

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

ICAR ASIA LIMITED

ABN / ARBN

91 157 710 846

Financial year ended:

31 December 2019

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: <https://www.icarasia.com/investor-corp>

The Corporate Governance Statement is accurate and up to date as at 26 April 2019 and has been approved by the board.

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



Hasaka Martin

Company Secretary

29 April 2020

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: ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... 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): ✓ at https://www.icarasia.com/investor-corp and within the Corporate Governance Statement | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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 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: ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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. | ... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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. | ... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

⁴ 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 | | 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>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p>✓ at https://www.icarasia.com/investor-corp</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>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 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>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 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>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p>✓ in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></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 | | 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p>✓ at https://www.icarasia.com/investor-corp</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p>✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2 | A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership. | <p>... our board skills matrix:</p> <p>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

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|--|---|--|--|
| 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, 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 (c) the length of service of each director. | ... the names of the directors considered by the board to be independent directors: <input type="checkbox"/> in our Corporate Governance Statement OR ✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report ... and, where applicable, the information referred to in paragraph (b): ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement OR ✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 2.4 | A majority of the board of a listed entity should be independent directors. | ... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | ✓ an explanation why that is so in our Corporate Governance Statement OR <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. | ... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | ✓ an explanation why that is so in our Corporate Governance Statement OR <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 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: ✓ in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore 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 type="checkbox"/> in our Corporate Governance Statement OR ✓ at https://www.icarasia.com/investor-corp | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

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|---|--|--|---|
| 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p>✓ at https://www.icarasia.com/investor-corp</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p>✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so 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>... the fact that we follow this recommendation:</p> <p>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

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|---|--|---|---|
| 4.3 | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable |
| 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 type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at https://www.icarasia.com/investor-corp | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 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 https://www.icarasia.com/investor-corp | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 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 OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 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 OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore 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 OR <input type="checkbox"/> at <i>[insert location]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

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|--|--|--|---|
| 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p>✓ at https://www.icarasia.com/investor-corp</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p>✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <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>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

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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 risk management and internal control processes. | <p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):] ... 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>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 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>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

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|--|--|---|---|
| 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>✓ in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at https://www.icarasia.com/investor-corp</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p>✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 8.2 | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. | <p>... 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p>✓ at https://www.icarasia.com/ in the Directors Report of the Annual Report</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</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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|--|--|--|--|
| 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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p>✓ at https://www.icarasia.com/investor-corp under the Policy for dealing in securities</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES | | | |
| - | <p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p> | <p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| - | <p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | <p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

Corporate Governance Statement 2019

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

The table below summarises the Company's compliance with the ASX Corporate Governance Council's Principles and Recommendations.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

| | Corporate Governance Council Recommendation | Compliance | Disclosure |
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| 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. | Complies | <p>The Board is responsible for the overall corporate governance of iCar. The Board monitors the operational and financial position and performance of iCar and oversees its business strategy including approving the strategic goals of iCar. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of iCar. In conducting business with these objectives, the Board is concerned to ensure that iCar is properly managed to protect and enhance Shareholder interests, and that iCar, its Directors, officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing iCar including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for iCar's business and which are designed to promote the responsible management and conduct of iCar.</p> <p>The Board of Directors of iCar Asia has taken into account its size and activities in the development of the framework. The Board has adopted a Board Charter and Relationship with Management to outline the manner in which its constitutional powers and responsibilities will be exercised and discharged. The Charter is available on the Company's website www.icarasia.com.</p> |

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| 1.2 | <p>A listed entity should;</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p> | Complies | <p>(a) The Board is responsible for ensuring it is comprised of individuals who are best able to discharge the responsibilities of Directors having regard to the law and the best standards of governance. This will necessarily include undertaking background and other checks before appointing a person or putting them forward to security holders as a candidate for election as a Director.,</p> <p>(b) All material information relevant to a decision for election as a Director, the qualifications, experience and special responsibilities of the Board members are set out in the Directors' Report of the Financial Statements for the year ended 31 December 2019.</p> |
| 1.3 | <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p> | Complies | <p>On appointment of a Director or senior executive, the Company issues a letter of appointment setting out the terms and conditions of their appointment to the Board and Company. The Directors and senior executives have received a letter setting out the terms of their appointment.</p> |
| 1.4 | <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> | Complies | <p>The Company Secretary is appointed by the Board and is responsible for developing and maintaining the appropriate governance systems and processes for the Board to fulfil its role and is responsible to the Board for ensuring compliance with Board procedures and governance matters. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.</p> |
| 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> | Complies | <p>(a) The Company recognises that people are its most important asset and is committed to the maintenance and promotion of workplace diversity. Diversity drives the Company's ability to attract, retain and develop the best talent, create an engaged workforce, deliver the highest quality services to its customers and continue to grow the business. In addition to business policies, practices and behaviours that promote diversity and equal opportunity and create an environment where individual differences are valued, the Board</p> |

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| | <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either;</p> <ol style="list-style-type: none"> 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; 2. If the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act. | | <p>adopted a Diversity policy in July 2012. This policy set out minimum expectations to be met by the Group on workforce diversity.</p> <p>(b) A copy of the Policy is available on the Investor Relations – Corporate Governance section of the Group's website: www.icarasia.com. The strategies outlined below aim to achieve the objectives of this Policy by:</p> <ul style="list-style-type: none"> • setting measurable objectives relating to gender at all senior management and leadership levels; • broadening the field of potential candidates for senior management and board appointments; and • increasing the transparency of the board appointment process. The Remuneration & Nomination Committee is responsible for the development and succession planning process for the Managing Director and the Managing Director's direct reports. In discharging this responsibility, the Remuneration & Nomination Committee will have regard to diversity criteria. <p>(c) The Board has not set measurable objectives under the Policy for 2019.</p> <ol style="list-style-type: none"> 1. As a measurement of gender diversity, the proportion of women employees in the consolidated entity as at 31 December 2019 are as follows: <ul style="list-style-type: none"> • Women on the Board: 0% • Women in senior executive roles: 42% • Women in management position: 37% • Women in the organisation: 35% 2. The Company is not a relevant employer under the Workplace Gender Equality Act. |
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| 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> | Complies | <p>(a) iCar has adopted a performance evaluation process in relation to the Board and its committees. Each year, Directors will provide written feedback in relation to the performance of the Board and its Committees against a set of agreed criteria. Each Committee of the Board will also be required to provide feedback in terms of a review of its own performance. Feedback will be collected by the chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees. The Managing Director will also provide feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review.</p> <p>(b) A performance evaluation of the Board was undertaken during this reporting period.</p> |
| 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> | Complies | <p>(a) Senior executives prepare strategic objectives that are reviewed and signed off by the Board. These objectives must then be met by senior executives as part of their key performance targets. The Managing Director then reviews the performance of the senior executives against those objectives. The Board evaluates the Managing Director's contribution to the Company's key objectives. These reviews occur annually.</p> <p>(b) A performance evaluation was undertaken during this reporting period.</p> |

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

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| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | Complies | <p>The Remuneration & Nomination Committee is responsible for reviewing the remuneration of Directors and senior management and evaluation of senior management, making recommendations to the Board on these matters. This role also includes responsibility for recommendations to the Board on share and option schemes, incentive performance packages, superannuation entitlements, composition of the Board and the process and criteria for selection of new Directors.</p> <p>The Committee also has the responsibility to oversee the Company's general remuneration strategy. Remuneration levels are competitively set to attract the best qualified and experienced Directors and key management personnel appropriate to the size and stage of development of the Company. The Committee is authorised to obtain independent advice on the appropriateness of remuneration packages. Details of the amount of remuneration, and all monetary and non-monetary components, for each of the 4 highest-paid (non-Director) key management personnel and all Directors' remuneration during the period is included in the Directors' Report. Termination entitlements for key management personnel, if any, are also contained in the report.</p> <p>The Remuneration & Nomination Committee is responsible for identifying qualified individuals for appointment to the Board. In identifying candidates, the Remuneration & Nomination Committee will have regard to the selection criteria set out in the board appointment process, which will include:</p> <ul style="list-style-type: none"> • skills, expertise and background that add to and complement the range of skills, expertise and background of the existing Directors; • diversity; and |
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| | | | <ul style="list-style-type: none">the extent to which the candidate would fill a present need on the Board. Remuneration levels are competitively set to attract the best qualified and experienced Directors and key management personnel appropriate to the size and stage of development of the Company. Non-executive Directors are remunerated by way of fees and shares and are not provided with retirement benefits. <ol style="list-style-type: none">The Committee has at least three members, a majority of whom are considered to be independent Directors.The Remuneration & Nomination Committee is chaired by an independent Director.The charter of the Committee is disclosed on the Company website. www.icarasia.com.The members of the Committee are disclosed in the Company's Annual Report.The number of meetings held by the Committee is detailed in the Directors' Report. | | | | |
| 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. | Complies | <p>The following skills matrix describes the combined capabilities of the Board across a range of general and specialist areas. The Board considers that collectively the Directors have the appropriate range of skills and experience necessary to direct the Company's current business and achieve the Company's strategic objectives.</p> <table><tr><td>Executive Leadership and Board experience</td><td><ul style="list-style-type: none">Senior Executive ExperienceExperience as board member of a listed company</td></tr><tr><td>Financial Literacy</td><td><ul style="list-style-type: none">Qualifications or experience in financial accounting and reporting, corporate finance, risk and internal controls</td></tr></table> | Executive Leadership and Board experience | <ul style="list-style-type: none">Senior Executive ExperienceExperience as board member of a listed company | Financial Literacy | <ul style="list-style-type: none">Qualifications or experience in financial accounting and reporting, corporate finance, risk and internal controls |
| Executive Leadership and Board experience | <ul style="list-style-type: none">Senior Executive ExperienceExperience as board member of a listed company | | | | | | |
| Financial Literacy | <ul style="list-style-type: none">Qualifications or experience in financial accounting and reporting, corporate finance, risk and internal controls | | | | | | |

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| | | | Legal, governance and compliance <ul style="list-style-type: none"> • Qualifications or experience with relevant legal matters, governance structures standards and compliance requirements |
| | | | Strategy <ul style="list-style-type: none"> • Experience in developing, implementing and challenging a plan of action to achieve the Company's long-term objectives • Experience and ability to make good judgements and timely decisions in understanding and dealing with a business situation |
| | | | Health, safety, environment and sustainability <ul style="list-style-type: none"> • Experience related to health, safety, environmental, social responsibility, or sustainability initiatives |
| | | | Capital Management <ul style="list-style-type: none"> • Experience in capital management strategies, including capital partnerships, debt financing and capital raisings |
| | | | Information Technology <ul style="list-style-type: none"> • Experience in the application of technology to process information and data in the context of a business enterprise • Experience in the formulation of technology strategy, product development roadmaps and the implementation of these initiatives, in Australia and Asia. |
| | | | Sales and Marketing <ul style="list-style-type: none"> • Enterprise level sales • Other market segment sales • Experience in brand management |
| | | | Industry <ul style="list-style-type: none"> • Enterprise software • Digital media • Mobile application software • E-commerce • Finance • Real-Estate |

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| | | | <ul style="list-style-type: none"> Automotive. |
| | | | Intellectual Property <ul style="list-style-type: none"> Experience related to management of IP including protection and development |
| | | | International business development <ul style="list-style-type: none"> Business experience in target market jurisdictions |
| 2.3 | <p>A listed entity should disclose;</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p> | Complies | <p>(a) The Directors considered by the Board to be independent are set out in the Directors' Report of the Annual Report. The Board has adopted a definition of independence based on that set out in Principle 2 of the ASX Corporate Governance Council Principles and Recommendations.</p> <p>(b) The Directors' Independence Statuses have been considered in accordance with Box 2.3 and further detail regarding this decision is provided under Recommendation 2.4.</p> <p>(c) The length of service of each director is detailed in the Directors' Report of the Annual Report.</p> |
| 2.4 | A majority of the Board should be independent directors. | Non-Complies | <p>36% of the Board's Directors are considered to be independent.</p> <p>The Board intends to increase the number of independent Directors.</p> <p>It is noted that three Directors are non-independent Directors but are not considered to be independent due to their association with major shareholders. The Board values the Directors' alignment with shareholder interests.</p> |
| 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 Managing Director of the entity. | Partly Complies | <p>Georg Chmiel is Executive Chair of the Company and is not considered independent due to his association with major shareholders, however he does not serve as the Managing Director of the Company.</p> |

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| | | | Directors were of the view that Mr Chmiel was best qualified to be appointed as the Chair of the Board. |
| 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. | Complies | The Board's induction program provides incoming Directors with information that will enable them to carry out their duties in the best interests of the Company. New directors are encouraged to spend time with the Management team and receive information packages and documentation pertinent to the role. This includes supporting ongoing education of Directors for the benefit of the Company. Members of the Board are able to take independent professional advice at the expense of the Company. |

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

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| 3.1 | <p>A listed entity should;</p> <p>(a) Have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) Disclose that code or a summary of it.</p> | Complies | The Board has adopted a Code of Conduct. The code establishes a clear set of values which emphasise a culture encompassing strong corporate governance, sound business practices and good conduct from an ethical stand point. The code is available on the Company's website www.icarasia.com . |
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PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

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| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which;</p> <ol style="list-style-type: none"> 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2. is chaired by an independent director, who is not chair of the board, <p>and disclose</p> <ol style="list-style-type: none"> 3. the charter of the committee; 4. the relevant qualifications and experience of the members of the committee; and <p>in relation to each reporting period the number of times the committee met through the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | Complies | <p>(a) The Board has established an Audit & Risk Committee to focus on issues relevant to the integrity of the Company's financial reporting and provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.</p> <ol style="list-style-type: none"> 1. The Audit & Risk Committee is composed of at least three members, all of whom are non-executives and a majority of whom are considered to be independent directors. 2. The Audit & Risk Committee is chaired by an independent Director. 3. The Board has adopted an Audit & Risk Committee Charter which is available on the Company's website www.icarasia.com. 4. The Company has disclosed full details of its Directors in the Directors' Report of the Annual Report including each director's qualifications, their membership of the committee, number of meetings held and attendance at Audit & Risk Committee meetings. <p>The number of meetings held and attendance by the Committee are detailed in the Directors' Report of the Annual Report. The members of the Audit & Risk Committee are appointed by the Board and recommendations from the committee are presented to the Board for further discussion and resolution. The Audit & Risk Committee Charter contains information on procedures for the selection and appointment of the External Auditor and for the rotation of external audit engagement partners (which is determined by the Audit & Risk Committee); and is available on the Company's website www.icarasia.com.</p> |
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| 4.2 | The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its Managing Director and Chief Financial Officer a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | Complies | Following a recommendation by the Audit & Risk Committee to the Board of Directors to approve the annual and half year financial accounts, the Managing Director and Chief Financial Officer in accordance with Section 295A of the Corporations Act 2001 (Cth) state in writing to the Board that the Company's Financial Reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards; and that this statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board. |
| 4.3 | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | Complies | The External Auditors are requested to attend the Annual General Meeting and are available to answer shareholders' questions about the conduct of the audit and preparation of the Auditors Report. |

PRINCIPLE 5: MAKE TIMELY AND BALANCE DISCLOSURE

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| 5.1 | <p>A listed entity should;</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p> | Complies | <p>(a) The Company has adopted a Continuous Disclosure Policy to ensure that it complies with the continuous disclosure regime under the ASX Listing Rules and the Corporations Act 2001.</p> <p>(b) the Company's Continuous Disclosure Policy is available on the Company's website www.icarasia.com</p> |
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PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

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| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | Complies | The Company has adopted shareholder communications protocols which are contained in the Communication Strategy. The Company uses its website www.icarasia.com , annual report, market disclosures and media announcements to communicate with its shareholders, as well as encourages participation at general meetings. |
| 6.2 | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors. | Complies | <p>The Company is committed to;</p> <ul style="list-style-type: none">• ensuring that shareholders and the financial markets are provided with full and timely information about the Company's activities in a balanced and understandable way through the annual and half yearly reports, ASX releases, general meetings and the Company's website www.icarasia.com;• actively responding to Shareholder's direct enquiries;• complying with continuous disclosure obligations contained in the applicable ASX Listing Rules and the Corporations Act 2001 in Australia; and• encouraging Shareholder participation at general meetings. |
| 6.3 | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders | Complies | The Board encourages full participation of Shareholders at the Company's annual general meetings and any general meetings to ensure a high level of accountability and identification with the Company's strategy. The External Auditor will also be invited to attend the annual general meeting of Shareholders and will be available to answer any questions concerning the conduct, preparation and content of the auditor's report. |

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

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| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | Complies | <p>Ultimate responsibility for risk oversight and risk management rests with the Board and risk management issues are considered at every Board meeting.</p> <p>The Audit & Risk Committee is responsible for ensuring that risks and mitigation of these risks are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Committee and the Board of Directors.</p> <ol style="list-style-type: none"> (1) The Audit & Risk Committee is composed of at least three members, a majority of whom are independent Directors. (2) The Audit & Risk Committee is chaired by an independent Director (3) The Charter of the Committee is disclosed on the Company's website. www.icarasia.com. (4) The members of the Committee are disclosed in the Company's Annual Report (5) The number of meetings held by the Committee and attendance at those meetings are detailed in the Directors' Report. <p>The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however that no</p> |
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| | | | <p>cost-effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk and has established a separate Audit & Risk Committee which is governed by a separate Board Charter.</p> <p>The Board receives regular reports from management about the financial condition and operational results of the Company. The Board has also received written assurances from the Managing Director and Chief Financial Officer that to the best of their knowledge and belief:</p> <p>(a) The Company's financial statements present a true and fair view of the Company's financial condition and operational results and comply with relevant accounting standards; and</p> <p>(b) The risk management and internal compliance and control systems are sound, appropriate and operating effectively and implement the policies adopted by the Board. The Board and management undertake annual reviews on the Company's strategic and operational risks as part of its annual strategic and budget process. Divisional heads are encouraged to provide their inputs at such annual reviews. This process allows the Board to have a better understanding of the overall industry risks and opportunities in which the Company operates. The Company has identified the following possible business risks which the Company believes to be inherent in the industry in which the Company operates:</p> <ul style="list-style-type: none"> • IT security • Competitor activity • Acquiring and retaining key employee skillsets • Securing appropriate levels of funding • Decline in car transactions volumes or car ownership • Delay in product delivery or lack of innovation • Foreign exchange fluctuations • Securing trademark and IP |
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| | | | <ul style="list-style-type: none"> • Customers not able to adapt to pace of product development • IT stability • Business model stress • Regulatory compliance failure • Slowdown in offline to online marketing migration • Natural disaster or geo-political event • Working practice changes • Local data protection or trade practices environment • Tax or regulatory compliance environment • OH&S environment • Risk of fraud <p>The above risks are provided to assist investors to better understand the nature of the risks faced by the Company and the industry in which the Company operates. They are not necessarily an exhaustive list. Management regularly undertakes reviews of its risk management procedures which include implementation of a system of internal sign-offs to ensure not only that the Company complies with its legal obligations but that the Board, and ultimately Shareholders, can take comfort that an appropriate system of checks and balances is in place regarding those areas of the business which present financial or operating risks.</p> |
| 7.2 | <p>The board or a committee of the board should;</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period whether such a review has taken place.</p> | Complies | <p>(a) The Company has undertaken a critical analysis of its current policy on risk oversight and management designed to promote a culture of risk control throughout the Company. The Board reviews and oversees the operation of systems of risk management at least annually to ensure that the significant risks facing the Company are identified, that appropriate control, monitoring and reporting mechanisms are in place and that risk is appropriately dealt with. The Board monitors risk management with assistance from the Audit & Risk Committee.</p> <p>(b) During the period under review the risk management framework was reviewed by the Board.</p> |

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| 7.3 | <p>A listed entity should disclose;</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | Complies | <p>The Company does not have an internal audit function. The Board works closely with senior management to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives.</p> <p>The Audit & Risk Committee actively encourages the External Auditor to raise internal control issues and oversees management's timely remediation thereof.</p> |
| 7.4 | <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks</p> | Complies | <p>The Company has identified key risks within the business. In the ordinary course of business, management monitor and manage these risks. Key operational and financial risks are presented to and reviewed by the Board at each Board meeting.</p> |

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

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| 8.1 | <p>The board of a listed entity should;</p> <p>(a) Have a remuneration committee which;</p> <ol style="list-style-type: none"> Has at least three members, a majority of whom are independent directors; and Is chaired by an independent director, and disclose The charter of the committee; The members of the committee and 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 | Complies | <p>The Board has a Remuneration & Nomination Committee as referenced in item 2.1.</p> <ol style="list-style-type: none"> The Remuneration & Nomination Committee is comprised of at least three members, the majority of whom are independent Directors. The Remuneration & Nomination Committee is chaired by an independent Director. The Remuneration and Nomination Committee Charter is available on the Company's website www.icarasia.com. The members of the Committee are detailed in the Directors' Report. |
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| | (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. | | 5. The number of meetings held by the Committee and attendance of its members are detailed in the Directors' Report. |
| 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. | Complies | The details of the remuneration paid to Directors and Officers is included in the Remuneration Report section of the Annual Report. |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should;</p> <p>(a) have a policy on whether participants are permitted to enter into transactions whether through the use of derivatives or otherwise which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it</p> | Complies | <p>(a) The Company has a policy for dealing in securities and Directors and employees must not create, enter into or deal in derivatives, a derivative arrangement or margin loans which may result in margin calls in relation to Company securities at any time.</p> <p>(b) A copy of the Policy for dealing in securities is available on the Company's website www.icarasia.com.</p> |

Unless otherwise indicated, iCar's corporate governance practices were in place for the financial year ended 31 December 2019 and to the date of signing the Directors Report.

Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by the Company, refer to our website www.icarasia.com.