

**EMPIRED LIMITED (ACN 090 503 843)  
AND CONSOLIDATED ENTITIES**

**Corporate Governance Statement as at 17 August 2020**

## Overview

The Company's board of directors (**Board**) is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administering its corporate governance structures to promote integrity and responsible decision making. Accordingly, the Company has, where appropriate, sought to adopt the "Corporate Governance Principles and Recommendations" (Third Edition) (**ASX Recommendations**) published by the ASX Corporate Governance Council.

This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Council's "Principals of Good Corporate Governance and Best Practice Recommendations", unless otherwise stated. The Company has followed each of the Recommendations where the Board has considered the practices appropriate, taking into account factors such as size of the Company and Board, the resources available, and the activities of the Company.

The Company's corporate governance policies and practices are reviewed regularly and will continue to be developed and refined to meet the needs of the Company. The Company also includes information about its corporate governance practices on the Company's website at [www.empired.com](http://www.empired.com) including the Board charter, the group's code of conduct and other policies and procedures relating to the Board and its responsibilities.

## ASX Corporate Governance Principles and Recommendations

### 1. **Principle 1: Lay a solid foundation for management and oversight – companies should establish and disclose the respective roles and responsibilities of board and management and how their performance is monitored and evaluated**

#### 1.1 **Recommendation 1.1**

A listed entity should disclose:

- (a) the respective roles and responsibilities of its board and management; and
- (b) those matters expressly reserved to the board and those delegated to management.

#### ***Compliance with ASX Recommendation: followed***

The Company has adopted a Board Charter.

Under the Board Charter, the Board is responsible for charting the direction, strategies and financial objectives for the Company, monitoring the implementation of those policies, strategies and financial objectives, and monitoring compliance with regulatory requirements and ethical standards.

Within the context of the overall responsibilities set out above, and in addition to matters expressly required by law to be approved by the Board, the Board has the following specific responsibilities:

- (a) to oversee the Company's control and accountability systems;
- (b) to appoint the Managing Director and the Company Secretary and determine the terms and conditions of their appointment (including remuneration), and to set criteria for, and evaluate at least annually, their performance;
- (c) to monitor and assess management's performance in carrying out any strategies, meeting any objectives and observing any budgets approved by the Board, and to ensure that sufficient resources are available to management for those purposes;
- (d) to ratify the appointment, and where appropriate, the removal of the Chief Financial Officer (or equivalent);

- (e) to approve and monitor financial and other reporting;
- (f) to monitor the Company's continuous disclosure policy and procedures, and in particular to ensure the Company's Continuous Market Disclosure Policy is complied with, and adequately reviewed and updated;
- (g) to ensure that appropriate internal (if required) and external audit arrangements are in place and operating effectively;
- (h) to issue any shares or other securities of the Company;
- (i) to approve commitments in excess of discretionary limits that it may have from time to time delegated to the Managing Director and senior management;
- (j) to approve each of the following:
  - (i) the strategic plan and performance objectives, at least annually;
  - (ii) the budget, at least annually;
  - (iii) the remuneration and conditions of service including financial incentives for any Executive Directors, at least annually;
  - (iv) significant changes to organisational structure;
  - (v) the acquisition, establishment, disposal or cessation of any significant business of the Company;
  - (vi) any public statements which reflect significant issues of the Company's policy or strategy; and
  - (vii) any changes to the discretions delegated from the Board; and
- (k) to review on a regular and continuing basis:
  - (i) senior executive succession planning (in particular for the Managing Director); and
  - (ii) senior executive development activities.

In complying with Recommendation 1.1, the Company has adopted a Board Charter which discloses the roles and responsibilities of the Board. The Board Charter is available on the Company's website.

The Board has adopted a Board and Executive Authority matrix that specifies matters expressly reserved for the Board and those delegated to management.

## 1.2 Recommendation 1.2

A listed entity should:

- (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and
- (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.

### ***Compliance with ASX Recommendation: followed***

In respect of any new Directors, the Company will conduct specific checks of candidates prior to their appointment or nomination for election by shareholders. The Company does not propose to conduct specific checks prior to nominating an existing Director for re-election by shareholders at a general meeting on the basis that this is not considered necessary in the Company's circumstances.

The Chairman, the Managing Director and the incumbent Directors assessed each of the other Directors prior to their election or appointment, and they consider that each candidate had appropriate experience and background that was of value to the Company.

As a matter of practice, the Company includes in its notices of meeting a brief biography of each Director who stands for election or re-election. The biography sets out the relevant qualifications and professional experience of the nominated Director for consideration by shareholders. This information is also included on the Company's website.

## 1.3 Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

### ***Compliance with ASX Recommendation: followed***

The Company seeks to engage or employ its Directors and other senior executives under written agreements setting out key terms and otherwise governing their engagement or employment by the Company.

The Company's Managing Director is engaged pursuant to a written services agreement with the Company and each non-executive Director is engaged under a letter of appointment.

#### 1.4 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.

##### ***Compliance with ASX Recommendation: followed***

The Company Secretary reports directly, and is accountable, to the Board through the Chairman in relation to all governance matters.

The Company Secretary advises and supports the Board members on general governance matters, implements adopted governance procedures, and coordinates circulation of meeting agendas and papers.

#### 1.5 Recommendation 1.5

A listed entity should:

- (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; and
- (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:
  - (d) 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
  - (e) 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.

##### ***Compliance with ASX Recommendation: followed***

Empired has a Diversity Policy which sets our commitment, key principles and diversity strategies for the company. We will review our policy in FY21 to sharpen our Diversity and Inclusion initiatives at Empired. Our aim is to increase diversity across all teams and levels of our operations.

Empired is committed to embedding an inclusive culture that embraces diversity through:

- Developing new approaches to attract and retain women. Improve the gender balance of the leadership talent pool and pipeline, with a view to ultimately reaching balance at all levels of recruitment, promotion and retention.
- Continue to support everyone in their career and development ambitions.
- Implementing lessons learned from the COVID-19 pandemic, and a move towards a flexible work culture by normalising flexible working.
- Build a culture of inclusion and respect.

Summary of measurable objectives designed to assist in achieving gender diversity and progress toward achieving them.

<b>Diversity Objective</b>	<b>Status at 30 June 2020</b>
<b>Our Talent Pipeline</b> Improve gender representation for the leadership talent pool and pipeline, with a view to ultimately reaching balance at all levels of recruitment, promotion and retention.	On-going
<b>Flexible Working</b> Move to a flexible work culture to help ensure that there are no unconscious bias in regards to our recruitment, promotion and retention.	On-going  Implementation of a new 'Working Remotely' policy and supporting tools to help our working parents through the COVID-19 pandemic.  Further development of a new way of working planned for FY21.
<b>Leveraging Equality</b> Create an inclusive workplace for all to thrive - by listening, learning and taking action on everyday discrimination. Reducing stereotypical concepts of gender roles and exclusionary biases, mindsets & behaviours.	Ongoing  Expanded services from our EAP provider  Refreshed Whistle-blower policy

Workforce table July 2020

<b>Position Level</b>	<b>Male</b>	<b>Female</b>	<b>% Male</b>	<b>% Female</b>
Directors (board)	5	-	100	-
Executive KMP	2	-	100	-
Senior Management (SLT)	10	2	83	17
Leadership (BLG)	25	8	76	24
Others	629	237	73	27
<b>Total</b>	<b>671</b>	<b>247</b>	<b>73%</b>	<b>27%</b>

## 1.6 **Recommendation 1.6**

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

### ***Compliance with ASX Recommendation: followed***

The Company has implemented an evaluation process of the individual Directors of the Board and of its Committees. The evaluation process is to occur at least on an annual basis which may be facilitated by a third party with the results shared by the Board as a whole. A performance evaluation was undertaken during the period under review in accordance with the process.

## 1.7 **Recommendation 1.7**

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

### ***Compliance with ASX Recommendation: followed***

The Company has in place a formal process for evaluation of its key executives.

**2. Principle 2: Structure the Board to add value – a listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively**

**2.1 Recommendation 2.1**

The board of a listed entity should:

- (a) have a nomination committee which:
  - (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
  - (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.

***Compliance with ASX Recommendation: followed***

During the year a Remuneration and Nomination Committee was established comprising independent Directors and Chaired by a Director other than the Chairman of the Board.

The members of the Committee are disclosed in the Annual Report and on the Company's website with meeting details included in the Directors Report. A summary of the Charter of the Remuneration & Nomination Committee is attached.

**2.2 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.

***Compliance with ASX Recommendation: followed***

The skills matrix of the Board is attached.

## 2.3 Recommendation 2.3

A listed entity should disclose:

- (a) the names of the directors considered by the board to be independent directors;
- (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

### ***Compliance with ASX Recommendation: followed***

The Company has four Directors who satisfy the criteria for independence as outlined in Box 2.3 of the ASX Recommendations, being all Directors other than Managing Director Russell Baskerville.

The Board currently comprises the following members:

(a) **Mr Thomas Stianos – Non-Executive Chairman**

Mr Stianos was appointed as a Director on 29 November 2016 and Chairman on 1 July 2018.

The Board considers Mr Stianos to be independent. He holds a small parcel of securities in the Company.

(b) **Mr Russell Baskerville - Managing Director and Chief Executive Officer**

Mr Baskerville has held this office since 4 March 2005 and is the founder of the Company.

The Board does not consider Mr Baskerville to be independent as he is an executive employee of the Company and has a material shareholding of the Company.

(c) **Mr Richard Bevan - Non-Executive Director**

Mr Bevan was appointed as a Director on 31 January 2008.

The Board considers Mr Bevan to be independent. He holds a small parcel of securities in the Company.

(d) **Mr John Bardwell - Non-Executive Director**

Mr Bardwell was appointed as a Director on 26 September 2011.

The Board considers Mr Bardwell to be independent. Mr Bardwell holds 4,300,000 shares in the Company.

(e) **Mr Cris Nicolli - Non-Executive Director**

Mr Nicolli was appointed as a Director on 22 October 2018.

The Board considers Mr Nicolli to be independent. He holds a small parcel of securities in the Company.

#### 2.4 Recommendation 2.4

A majority of the board of a listed entity should be independent directors.

##### ***Compliance with ASX Recommendation: followed***

The Board comprises a majority of independent directors.

#### 2.5 Recommendation 2.5

The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

##### ***Compliance with ASX Recommendation: followed***

The roles of Chairman and Managing Director are exercised by different persons.

The Chairman of the Company, Mr Thomas Stianos, who is an independent director in accordance with the criteria for independence as outlined in Box 2.3 of the ASX Recommendations.

#### 2.6 Recommendation 2.6

A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

##### ***Compliance with ASX Recommendation: followed in part***

The Company does have an induction process for new Directors however it does not have a formal professional development program for Directors.

All Directors are generally experienced in company operations, albeit in different aspects (e.g. operations, finance, corporate governance etc), and have listed company experience. Some of the current Directors are also directors of other listed companies. The Board seeks to ensure that all of its members understand the Company's operations. Directors also attend, on behalf of the Company and otherwise, technical and commercial seminars and industry conferences which enable them to maintain their understanding of industry matters and technical advances.

Noting the above, the Board considers that a formal professional development program for Directors is not necessary given the current size and scope of the Company's operations, though the Board may adopt such a program in the future.

### 3. Principle 3: Act ethically and responsibly – a listed entity should act ethically and responsibly

#### 3.1 Recommendation 3.1

A listed entity should:

- (a) have a code of conduct for its directors, senior executives and employees; and
- (b) disclose that code or a summary of it.

#### ***Compliance with ASX Recommendation: followed***

The Board believes that the success of the Company has been and will continue to be enhanced by a strong ethical culture within the organisation.

Accordingly, the Company has established a Code of Conduct which sets out the standards with which the directors, officers, managers, employees and consultants of the Consolidated Group are expected to comply in relation to the affairs of the Company's business and when dealing with each other, shareholders and the broader community.

The Code sets out the Company's policies on various matters, including the following:

- (a) duties to the Company, shareholders, creditors and other stakeholders;
- (b) due diligence;
- (c) conflicts of interest;
- (d) use and confidentiality of information; and
- (e) professional integrity.

In addition to their obligations under the Corporations Act in relation to inside information, all Directors, employees and consultants have a duty of confidentiality to the Company in relation to confidential information they possess.

The Company's Code of Conduct is available on the Company's website.

**4. Principle 4: Safeguard integrity in corporate reporting – a listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting**

**4.1 Recommendation 4.1**

The board of a listed entity should:

- (a) have an audit committee which:
  - (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.

***Compliance with ASX Recommendation: followed***

An Audit and Risk Committee has been established comprising independent Directors and Chaired by a Director other than the Chairman of the Board.

The members of the Committee are disclosed in the Annual Report and on the Company's website with meeting details included in the Directors Report. A summary of the Charter of the Audit and Risk Committee is attached.

#### 4.2 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.

***Compliance with ASX Recommendation: followed***

#### 4.3 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.

***Compliance with ASX Recommendation: followed***

**5. Principle 5: Make timely and balanced disclosure – 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**

**5.1 Recommendation 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.

***Compliance with ASX Recommendation: followed***

The Company is a “disclosing entity” pursuant to section 111AR of the Corporations Act and, as such, is required to comply with the continuous disclosure requirements of Chapter 3 of the ASX Listing Rules and section 674 of the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company is required to disclose to ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The Company is committed to observing its disclosure obligations under the Corporations Act and its obligations under the ASX Listing Rules. All relevant information provided to ASX is posted on the Company's website.

The Company has adopted a Continuous Disclosure Policy, the purposes of which are to ensure that:

- (a) shareholders and the market are provided with timely and balanced information about its activities;
- (b) the Company complies with the general and continuous disclosure principles contained in Listing Rules and the Corporations Act; and
- (c) all market participants have equal opportunities to receive externally available information issued by Empired.

The Continuous Disclosure Policy is available on the Company's website.

**6. Principle 6: Respect the rights of security holders – 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**

**6.1 Recommendation 6.1**

A listed entity should provide information about itself and its governance to investors via its website.

***Compliance with ASX Recommendation: followed***

Information on the Company's corporate governance, including copies of its various corporate governance policies and charters, is available on the Company's website.

**6.2 Recommendation 6.2**

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

***Compliance with ASX Recommendation: followed***

The Company has adopted a Communication with Shareholders Policy, the purpose of which is to facilitate the effective exercise of shareholders' rights by communicating effectively with shareholders, giving shareholders ready access to balanced and understandable information about the Company and its corporate strategies and making it easy for shareholders to participate in general meetings of the Company.

The Company communicates with shareholders:

- (a) through releases to the market via the ASX;
- (b) through the Company's website;
- (c) through information provided directly to shareholders; and
- (d) at general meetings of the Company.

The Communication with Shareholders Policy is available on the Company's website.

### 6.3 Recommendation 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.

#### ***Compliance with ASX Recommendation: followed***

The Company supports shareholder participation in general meetings and seeks to provide appropriate mechanisms for such participation, including by ensuring that meetings are held at convenient times and places to encourage shareholder participation.

In preparing for general meetings of the Company, the Company will draft the notice of meeting and related explanatory information so that they provide all of the information that is relevant to shareholders in making decisions on matters to be voted on by them at the meeting. This information will be presented clearly and concisely so that it is easy to understand and not ambiguous.

The Company will use general meetings as a tool to effectively communicate with shareholders and allow shareholders a reasonable opportunity to ask questions of the Board of Directors and to otherwise participate in the meeting.

Mechanisms for encouraging and facilitating shareholder participation will be reviewed regularly to encourage the highest level of shareholder participation.

### 6.4 Recommendation 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.

#### ***Compliance with ASX Recommendation: followed***

The Company considers that communicating with shareholders by electronic means is an efficient way to distribute information in a timely and convenient manner.

The Company has, as a matter of practice, provided new shareholders with the option to receive communications from the Company electronically and the Company encourages them to do so. Existing shareholders are also encouraged to request communications electronically.

All shareholders that have opted to receive communications electronically are provided with notifications by the Company when an announcement or other communication (including an annual reports and notice of meeting) is uploaded to the ASX announcements platform.

**7. Principle 7: Recognise and manage risk – a listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework**

**7.1 Recommendation 7.1**

The board of a listed entity should:

- (a) have a committee or committees to oversee risk each of which:
  - (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
  - (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 risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

***Compliance with ASX Recommendation: followed***

An Audit and Risk Committee was been established comprising independent Directors and Chaired by a Director other than the Chairman of the Board.

The members of the Committee are disclosed in the Annual Report and on the Company's website with meeting details included in the Directors Report. A summary of the Charter of the Audit and Risk Committee is attached.

**7.2 Recommendation 7.2**

The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

***Compliance with ASX Recommendation: followed***

The Board and Audit and Risk Committee have responsibility for the identification and monitoring of material risks and assessing whether those risks are managed effectively. The Board considers that the Company is currently effectively managing and communicating the significant and material risks to the Board which is completed on an annual basis with on-going monitoring.

### 7.3 Recommendation 7.3

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

***Compliance with ASX Recommendation: followed***

The Company does not currently have an internal audit function.

In addition to the establishment of an Audit and Risk Committee the Company has adopted internal control procedures which include the following:

- (a) identification of key risks;
- (b) managing activities within budgets and operational and strategic plans;
- (c) monthly financial reporting against budget;
- (d) appraisal procedures and due diligence requirements for potential acquisitions or divestments; and
- (e) reliance on auditor reviews and senior management declarations.

The Managing Director is charged with evaluating and considering improvements to the Company's risk management and internal control processes on an ongoing basis.

The Board considers that an internal audit function is not currently necessary given the current size and scope of the Company's operations and that only one Director holds an executive position in the Company.

As the Company's operations grow and evolve, the Board will reconsider the appropriateness of adopting an internal audit function.

### 7.4 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.

***Compliance with ASX Recommendation: followed***

The Company's primary operation of the provision of information technology services does not expose it to any particular economic, environmental or social sustainability risks not ordinarily faced by other participants in an open economy. Further discussion on risk is contained in the Operation and Financial Review section of the Annual Report.

**8. Principle 8: Remunerate fairly and responsibly – companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear**

**8.1 Recommendation 8.1**

The board of a listed entity should:

- (a) have a remuneration committee which:
  - (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
  - (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 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.

***Compliance with ASX Recommendation: followed***

A Remuneration and Nomination Committee has been established comprising independent Directors and Chaired by a Director other than the Chairman of the Board.

The members of the Committee are disclosed in the Annual Report and on the Company's website with meeting details included in the Directors Report. A summary of the Charter of the Remuneration and Nomination Committee is attached.

The Company sets out the remuneration paid or provided to Directors and senior executives annually in the remuneration report contained within the Company's annual report to shareholders. The full Board determines all compensation arrangements for Directors. It is also responsible for setting performance criteria, performance monitors, incentive performance schemes, superannuation entitlements, retirement and termination entitlements and professional indemnity and liability insurance cover.

## 8.2 Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

### ***Compliance with ASX Recommendation: followed***

The Company's policies and practices regarding the remuneration of Executive and Non-Executive Directors and other senior executives is set out in the Remuneration Report contained in the Company's Annual Report for each financial year.

## 8.3 Recommendation 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.

### ***Compliance with ASX Recommendation: not followed***

Whilst the Company's Securities Trading Policy sets out the circumstances in which the Company's directors, executives, employees, contractors, consultants and advisors are prohibited from dealing in the Company's securities (and "dealing" includes entering into transactions which limit the economic risk of a person's economic risk of a person's holdings in the Company), there is no specific prohibition on such transactions other than during periods when "dealing" is prohibited.

However, the Directors note that there is no market for exchange-traded options in respect of the Company's securities and, for all practical purposes, there is no capacity for scheme participants to directly limit the economic risk associated with their holdings of Company securities pursuant to the Company's equity-based remuneration scheme.

The Securities Trading Policy is available on the Company's website.

### **Summary of the Charter of the Audit and Risk Committee**

- The role of the Committee is to assist the Board with its governance and exercise of due care, diligence and skill in relation to, inter alia, financial reporting, internal control and risk management. The Committee is not a policy-making body, nor does it have an executive function.
  - The Committee will consist of at least two members with all members non-executive, financially literate and independent.
  - At least one member will have relevant qualifications an experience and at least one member having industry understanding.
  - The Chairman of the Committee will not be the Chairman of the Company.
  - The Committee will meet at least twice a year.
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### **Summary of the Charter of the Remuneration and Nomination Committee**

- The role of the Committee is to assist and advise the Board on matters relating to remuneration matters and the implementation of remuneration policy including incentives. The Committee will also undertake Director search activities as directed and recommend nomination to the Board. The Committee is not a policy-making body, nor does it have an executive function.
- The Committee will consist of at least two members.
- The Chairman of the Committee will not be the Chairman of the Company.
- The Committee will meet at least twice a year.

### Directors Skill Matrix

The below skills matrix provides a guide to the skills, knowledge, experience and attributes as self-assessed by the existing Board of Directors of Empired Limited. The Board adopted the criteria below as being the most relevant for a company such as Empired and each Director rated themselves on a score of one to three on each criterion out of an aggregate Board score of fifteen.

