

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Medtech Global Limited

ABN / ARBN:

70 009 203 203

Financial year ended:

31 March 2016

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- These pages of our annual report:
- This URL on our website: <http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/>.

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

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

Date: 27 June 2016

Name of Director or Secretary authorising lodgement:  
**Michael Gaylard, Company Secretary**

<sup>1</sup> 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.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> 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 ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> 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):</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	<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>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.4	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p> <p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.



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 ... <sup>4</sup>
<p>1.5</p> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> ... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> ... 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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> ... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6</p> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> ... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

<p><b>Corporate Governance Council recommendation</b></p> <p>1.7 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><b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b></p> <p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><b>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...<sup>4</sup></b></p> <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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Corporate Governance Council recommendation	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 ... <sup>4</sup>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>		
<p>2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, 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):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 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 <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.2</p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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 ... <sup>4</sup>
<p>2.3</p> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p> <p>... and the length of service of each director:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.5</p> <p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.6</p> <p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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 ... <sup>4</sup>
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3.1 A listed entity should: <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	... our code of conduct or a summary of it: <ul style="list-style-type: none"> <li><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></li> <li><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></li> </ul>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



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 ... <sup>4</sup>
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
<p>4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the relevant qualifications and experience of the members of the committee; and</li> <li>(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</li> </ul> <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><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a> and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>
<p>4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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 ... <sup>4</sup>
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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
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 <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
6.1 A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



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 ... <sup>4</sup>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
<p>7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose;</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <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><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></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 <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>7.2</p> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></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 <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



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 ... <sup>4</sup>
<p>7.3</p> <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>[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 <b>OR</b></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><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>7.4</p> <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>	<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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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 ... <sup>4</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p>8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a 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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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 <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement at <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... 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 <b>OR</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/">http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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 ... <sup>4</sup>
8.3 A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	... our policy on this issue or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>		
- <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	... the information referred to in paragraphs (a) and (b): <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	... the terms governing our remuneration as manager of the entity: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



# Corporate Governance Statement

Medtech Global Limited remains committed to corporate governance practices that are compatible with the company's age and size and which ensure an appropriate degree of accountability and transparency to shareholders and other stakeholders.

ASX Listing rule 4.10.3 requires that Medtech Global Limited disclose the extent to which it has followed the recommendations of the ASX Corporate Governance Council's ('ASX CGC') *Corporate Governance Principles and Recommendations* (2<sup>nd</sup> Edition) during the 2016 year.

Information on Corporate Governance is available on Medtech Global Limited's website using the following URL: <http://www.medtechglobal.com/global/about-us-global/corporate-governance-global/>.

## PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

### 1.1. Roles and Responsibilities of the Board and management

The Medtech Global board retains responsibility for the following areas:

- a) setting and monitoring of objectives, goals and strategic direction for management with a view to maximising shareholder wealth,
- b) approving an annual budget and monitoring financial performance,
- c) ensuring adequate internal controls exist and are appropriately monitored for compliance,
- d) ensuring significant business risks are identified and appropriately managed,
- e) approving acquisitions,
- f) ensuring compliance with statutory requirements,
- g) selecting and appointing new directors, and
- h) maintaining the highest business standards and ethical behaviour.

The board has delegated authority within the following areas to the Chief Executive Officer:

- a) monitoring, and reporting to the Board of Directors, the performance of the business and its constituent units and managers,
- b) ensuring that the business processes in relation to risk management and assurance are met, and
- c) approving budgeted capital expenditure (excluding acquisitions).

The principles adopted for performance evaluation of key executives is outlined in the remuneration section of the Directors' Report.

In summary the board evaluates the performance of the Chief Executive Officer and other senior executives on an annual basis. When considering performance, the board has regard for such things as:

- a) the responsibilities of the executive,

- b) the approved annual budgets,
- c) any communicated key performance indicators, and
- d) qualitative as well as quantitative measures.

### 1.2. Appointment of directors and senior executives

Appropriate background checks are undertaken in respect of all new directors prior to their appointment. This includes background checks on character, experience, education, criminal record and bankruptcy history. For the appointment of directors, the Company provides security holders with a Notice of Meeting, explanatory note with all information in the possession relevant to a decision on whether or not to elect or re-elect a director.

### 1.3. Agreement with directors and senior executives

All directors and senior executives have formal agreements setting out the terms of their appointment. These agreement set out:

- a) Job description (including role and responsibilities)
- b) Remuneration
- c) Code of conduct and other company policies
- d) Insurance and indemnity arrangements
- e) Confidentiality agreement
- f) Notice and termination and
- g) Rights on termination

### 1.4. Company Secretary

The Board approves the appointment or removal of the Company Secretary. All directors have access to the Company Secretary who is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

### 1.5. Diversity Policy

On 30 August 2012, the Medtech Global board approved a Gender Diversity Policy to enable adherence to the ASX Corporate Governance Principles and recommendations which requires that the Group's Annual Financial Report includes:

- a) the measureable objectives for achieving gender diversity, set by the board in accordance with the group's Gender Diversity Policy, and the progress towards achieving them; and
- b) the proportion of female employees in the whole organisation, women in senior executive positions and women on the board.

The approved Gender Diversity Policy provides for the board to take diversity of background into account (in addition to leadership experience, skillsets, industry knowledge, and experience in a range of specified fields) to supplement the skills matrix of the board. Specifically, to promote the objective of gender diversity, the Gender Diversity Policy requires that:

- a) the short-list of potential candidates for any new board appointment must include a least one female candidate; and
- b) if a female candidate is not selected, the board must be satisfied that there are objective reasons to support its decision.

The Gender Diversity Policy also extends to executive management appointments. The CEO must have reference to the policy when presenting executive management appointment recommendations to the board.

To ensure a continued focus on greater gender diversity in management role appointments, the Gender Diversity Policy requires the Medtech Global Group to:

- a) design initiatives to identify, support and develop talented women with leadership capability, and monitor the effectiveness of such initiatives,
- b) address impediments to gender diversity in the workplace and monitor the effectiveness of any processes implemented, and
- c) identify new ways to entrench diversity as a cultural priority across the Group.

*Measurable Objectives*

The Gender Diversity Policy provides for the board to set measurable objectives with a view to progressing towards a balanced representation of women at board, executive management and senior management levels and for performance against these objectives to be reviewed annually. For the year ended 31 March 2016, the board set the following measurable objectives for achieving gender diversity:

Objective	Measurement
Identify talented women in the workforce with leadership capability and develop specific strategies to develop skills and experience of these women to prepare them for senior/executive management roles.	Increase the percentage of women in senior/executive management roles as vacancies arise, subject to identification of candidates and appropriate skills.
Implement an internal mentoring programme to encourage and increase opportunities for female employees to have access to senior and executive management roles.	Increase the number of women in the Group workforce applying for vacant management positions at all levels.
The board to develop a succession plan with an aim of increasing the representation of women on the board.	Increase the percentage of women on the board, subject to identification of candidates with appropriate skills.

As at 31 March 2016 the workforce gender profile was as follows:

- 42% of the total workforce was women (2015: 45%)
- 33% of women make up the senior management team (2015: 40%)

- 17% of women make up the executive management team (2015: 22%)
- 0% of women have been appointed to the board (2015: 0%)

No new director appointments were made during the year. For the upcoming financial year the following objectives and measures have been put into place:

Objective	Measurement	Review Date
Identify talented women in the workforce with leadership capability and develop specific strategies to develop skills and experience of these women to prepare them for senior/executive management roles.	Increase the percentage of women in senior/executive management roles as vacancies arise, subject to identification of candidates and appropriate skills.	31 March 17
Implement an internal mentoring programme to encourage and increase opportunities for female employees to have access to senior and executive management roles.	Increase the number of women in the group workforce applying for vacant management positions at all levels.	31 March 17
The board to develop a succession plan with an aim of increasing the representation of women on the board.	Increase the percentage of women on the board, subject to identification of candidates with appropriate skills.	31 March 17

**1.6. Review of Performance of the Board and senior executives**

The performance of the board and key executives is reviewed regularly against both measurable and qualitative indicators. During the reporting period, performance evaluations were conducted that involved an assessment of each board member's and key executive's performance against specific and measurable qualitative and quantitative performance criteria.

The performance criteria against which directors and executives are assessed are aligned with the financial and non-financial objectives of Medtech Global Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

In relation to the directors, the process for evaluating performance is more informal but nonetheless effective.

Details of remuneration paid during the year ended 31 March 2016 are set out in the Remuneration Report in the 2016 Annual Report.



## PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

### 2.1. Nomination Committee

Due to its limited size and lack of complexity, the board has adopted the position that the responsibility of a nomination committee should be fulfilled by the full board.

### 2.2. Skills Matrix

The Board has identified the skills and experience required for the Company's directors to provide effective governance and direction to the group. These skills and experience are as follows:

- Technical
  - Finance and capital management
  - Accounting
  - Funds management
  - Mergers and acquisitions
  - Legal and compliance
- General
  - Business management
  - Strategic planning
  - Governance
  - Risk management
  - Health and safety
  - Human resources and executive remuneration

Details of the skills, experience and expertise relevant to the position of director held by each director in office are set out in the Director's Report in the 2016 Annual Report.

### 2.3. Independent Directors

Directors of Medtech Global Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

In the context of director independence, "materiality" is considered from both the Group and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal to or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount.

Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors that point to the actual ability of the director in question to shape the direction of the Group's loyalty.

In accordance with the definition of independence above and the materiality thresholds set, the following directors of Medtech Global Limited are considered to be independent:

NAME	POSITION
Darryl Stuart	Non-Executive Director
Michael Gaylard	Non-Executive Director
Russell Clarke	Non-Executive Director

Details of transactions with directors and their related parties are set out in the 2016 Annual Report.

### 2.4. Length of service of directors

The term in office held by each director in office at the date of this report is as follows:

NAME	TERM IN OFFICE
Vino Ramayah – Chairman and CEO	9.5 years
Russell Clarke – Non-Executive Director	9.5 years
Darryl Stuart – Non-Executive Director	6.5 years
Ross Tanner - Executive Director	4.5 years
Michael Gaylard – Non-Executive Director	5 years

### 2.5. Chairman and the CEO

Mr. Vino Ramayah is the Chairman and the CEO of the company. Though he is not an independent Chairman, he is considered the most appropriate person to chair the Board because of his vast experience.

### 2.6. Induction and professional development opportunities

On commencement of employment, all directors and employees undertake an induction program which includes information on company's business, the group structure, directors and senior executives, company policies and health & safety.

Directors and key executives have ongoing access to continuing education to enhance their skills and knowledge and the board has access to independent professional advice at the company's expense.

There are procedures in place, agreed by the board, to enable directors in furtherance of their duties to seek independent professional advice at the Group's expense.

## PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

### 3.1. Code of Conduct

The Group recognises its corporate regulatory responsibilities, and has developed and maintained the necessary systems and operational procedures and protocols to ensure it satisfies these obligations.

Medtech Global Limited is continuing the process of developing a Corporate Governance Charter which amongst other things includes the general principles of the company's and Group's Codes of Conduct. The board believes that a key driver of corporate



governance is to communicate the key policies to management and staff and to monitor and embed them throughout all functions. These codes of conduct are monitored and reviewed on an ongoing basis by the board and cover:

- a) Employee share trading policies
- b) Appropriate levels of disclosure and liaison with shareholders
- c) Relationships with customers and suppliers
- d) Employment practices of the company and Group
- e) Community relations

In addition to the above, all directors and senior management strive to ensure that the company and Group:

- a) Complies with laws and regulations, and
- b) Ethical and environmental responsibilities

### 3.2. Trading Policy

The purpose of this policy is to prevent insider trading by company/Group officers, key management personnel, and employees when they have inside information. Expressions used in this policy are defined by the Listing Rules.

#### 3.2.1. Trading prohibition for all directors, company secretary, key management personnel and employees with price sensitive information

Directors, company secretary, key management personnel, and employees who are in the possession of unpublished, price sensitive information in relation to securities in the company must not, until such price sensitive information is released to the public or it ceases to be price sensitive information:

- a) trade in any securities of the company at any time;
- b) must not advise, procure or encourage another person to buy or sell securities in the company at any time; and
- c) pass on information to any other person, if they know or ought reasonably to know that the person may use the information to buy or sell (or procure another person to buy or sell) securities in the company.

Breach of these insider trading prohibitions may be severe and could expose the person responsible to criminal and civil liability. Compliance with insider trading law is an individual's responsibility and breach will be considered by Medtech Global as serious misconduct which may lead to disciplinary action and/or dismissal.

#### 3.2.2. Trading prohibition for all directors, company secretary, key management personnel and employees during closed periods

Directors, company secretary, key management personnel and employees must not buy or sell securities in the company during any closed period, which is:

- a) The period between the end of the Group's financial year and the preliminary announcement of the full year financial results; and

- b) The period between the end of the Group's financial half year and the publication of the Group's half year financial results.

#### 3.2.3. Trading in securities of the company not subject to the Group's securities trading policy

Trading in securities of the company is not subject to the Group's securities trading policy in the following circumstances:

- a) Undertaking or elections to take up entitlements under a rights issue or other offer;
- b) The take up of entitlements under a rights issue or other offer;
- c) Allowing entitlements to lapse under a rights issue or other offer;
- d) The sale of sufficient entitlements nil-paid to take up the balance of the entitlements under a rights issue;
- e) Undertakings to accept or the acceptance of a takeover offer;
- f) Trading where the beneficial interest in the relevant MDG security does not change;
- g) Transactions conducted with a spouse, civil partner, child or step-child;
- h) Transfers of MDG securities already held by means of a matched sale and purchase into a saving scheme or into a pension scheme in which the director, company secretary, key management personnel or employee is a participant or beneficiary;
- i) an investment by a director, company secretary, key management personnel or employee in a scheme or arrangement where the assets of the scheme (other than a scheme investing only in MDG securities) or arrangement are invested at the discretion of a third party; and
- j) bona fide gifts to a director, company secretary, key management personnel or employee by a third party.

#### 3.2.4. Exceptional circumstances when certain trading in securities of the company may be permitted during a closed or prohibited period with prior written clearance.

A director, company secretary, key management personnel or employee, who is not in possession of any unpublished, price-sensitive information in relation to the securities of the company may be given clearance to sell (but not buy) securities, during a closed or prohibited period if he or she is in severe financial difficulty or there are other exceptional circumstances.

A person may be in severe financial difficulty if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant MDG securities. A liability of such a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer



or sell the MDG securities or there is some other overriding legal requirement for him or her to do so.

Requests to consider the sale of the company's securities during a prohibited period must be in writing, addressed to the director designated by the board for this purpose and delivered by hand, mail, facsimile or email. The clearance request must be accompanied with details of the severe financial difficulty or exceptional circumstance as MDG may be required to notify the ASX accordingly. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances can only be made by the director designated by the board for this purpose.

The written clearance to sell the company's securities will require the trade to be completed within a specified two week period. The written clearance must be in writing and delivered by hand, mail, facsimile or email.

## **PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

### **4.1. Audit committee**

The board has established an Audit Committee which operates under a charter approved by the board. It is the board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit Committee.

The committee also provides the board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

The members of the Audit Committee during the year were:

Michael Gaylard  
Russell Clarke

Due to the limited size, lack of complexity and relatively small number of directors the board had adopted the position that the Audit Committee comprising one non-executive director and the Company Secretary (non-executive) is acceptable for the Group's present needs.

The details of number of meetings of the Audit Committee held during the year and the attendees at those meetings are set out in the Directors' Report in the 2016 Annual report.

### **4.2. Declaration from CEO and CFO**

For the period ended 31 March 2016, the Board has received written assurance from the Chief Executive Officer and the Group Financial Controller that the declaration provided by them in accordance with section 295A of the Corporations Act is, in their opinion, founded on a sound system of risk management and internal compliance and control which, in all material respects, implements the policies adopted by the Board and that this system is operating effectively and efficiently in all material respects in relation to financial reporting. Since 31 March 2016 nothing has come to the

attention of the Chief Executive Officer and Chief Financial Officer that would indicate any material change to these statements.

### **4.3. External Auditor**

The external auditor is required to attend the annual general meeting and is available to answer any shareholder questions about the conduct of the audit and preparation of the audit report.

## **PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

The Chairman and Chief Executive Officer, The Group Financial Controller and the Company Secretary ensure compliance with the continuous disclosure requirements of the ASX Listing Rules and, in particular, Listing Rule 3.1, however the Group does not currently have a formal written policy in place and relies on the extensive experience of the board and senior management to ensure ongoing compliance.

## **PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS**

Medtech Global Limited's objective is to promote effective communication with its shareholders at all times.

Medtech Global Limited is committed to:

- Ensuring that shareholders and the financial markets are provided with full and timely information about Medtech Global Limited's activities in a balanced and understandable way.
- Complying with continuous disclosure obligations contained in the ASX listing rules and the *Corporations Act 2001* in Australia.
- Communicating effectively with its shareholders and making it easier for shareholders to communicate with Medtech Global Limited.

To promote effective communication with shareholders and encourage effective participation at general meetings, information is communicated to shareholders:

- Through the release of information to the market via the ASX.
- Through the distribution of the annual financial report and notices of annual general meeting.
- Through shareholder meetings and investor relations presentations.
- Through letters and other forms of communications directly to shareholders.
- By posting relevant information on Medtech Global Limited's website: [www.medtechglobal.com](http://www.medtechglobal.com).

The Group's website at [www.medtechglobal.com](http://www.medtechglobal.com) has a dedicated investor relations section for the purpose of publishing all important company/Group information and relevant announcements made to the market.



## PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

### 7.1. Oversight of Risks

The full board of the Group have ultimate responsibility for risk oversight and management. The Chief Executive and senior management have the responsibility to design and implement the risk management and internal control systems to manage the Group's material business risks and report to the board on whether those risks are being managed effectively.

In respect of financial reporting risks, the board has established an Audit Committee to assist it in the effective identification and management of the Group's financial reporting risks.

#### Goals

- a) To encourage a culture based on principles that foster continuous improvement and the minimisation of the impact of material business risks within the company and Group
- b) To ensure policies are established and adopted for the oversight and management of material business risks and disclose a summary of these policies in accordance with Recommendation 7.1 of the *Corporate Governance Principles and Recommendations (2<sup>nd</sup> Ed)* of the ASX Corporate Governance Council

#### Duties and Responsibilities

The board has the following duties and responsibilities:

- a) Oversee and approve the risk management, internal compliance and control policies of the company and Group
- b) Oversee the design and implementation of the risk management policy (including reporting and internal audit systems) in conjunction with existing business processes and systems, to manage the company's and Group's material business risks
- c) Ensure the company and Group has identified and, at least six monthly, updates the profile of each of the company's and Group's material business risks
- d) Monitor any anticipated changes to the company's and Group's material business risks
- e) Monitor and review, at least annually, the effectiveness of the implementation of the Risk Management Policy
- f) Review and approve key policies, as required in each business division of the company and Group, relating to the implementation of the Risk Management Policy

#### Retain Advisers

The board may at any time retain, at the expense of the company/Group, such advisers, consultants or experts, as the board considers appropriate to assist in meeting its responsibilities.

### 7.2. Review of Risk Management Framework

The Board reviews the effectiveness of the group's risk management framework and risk management policy. A review has been undertaken for the year ended 31 March 2016 and the Board is satisfied that the Group's risk management framework and related risk management policy continue to be sound and the Group is operating within the risk appetite set by the Board.

### 7.3. Internal Audit

Due to the limited size and lack of complexity of the Group, the group does not have and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Group's risk management and internal control processes, the Board relies on the extensive experience of the Audit Committee and professionally qualified finance team under the leadership of the Group Financial Controller and ongoing reporting.

### 7.4. Material Risk Exposure

The Group does not envisage any material risks on account of economic, environment or social sustainability issues.

The Board periodically reviews all risks.

## PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

### 8.1. Remuneration Committee

Due to the limited size and lack of complexity of the Group, the remuneration committee functions are overseen by the Board of Directors and thus the Group does not fully comply with this recommendation.

### 8.2. Remuneration Framework

The board reviews the remuneration packages and policies applicable to the Chief Executive Officer, executives, and senior officers on an annual basis. The board may also obtain independent advice on the appropriateness of remuneration packages.

The principles, details of remuneration and terms of contracts are set out in the Remuneration Report in the 2016 Annual Report.

In summary, the board aims to structure total remuneration to take into account:

- a) both the short and long term growth and success of the Group, and
- b) remuneration that is competitive with the market place, and
- c) Remuneration that is demonstrably linked to the Group's overall performance.

Non-executive directors are remunerated by way of fees only, they do not receive any additional retirement benefits, nor do they currently participate in any other incentive arrangement/s such as a share option plan.