

4 November 2020

ASX Market Announcements Office
Australian Securities Exchange Limited

Lodged electronically via ASX Online

2020 Corporate Governance Statement

Please see attached the 2020 Corporate Governance Statement for iQ3Corp Ltd, pursuant to ASX Listing Rule 4.7.4.

-Ends-

Authorised for release by Gerado Incollingo, Company Secretary

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (**Board**) of iQ3Corp Ltd (ABN 160 238 282) (**iQ3Corp**) is responsible for the corporate governance of iQ3Corp. The Board guides and monitors the business of iQ3Corp on behalf of its shareholders.

iQ3Corp and its Board continue to be fully committed to achieving and demonstrating the highest standards of accountability and transparency in their reporting and see the continued development of iQ3Corp's corporate governance policies and practices as fundamental to iQ3Corp's successful growth.

The Board has included in its corporate governance policies those matters contained in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) (**ASX Recommendations**), where applicable. However, the Board also recognises that full adoption of the ASXCGC Recommendations may not be practical or provide the optimal result given the particular circumstances of iQ3Corp.

This corporate governance statement is effective as at 28 August 2020. It has been approved by the Board and outlines iQ3Corp's corporate governance policies and practices, as adopted by the Board.

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Principle 1: Lay solid foundations for management and oversight <i>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</i>		
Recommendation 1.1 A listed entity should disclose: <ul style="list-style-type: none"> (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. 	Yes	<p>The Board has adopted a Board Charter which clearly sets out the way iQ3Corp is governed and articulates the division of responsibilities between the Board and the executive team.</p> <p>The Board is responsible for the overall operation and stewardship of iQ3Corp and, in particular, is responsible for the long-term growth and profitability of iQ3Corp. The Board approves the strategic direction of iQ3Corp and oversees and monitors the executive team's performance in delivering iQ3Corp's strategic plans. The Board Charter was most recently amended in January 2015 and is reviewed by the Board from time to time. A copy of the Board Charter is available at http://www.iq3corp.com/corporate-governance/.</p> <p>The Board has established two Committees. They are:</p> <ul style="list-style-type: none"> • the Audit and Risk Committee (A&R Committee); and • the Remuneration and Nomination Committee (R&N Committee). <p><u>Delegation to the executive team</u></p> <p>The Board has delegated to the executive team responsibility for implementing iQ3Corp's strategic direction and for the general and overall management of iQ3Corp.</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Recommendation 1.2 A listed entity should: <ul style="list-style-type: none"> (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. 	Yes	<p>Prior to appointing a Director or putting forward a new candidate for election, appropriate screening checks are undertaken, including as to the person's criminal history and bankruptcy history.</p> <p>When presenting a Director for re-election, iQ3Corp provides shareholders with all material information in iQ3Corp's possession relevant to a decision whether or not to elect or re-elect a director. This includes the candidate or Director's qualifications, areas of expertise and years of experience.</p>
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	<p>New Directors consent to act as a Director and receive a formal letter of appointment, which sets out their duties and responsibilities, rights, remuneration, entitlements and other terms of their appointment.</p> <p>Each senior executive is employed under a Service Agreement, which sets out the terms on which they are employed, including details such as duties and responsibilities, rights, term of employment and remuneration. The Service Agreement also sets out the circumstances in which the employment of the senior executive may be terminated by either iQ3Corp or the senior executive, including details of the notice periods required to be given by either party and the amounts payable to the senior executive in lieu of notice, where applicable.</p>
Recommendation 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.	Yes	<p>The Company Secretary is responsible for the operation and management of iQ3Corp's secretariat function. The Company Secretary reports to the Chairman (on behalf of the Board) with respect to the proper functioning of the Board. Each member of the Board has access to the Company Secretary. The appointment and removal of the Company Secretary is determined by the Board.</p>
Recommendation 1.5 A listed entity should: <ul style="list-style-type: none"> (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; (b) disclose that policy or a summary of it (c) disclose 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: 	No – Refer to comments by iQ3Corp	<p>iQ3Corp's Diversity Policy describes iQ3Corp's approach to diversity and inclusion and how these attributes are to be embedded in iQ3Corp's culture.</p> <p>iQ3Corp is an equal opportunity employer, which employs and promotes on the basis of merit. iQ3Corp's Diversity Policy extends beyond gender and recognises the value contributed to the organisation by employing people with varying skills, cultural backgrounds, gender, ethnicity and experience. iQ3Corp believes its diverse workforce is the key to its continued growth, improved productivity and performance. iQ3Corp does not have measurable objectives in place and therefore does not comply with Recommendation 1.5. However, the Board feels that through being an equal opportunity employer that employs and promotes on the basis of merit, iQ3Corp is already achieving gender diversity within the organisation, as reflected in the following table, presented as at 30 June 2020:</p>

**iQ3CORP LTD AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp	
<p>(i) 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>(ii) 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>			Proportion of Women
		Board	67%
		Whole organisation (excluding Board)	35%
		Senior executives	20%
		Management	33%
		Specialist	100%
		Investor Relations	43%
		Administration	67%
		iQ3Corp's Diversity Policy is published on iQ3Corp's website at http://www.iq3corp.com/corporate-governance/ .	
<p>Recommendation 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>	Yes	<p><u>Evaluation of Board and individual Directors</u></p> <p>As provided in the Board Charter and the R&N Committee Charter, the R&N Committee has developed a process for ensuring that the performance of the Board and its Committees are reviewed periodically. iQ3Corp's policies provide for the Board to regularly review its own performance and the performance of individual Directors.</p> <p>An independent review of the performance of the Board may be conducted from time to time.</p> <p>As at the end of the reporting period, iQ3Corp has not conducted a performance evaluation in relation to the reporting period. The Board conducts a performance evaluation from time to time.</p>	
<p>Recommendation 1.7</p> <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>	Yes	<p>The performance of senior executives is reviewed against specific measurable and qualitative indicators set out in the relevant executive's Service Agreement, which may include:</p> <ul style="list-style-type: none"> • Financial measure of iQ3Corp's performance; • Achievement of strategic objectives; and • Achievement of key operational targets. <p>During the reporting period, performance evaluations of the senior executives were undertaken by iQ3Corp in accordance with these processes.</p>	

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Principle 2: Structure the Board to add value <i>A listed entity should have a Board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i>		
Recommendation 2.1 The board of a listed entity should: <ul style="list-style-type: none"> (a) have a nomination committee which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee (iv) the members of the committee (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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. 	No – Refer to comments by iQ3Corp	<p>The Board has established a Remuneration and Nomination Committee (R&N Committee). The R&N Committee is currently comprised of Dr George Syrmalis and Ms Lei Xu, who are executive directors, and Ms Monika Pawel who is a non-executive Director. None of the members of the R&N Committee are considered by the Board to be independent Directors. Dr Syrmalis is the Chairman of the R&N Committee and is not considered by the Board to be an independent Director.</p> <p>Until the resignation of Mr Peter Coolentianos and Mr Kosmas Dimitriou from the Board on 20 March 2020, the R&N Committee was comprised of three members and chaired by Mr Peter Coolentianos, who was considered by the then-constituted Board to be an independent Director.</p> <p>The R&N Committee does not currently have a majority of independent Directors or an independent Chair and therefore does not comply with Recommendation 2.1. Given the size of iQ3Corp, however, the Board is confident that the R&N Committee has the breadth of experience necessary to fulfill its responsibilities in relation to Board succession planning, ensuring effective induction and continuing professional development programs for Directors and making recommendations to the Board regarding the composition of the Board, as set out in the R&N Committee Charter.</p> <p>During the subsequent reporting period, the Board expects to seek to appoint one or more independent Directors to the R&N Committee and to confirm an independent Director as Chair of the R&N Committee.</p> <p>A copy of the R&N Committee Charter is available at http://www.iq3corp.com/corporate-governance/.</p> <p>The number of times the R&N Committee has met during the reporting period and attendance by members at such meetings is disclosed on page 7 of iQ3Corp's Annual Report for the year ended 30 June 2020.</p>
Recommendation 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.	No – Refer to comments by iQ3Corp	<p>iQ3Corp seeks to ensure that the Board has a broad range of commercial and other skills, experiences and knowledge relevant to overseeing iQ3Corp's business.</p> <p>While the Board does not have a formal board skills matrix, and therefore does not comply with Recommendation 2.2, the Board does have regard to the existing skill sets of Directors and the interplay of a candidate's experience with the experience of other Directors when considering new appointments. The R&N Committee is also responsible for identifying, assessing and developing and implementing plans to enhance Director competencies from time to time.</p>
Recommendation 2.3 A listed entity should disclose: <ul style="list-style-type: none"> (a) the names of the directors considered by the board to be independent directors; 	Yes	<p>iQ3Corp considers a Director to be independent if the Director is a non-executive Director who is not employed in an executive capacity and has no interest, position, relationships or associations that could materially interfere with the exercise of their unfettered and independent judgement.</p> <p>There are no Directors considered by the Board to be independent Directors.</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
<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 length of service of each Director is as follows:</p> <ul style="list-style-type: none"> • Dr George Syrmalis, 4 months; • Ms Lei Xu, 4 months; and • Ms Monika Pawel, 11 months.
<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	No – Refer comments by iQ3Corp	<p>The Board is comprised of three members (Dr George Syrmalis, Ms Lei Xu, and Ms Monika Pawel) and has a majority of executive Directors. There are no Directors considered by the Board to be independent.</p> <p>Mr Peter Coolentianos, who was the Chair of the Board until his resignation from the Board on 20 March 2020, was considered by the then-constituted Board to be an independent Director. Similarly, Mr Kosmas Dimitriou, who was a Director until his resignation on 20 March 2020, was also considered by the then-constituted Board to be an independent Director.</p> <p>iQ3Corp does not have a majority of independent Directors and therefore does not comply with Recommendation 2.4. However, as each of the Directors is required at all times to act in accordance with legal and statutory requirements and to discharge their duties in good faith and in the best interests of iQ3Corp and for a proper purpose, the Board considers the composition of the Board to be appropriate in view of the size and complexity of iQ3Corp's business.</p>
<p>Recommendation 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>	No – Refer to comments by iQ3Corp	<p>The Chair of the Board, Dr George Syrmalis, is not considered by the Board to be an independent Director, as he is employed in an executive capacity as Chief Executive Officer of iQ3Corp. As such, iQ3Corp does not comply with Recommendation 2.5. The Board considers Dr Syrmalis' appointment as Chairman is appropriate in view of his experience and proven track record as a director of public companies.</p> <p>See comments in respect of Recommendation 2.3 for iQ3Corp's definition of an independent Director.</p>
<p>Recommendation 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>	Yes	<p>A new Director is offered an induction and training program about iQ3Corp, its policies and charters and the Director's roles and responsibilities. New Directors also have the opportunity to meet with key management staff.</p> <p>The R&N Committee is responsible for identifying, assessing and developing and implementing plans to enhance Director competencies from time to time. As part of the Board's ongoing review of the Board's own performance and skill sets, the Board provides professional development opportunities for Directors in relation to skill sets relevant to iQ3Corp from time to time.</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Principle 3: Act Ethically and responsibly <i>A listed entity should act ethically and responsibly.</i>		
Recommendation 3.1 A listed entity should: <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 	Yes	<p>The Board insists on the highest ethical standards from all officers and employees of iQ3Corp and is conscious to ensure appropriate corporate professional conduct at all times. As such, the Board has adopted a Code of Conduct to provide a set of guiding principles which must be observed by all Directors, senior executives and employees of iQ3Corp.</p> <p>A copy of the Code of Conduct is available at http://www.iq3corp.com/corporate-governance/.</p>
Principle 4: Safeguard integrity in corporate reporting <i>A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.</i>		
Recommendation 4.1 The board of a listed entity should: <ul style="list-style-type: none"> (a) have an audit committee which: <ul style="list-style-type: none"> (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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. 	No – Refer to comments by iQ3Corp	<p>The Board has established an Audit and Risk Committee (A&R Committee) to provide assistance to the Board. The A&R Committee is currently comprised of Dr George Syrmalis, Ms Lei Xu and Ms Monika Pawel. In addition to his role as Chair of the Board, Dr Syrmalis is the Chair of the A&R Committee and is not considered by the Board to be an independent Director.</p> <p>Until the resignation of Mr Peter Coolentianos and Mr Kosmas Dimitriou from the Board on 20 March 2020, the A&R Committee was comprised of three members and chaired by Mr Peter Coolentianos, who was considered by the then-constituted Board to be an independent Director.</p> <p>The A&R Committee does not have a majority of independent Directors and is not chaired by an independent Director who is not also the Chair of the Board; therefore, the A&R Committee does not comply with Recommendation 4.1. However, the Board considers that the composition of the A&R Committee is currently appropriate in view of the size and complexity of iQ3Corp's business.</p> <p>During the subsequent reporting period, the Board expects to seek to appoint one or more independent Directors to the A&R Committee and to confirm an independent Director as Chair of the A&R Committee.</p> <p>A copy of the A&R Committee Charter is available at http://www.iq3corp.com/corporate-governance/.</p> <p>The qualifications and experience of the members of the A&R Committee, the number of times the A&R Committee has met during the reporting period and attendance by members at such meetings is disclosed on pages 5-7 of iQ3Corp's Annual Report for the year ended 30 June 2020.</p>

**iQ3CORP LTD AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Recommendation 4.2 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.	Yes	Prior to the financial statements for a financial year being presented to the Board for its approval, and in addition to the role of the A&R Committee in reviewing and reporting on the financial statements, the Chief Executive Officer and Chief Financial Officer provide the Board with a declaration that, in their opinion, the financial records of iQ3Corp have been properly maintained in accordance with the Corporations Act, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of iQ3Corp and that such opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 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.	Yes	iQ3Corp seeks to ensure that the auditor attends each annual general meeting (AGM) of iQ3Corp and is available to answer shareholder questions about the conduct of the audit and preparation and content of the Auditor's Report.
Principle 5: Make timely and balanced disclosure <i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i>		
Recommendation 5.1 A listed entity should: <ul style="list-style-type: none"> (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. 	Yes	iQ3Corp has adopted a Continuous Disclosure Policy to ensure that iQ3Corp effectively discharges its disclosure obligations in compliance with the Listing Rules in order to keep the market informed of events and developments relating to iQ3Corp and its affairs. A copy of iQ3Corp's Continuous Disclosure Policy is available at http://www.iq3corp.com/corporate-governance/ .
Principle 6: Respect the rights of security holders <i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</i>		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	iQ3Corp's website contains information about iQ3Corp which may assist an investor in making an informed decision about iQ3Corp. Information regarding iQ3Corp's corporate governance and associated policies is available at http://www.iq3corp.com/corporate-governance/ . Links to copies of iQ3Corp's financial statements, ASX announcements and other relevant materials are also included on iQ3Corp's website at https://iq3corp.com/ .

**iQ3CORP LTD AND CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
<p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	Yes	<p>iQ3Corp has established a shareholder Communications Strategy and takes appropriate measures to keep shareholders informed about its activities. A copy of iQ3Corp's Communications Strategy is available at http://www.iq3corp.com/corporate-governance/.</p> <p>iQ3Corp communicates with its shareholders through its annual report, disclosures to the ASX, at the AGM and via iQ3Corp's website. In addition, shareholders have the opportunity to elect to receive relevant documentation electronically from iQ3Corp, via iQ3Corp's Registry and can communicate with iQ3Corp via email. iQ3Corp also responds to queries from shareholders from time to time, where appropriate.</p> <p>Through various means of communication, iQ3Corp aims to provide shareholders with a clear and balanced understanding of the aims and objectives of iQ3Corp. Information regarding iQ3Corp's corporate governance and associated policies is available at http://www.iq3corp.com/corporate-governance/.</p> <p>All shareholders have the opportunity to attend the AGM and submit questions.</p>
<p>Recommendation 6.3</p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Yes	<p>Shareholders are encouraged to attend and participate in the AGM and other meetings of shareholders. iQ3Corp seeks to ensure that meetings are held during normal business hours and at a location considered to be most convenient for the greatest possible number of shareholders to attend. The full text of notices and accompanying materials will be included on iQ3Corp's website. Information will be presented in a clear and concise manner designed to provide shareholders and the market with timely and accurate information.</p> <p>At the AGM held during the reporting period, the Chairman adopted the process of addressing any relevant questions from shareholders. In addition, iQ3Corp ensured that iQ3Corp's auditor attended the AGM and any other meetings of iQ3Corp's shareholders and that shareholders were afforded the opportunity to ask iQ3Corp's auditor questions regarding the conduct of the audit and preparation and content of the Auditor's Report.</p>
<p>Recommendation 6.4</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	<p>iQ3Corp encourages its shareholders to receive communications from it and its share registry electronically, via the ASX platform and its website at https://iq3corp.com/.</p>
<p>Principle 7: Recognise and manage risk</p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i></p>		
<p>Recommendation 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>	No – Refer to comments by iQ3Corp	<p>The Board has overall responsibility of ensuring that there is a sound system of risk management and internal controls across iQ3Corp's business. Due to the size of iQ3Corp and the scale of operations of its business, iQ3Corp does not have a separate Risk Committee, but rather a combined Audit and Risk Committee (A&R Committee).</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
<p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose</p> <p>(iii) the charter of the committee</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework</p>		<p>The A&R Committee is currently comprised of Dr George Syrmalis, Ms Lei Xu and Ms Monika Pawel. Dr Syrmalis is the Chair of the A&R Committee and is not considered by the Board to be an independent Director.</p> <p>Until the resignation of Mr Peter Coolentianos and Mr Kosmas Dimitriou from the Board on 20 March 2020, the A&R Committee was comprised of three members and chaired by Mr Peter Coolentianos, who was considered by the then-constituted Board to be an independent Director.</p> <p>The A&R Committee does not have a majority of independent Directors and therefore does not comply with Recommendation 4.1. However, the Board considers that the composition of the A&R Committee is currently appropriate in view of the size and complexity of iQ3Corp's business.</p> <p>The Board has charged the A&R Committee with assisting the Board in carrying out its risk oversight, including by supervising the effectiveness of iQ3Corp's system of risk management. The Board has delegated to the A&R Committee responsibility for the identification, assessment and management of risks through appropriate systems of monitoring and control.</p> <p>During the subsequent reporting period, the Board expects to seek to appoint one or more independent Directors to the A&R Committee and to confirm an independent Director as Chair of the A&R Committee.</p> <p>A copy of the A&R Committee Charter is available at http://www.iq3corp.com/corporate-governance/.</p> <p>The number of times the Committee has met during the reporting period and attendance by members at such meetings is disclosed on page 7 of iQ3Corp's Annual Report for the year ended 30 June 2020.</p>
<p>Recommendation 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>	Yes	<p>The Board of iQ3Corp retains overall responsibility for iQ3Corp's Risk Management Policy and Framework and is supported in this role by the work of the A&R Committee. As confirmed in the Risk Management Policy and Framework, the Board understands that the management of risk is a continuous process and an integral part of good business management and corporate governance. iQ3Corp operates within the services sector, and is therefore exposed to a range of risks, which include (but are not limited to) market, operational, regulatory and reputational risks.</p> <p>The A&R Committee plays a key role in the co-ordination and continued improvement of the Risk Management Policy and Framework. The Risk Management Policy and Framework has been designed to allow the Board to oversee the risk management process with assistance from the A&R Committee and management. The Board is responsible for setting iQ3Corp's risk appetite and ensuring that the Board regularly reviews the risk profile for iQ3Corp's business.</p> <p>During the reporting period, the A&R Committee has considered and reported to the Board on a review of iQ3Corp's Risk Management Policy and Framework. Both the A&R Committee and the Board are satisfied that the Risk Management Policy and Framework in respect of iQ3Corp is sound.</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
Recommendation 7.3 A listed entity should disclose: <ul style="list-style-type: none"> (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. 	Yes	<p>iQ3Corp does not currently have an internal audit function. At present, iQ3Corp has comprehensive processes in place for evaluating and continually improving the effectiveness of its Risk Management Policy and Framework and its internal control process. See comments in respect of Recommendation 7.2 for further details.</p> <p>The Board has overall responsibility for the Risk Management Policy and Framework. The A&R Committee supports the Board in fulfilling its oversight responsibility for risk management and provides reports to the Board in respect of the risk profile of iQ3Corp.</p> <p>During the reporting period, the A&R Committee has considered and reported to the Board on a review of iQ3Corp's Risk Management Policy and Framework. Both the A&R Committee and the Board are satisfied that the Risk Management Policy and Framework in respect of iQ3Corp is sound.</p> <p>The Board receives an annual assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>
Recommendation 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.	Yes	<p>The Board does not believe that iQ3Corp has any material exposure to economic, environmental or social sustainability risk that it has not mitigated to the extent reasonably practicable.</p> <p>The Board is responsible for managing the risks to which iQ3Corp is subject. See comments in respect of Recommendations 7.2 and 7.3 for further details on risk management.</p> <p>iQ3Corp is exposed to ordinary business and economic risks in the ordinary course of business.</p>
Principle 8: Remunerate fairly and responsibly <i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.</i>		
Recommendation 8.1 The board of a listed entity should: <ul style="list-style-type: none"> (a) have a remuneration committee which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose (iii) the charter of the committee (iv) the members of the committee; and 	No – Refer to comments by iQ3Corp	<p>The Board has established a Remuneration and Nomination Committee (R&N Committee) to assist and advise the Board on remuneration and recruitment policies and practices. See also comments in respect of Recommendation 2.1.</p> <p>The R&N Committee is currently comprised of Dr George Syrmalis, Ms Lei Xu, who are executive directors, and Ms Monika Pawel, who is a non-executive Director. None of the members of the R&N Committee are considered by the Board to be independent Directors. Dr Syrmalis is the Chairman of the R&N Committee and is not considered by the Board to be an independent Director.</p>

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations	Recommendation Followed	Comments by iQ3Corp
<p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a 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>Until the resignation of Mr Peter Coolentianos and Mr Kosmas Dimitriou from the Board on 20 March 2020, the R&N Committee was comprised of three members and chaired by Mr Peter Coolentianos, who was considered by the then-constituted Board to be an independent Director.</p> <p>The R&N Committee does not currently have a majority of independent Directors or an independent Chair and therefore does not comply with Recommendation 8.1. Given the size of iQ3Corp, however, the Board is confident that the R&N Committee has the breadth of experience necessary to fulfill its responsibilities in relation to reviewing and making recommendations to the Board regarding the remuneration framework and remuneration policies and practices, as set out in the R&N Committee Charter.</p> <p>During the subsequent reporting period, the Board expects to seek to appoint one or more independent Directors to the R&N Committee and to confirm an independent Director as Chair of the R&N Committee.</p> <p>A copy of the R&N Committee Charter is available at http://www.iq3corp.com/corporate-governance/.</p> <p>The qualifications and experience of the members of the R&N Committee, the number of times the R&N Committee has met during the reporting period and attendance by members at such meetings is disclosed on pages 5-7 of iQ3Corp's Annual Report for the year ended 30 June 2020.</p>
<p>Recommendation 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>	Yes	<p>Details of the remuneration practices and the level of remuneration paid to Directors and key management personnel is set out in the Remuneration Report found in iQ3Corp's Annual Report for the year ended 30 June 2020.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives 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>	No – Refer to comments by iQ3Corp	<p>iQ3Corp has in place an equity-based Employee Share Plan, a copy of which was lodged with the ASX on 14 May 2015. In addition, a summary of the terms of the Plan were detailed in iQ3Corp's prospectus dated 14 May 2015. Pursuant to iQ3Corp's Security Trading Policy (a copy of which was lodged with the ASX on 14 May 2015), Directors and key management personnel holding shares under the Employee Share Plan may not deal (including sell, create a security interest in or otherwise dispose of) with those securities without the prior written consent of iQ3Corp.</p> <p>iQ3Corp has no 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 Plan.</p>