offers: (a) rights; (b) options; and (c) restricted shares.

The key components of the equity incentive plan are as follows:

- the Board may make offers at its discretion and has the discretion to set the terms and conditions on which it will offer rights, options and restricted shares;
- unless the Board otherwise determines, no payment is required by the participant for a grant of a right, option or restricted share; and
- the vesting and/or exercise of incentive securities will be conditional on the satisfaction and/or service conditions as determined by the Board.

The Remuneration and Nomination Committee recommends to the Board the remuneration packages for the CEO and his director reports, which are reviewed annually.

An overview of the Company's policy for remuneration of non-executive directors is set out on page 31 of the Company's 2017 Annual Report.

8.3. Equity Based Remuneration Scheme

The Company has established an equity incentive plan in order to facilitate remuneration arrangements for the Company's Executive Team and enhance the alignment of their interests with those of shareholders.

The key features of the LTIP can be found in page 28 of the Company's 2017 Annual Report.

All staff members are subject to the Company's Policy for dealing in securities, which sets out in what circumstances staff members may trade in Company securities including entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk associated with equity incentive plans. A copy of the Policy for dealing in securities may be viewed and downloaded from the Company's Investor Centre website: <http://investor.aconex.com/company-information/?page=corporate-governance>.