

## Appendix 4G

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

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

**Name of entity**

Reverse Corp Limited

**ABN / ARBN**

16 085 949 855

**Financial year ended:**

30 June 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: [www.reversecorp.com.au/policies/corporate-governance](http://www.reversecorp.com.au/policies/corporate-governance)

The Corporate Governance Statement is accurate and up to date as at 8 September 2016 and has been approved by the board.

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

Date: 8 September 2016

Name of Director or Secretary authorising lodgement: Dion Soich

---

<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	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at <i>[insert location]</i>	<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 and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<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 and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<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 and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<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 and this recommendation is therefore not applicable

<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.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input 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 our diversity policy or a summary of it:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... 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 type="checkbox"/> at <i>[insert location]</i></p>	<p>× 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>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p>× in our Corporate Governance Statement <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>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></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>× in the Annual Report for the year ended 30 June 2016</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<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>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: × in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> × in the Annual Report for the year ended 30 June 2016 ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> × in the Annual Report for the year ended 30 June 2016	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	× an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: × in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	× an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p>× in our Corporate Governance Statement <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>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></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>× in the Annual Report for the year ended 30 June 2016</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 <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <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.	<p>... the fact that we follow this recommendation:</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<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.	<p>... information about us and our governance on our website:</p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p>× in our Corporate Governance Statement <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>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance...">www.reversecorp.com.au/policies/corporate-governance...</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>× in the Annual Report for the year ended 30 June 2016</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 type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p>× in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
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.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> [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: × in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... 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: × in our Corporate Governance Statement <b>OR</b> × in the Annual Report for the year ended 30 June 2016	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p>× in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p>× in the Annual Report for the year ended 30 June 2016</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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<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 <u>OR</u></p> <p>× in the Annual Report for the year ended 30 June 2016</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p>× at <a href="http://www.reversecorp.com.au/policies/corporate-governance">www.reversecorp.com.au/policies/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Reverse Corp Limited (The Company) is committed to good corporate governance and to putting in place arrangements that it believes are in the best interests of the Group, its shareholders and other stakeholders.

This Corporate Governance Statement reports the position of the Company as at 30 June 2015 and has been reviewed during the financial year against the Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition) published by the ASX Corporate Governance Council (the Principles and Recommendations). The Corporate Governance Statement was approved by the Board on 27 August 2015.

The Company has uploaded its corporate governance statement and associated policies on its website at [www.reversecorp.com.au/policies/corporate-governance](http://www.reversecorp.com.au/policies/corporate-governance). The policies mentioned in this Corporate Governance Statement and that are available on the website are noted below with an asterisk (\*).

After careful consideration, the Board has determined that in some circumstances comprehensive adoption of the Principles and Recommendations may not be in the best interests of the Company and its shareholders. A principal reason is due to the relatively small size of the management team and its Board (less than 10 people), their close knowledge and input into various aspects of the business and the costs and benefits of fully implementing some of the Principles and Recommendations. A description of the group's main corporate governance practices and any departures are set out below.

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

### **1.1 Board Roles and Responsibilities**

The Reverse Corp Board Charter\* sets out the functions and responsibilities of the Board. These functions and responsibilities include but are not limited to:

- (a) Charting the direction of the Company including its strategic direction;
- (b) Identifying risk and reviewing risk management processes;
- (c) Approving and monitoring reporting;
- (d) Ratifying the appointment and removal of senior executives;
- (e) Ensuring ethical behaviour;
- (f) Approving the performance management criteria for senior management;
- (g) Evaluating compliance with corporate governance standards;
- (h) Approving the annual report and disclosure requirements;
- (i) Establishing various sub committees; and
- (j) Considering and determining directors' independence and the Board's independence as a whole.

## 1.2 Matters Reserved for the Board

The following matters are expressly reserved for the Board and not delegated to management:

- (a) Approval of all budgets;
- (b) Approval of all debt facilities, leases or guarantees above agreed dollar values;
- (c) Executive team appointments including the CEO, CFO and CTO;
- (d) Appointment or removal of auditors;
- (e) Issue of prospectuses or information memorandums and capital raising;
- (f) Any notices to shareholders;
- (g) Final approval of interim and Annual Report and accounts;
- (h) Payment of dividends;
- (i) Any actual or proposed acquisition or divestment activity by the Company; and
- (j) Entering any financial commitments that exceed an agreed dollar value.

## 1.3 Management Roles and Responsibilities

Senior executives are responsible for the day to day operation and management of the group as well as strategic forward planning in consultation with the Board.

## 1.4 Election and Re-election of Directors

Before appointing a new director or putting forward a new director to shareholders as a candidate the Remuneration and Nomination Committee will undertake a number of checks to ensure suitability. These checks may include:

- (a) A person's character;
- (b) Experience;
- (c) Education;
- (d) Criminal history; and
- (e) Bankruptcy history.

The following information is provided to shareholders that is deemed relevant to a decision on whether or not to elect or re-elect a director in the Notice of Meeting for any shareholder meeting includes:

- (a) Biographical details including qualifications and skills;
- (b) Details of any other directorships held;
- (c) Any materially adverse findings from background checks;
- (d) Details of any interest, position or association that might influence in a material respect, their capacity to make an independent judgement on issues before the Board or to act in the interests of the Company and its shareholders;
- (e) Information on the independence of the director using Corporate Governance Principles;
- (f) If to be re-elected the current term of office; and
- (g) A statement from the Board as to whether it supports the election or re-election of the director.

### 1.5 Director and Senior Management Agreements

All current directors and senior executives have written agreements which outline their remuneration and roles including participating on Board related committees. The remuneration of directors and senior executives is included in Remuneration Report which forms part of the Directors' Report section of the Annual Report.

### 1.6 Company Secretary

The Company Secretary is fully accountable to the Board on all matters to do with the running of the Board under the direction of the Chairman.

### 1.7 Diversity Policy

Due to the specialised nature of the industry in which the business operates, coupled with the fact that the Company only requires a limited number of employees in highly specialised employment roles, the Company has not adopted a Diversity Policy. However, the Board and senior executives are committed to ensuring that the Company's culture promotes and embraces diversity and that the organisations long standing commitment to being an equal opportunity employer is continued.

As part of this commitment the Company has had an Equal Opportunity Policy since inception which ensures that the recruitment, employee advancement and workplace environment within the Company are compliant with all equal opportunity requirements. The recruitment and employee advancement processes for the Board, senior executives and all employees are designed to ensure the appointment and promotion of well qualified candidates from a diverse pool.

Due to the limited number of employees and senior executives employed by the Company and the centralised decision-making nature of the organisation, the Company does not have measurable objectives for achieving gender diversity. Both the Board and senior executives are aware of the diversity of the organisation.

The Company uses full time equivalents to report upon the proportions of women employees, and their positions within the organisation however for disclosing diversity of the Board the Company uses a head count approach.

Diversity is reported by the categories Board, senior executives, managers and all other employees. A complete Company category is also reported.

Category	Head Count	Full time Equivalents (FTE's)	Male %	Female %
Board	4	N/A	100%	0%
Senior Executives	2	2.00	100%	0%
Managers	4	4.00	75%	25%
Other Employees	5	2.51	76%	24%
<b>Total Organisation</b>				
<b>Male</b>	<b>12</b>	<b>6.90</b>	<b>81%</b>	<b>19%</b>
<b>Female</b>	<b>3</b>	<b>1.61</b>		

## 1.8 Board Performance Review

The Board and its Committees undertook self-assessment in accordance with the relevant Charters during the financial year. The Chairman undertook to conduct one-on-ones personal performance discussions with each of the individual directors. In addition, pursuant to the terms of the Board Charter, the Board conducted an annual review of itself during the financial year.

The Board was provided with all Company information it needed in order to effectively discharge its responsibilities and were entitled to, and did, request additional information when considered necessary.

Further information is disclosed in the Remuneration Report which forms part of the Directors' Report section of the Annual Report.

## 1.9 Senior Executive Performance

The Remuneration and Nomination Committee is responsible for various aspects of remuneration and nomination, including the review of senior executive and Board members at least annually.

A copy of the Committee Charter\* is available on the Company website. All senior executives were reviewed during the financial year in accordance with the general process of review and the terms of the Charter. The annual Remuneration Report which forms part of the Directors' Report of the Annual Report discloses the process for evaluating the performance of senior executives.

## PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

### 2.1 Remuneration and Nomination Committee

The Board established a Remuneration and Nomination Committee prior to Reverse Corp listing on the ASX. The current members of the Committee are:

- (a) Mr Peter Ritchie (Chairman);
- (b) Mr Stephen Jermyn; and
- (c) Mr Richard Bell.

Mr Ritchie and Mr Jermyn are independent directors. The profiles of each director are set out in the Directors' Report.

Details of the Committee meetings held during the year and attendance at those meetings are also set out in the Directors Meeting Schedule in the Directors' Report of the Annual Report.

The Remuneration and Nomination Committee operates pursuant to the Remuneration and Nomination Committee Charter\*. The Charter sets out the responsibilities and duties of the Committee including but not limited to, making recommendation to the Board on:

- (a) Board succession plans to ensure an appropriate balance of skills and expertise;
- (b) Developing policies and procedures for the appointment of directors;
- (c) Identifying directors with appropriate qualifications and skills to fill Board Committee vacancies;
- (d) Guidance on the annual evaluation of the senior executives;
- (e) Reviewing the Company's recruitment, retention and termination policies;

- (f) Considering those aspects of the Company's remuneration policies and packages including equity based incentives; and
- (g) Monitoring the size and composition of the Board.

The term of non-executive directorships is set out in the Company's Constitution.

The Charter was reviewed during the financial year.

## 2.2 Board Skill Matrix

The Company's Board has reviewed its Board skills matrix which it believes provides the best mix of skills and diversity for the Company and comprised the following as at the date of this report.

Skill & Expertise	P Ritchie	S Jermyn	G Hillberg	R Bell
Finance & Accounting	Y	Y	Y	
Mergers & Acquisitions	Y	Y		Y
Capital Markets	Y	Y		Y
Compliance		Y	Y	
Telecommunications			Y	
Legal				Y
Executive Leadership	Y	Y	Y	Y
Public Board Experience	Y	Y	Y	Y
Strategy	Y	Y	Y	Y

## 2.3 Director Composition and Independence

The Board comprises 4 non-executive directors.

The Board has reviewed the status of each director during the financial year to assess their independence. The Corporate Governance Council define independence as being 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.

The Board makes an assessment of the independence of each director upon their appointment and annually thereafter. Directors have an obligation to disclose on an ongoing basis to the Board if there are any changes to their relevant personal interests and potential conflicts of interest. Upon any such disclosure, a director's independence is reassessed.

In accordance with the definition of independence above, the following directors are considered to be independent:

- (a) Mr Peter Ritchie (Chairman); and
- (b) Mr Stephen Jermyn

The other directors are regarded as non-independent given their previous employment history and/or substantial shareholding in the Company. Mr Richard Bell is the founder and former Chief Executive (and holds 21.8% shareholding in the Company) and Mr Gary Hillberg is a former executive director. The profiles of each director are set out in the Directors' Report of the Annual Report.



The Board considers the current composition of the Board serves the best interest of shareholders and that the benefit of securing two further independent directors (for the purposes of Recommendation 2.4) is likely to be of limited additional value and not warranted by the associated costs.

The role of Chairman is held by a non-executive independent director while the role of the CEO is held by an executive and non-Board member.

## **2.4 Induction and Continued Professional Development of Board Members**

The Company has an induction program for all new directors which is reviewed annually by the Remuneration and Nomination Committee.

The Company does not have a formal program for continued professional development opportunities for the directors but there is an expectation that all directors will maintain and update their skills and knowledge as necessary to perform their role as directors. Should any director need additional development, as identified by the Board, the Company through the Chairman will ensure that the applicable director receives the necessary support to ensure that the skills and knowledge shortfalls are addressed.

## **PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY**

### **3.1 Code of Conduct**

The Company does not currently have a document entitled “code of conduct” but the Company believes that the spirit of such a document is encapsulated in various aspects of the Company’s Personnel Manual and its policies, including its Whistleblower Policy\*. Adherence to these documents is a condition of employment. Together these documents provide a guide for all staff, including Board and senior executives, in relation to the way in which the Company business will be conducted and the standards of behaviour applicable to all staff when representing the Company and dealing with each other.

In addition, the centralised management structure and overlap of former management personnel on the Board provides significant guidance as well as checks and balances to the decision making process.

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

### **4.1 Audit and Risk Committee**

The Board appointed Audit and Risk Committee operates in accordance with the Audit and Risk Committee Charter\*. The current members of the Committee are:

- (a) Mr Stephen Jermyn (Chairman);
- (b) Mr Peter Ritchie; and
- (c) Mr Richard Bell.

Mr Ritchie and Mr Jermyn are independent directors. The profiles of each director are set out in the Directors' Report.

Details of the Committee meetings held during the year and attendance at those meetings are also set out in the Directors Meeting Schedule in the Directors' Report of the Annual Report.

The Audit and Risk Charter sets out the role, responsibilities, composition, structure and membership requirements. The main responsibilities and duties include, but are not limited to, making recommendations to the Board on the following:

- (a) Ensure the integrity of the financial reporting for the Group and disclosure of all relevant matters to the external auditor and the Board;
- (b) Appoint, remuneration and performance of the external auditor and the integrity of the external audit process;
- (c) Identification and management of business risks and review at least bi-annually the risk report from the Chief Risk Management Officer; and
- (d) Ensure that internal control systems are adequate, including adherence to ASX Corporate Governance Principle 7.

The Charter was reviewed during the financial year.

### **4.2 Financial Reporting**

In accordance with section 295A of the Corporations Act 2001, the CEO and the CFO have provided the Board with a written statement that:

- (a) The financial records of the Company have been maintained in accordance with section 286 of the Corporations Act 2001, comply with applicable accounting standards, give a true and fair view and any other regulations for the purpose of the financial statements are satisfied; and
- (b) The integrity of the financial statements is founded on a system of risk management and internal controls which implements the policies adopted by the Board and that the internal control systems is operating effectively in all material respects to manage the Company's material business risks.

### **4.3 External Auditor**

The external auditors attend the annual general meeting and are available to answer any shareholder questions about the conduct and preparation of the Audit Report.

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

### **5.1 Continuous Disclosure**

The Company has a Continuous Disclosure Policy\* which incorporates the disclosure requirements under the ASX Listing rules and the Corporations Act 2001. The policy is published on the Company's website and is also part of the Company's Personnel Manual.

The policy outlines certain types of information which would normally require disclosure, the procedures to be followed in different circumstances such as:

- (a) Responding to analysts' reports;
- (b) Trading halts;
- (c) How announcements should be made;
- (d) Briefings conducted; and
- (e) Specific roles within the Company that are authorised to make disclosures.

In addition to the Policy, the subject of continuous disclosure is discussed at each Board meeting to determine whether or not any issues have come to light that require disclosure.

Based upon information provided to the Company Secretary by directors, officers and employees, the Company Secretary is responsible for determining which information is to be disclosed and for the over-all administration of this Policy.

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

### **6.1 Shareholder communication**

The Company has a Shareholder Communication Policy\* which is available on its website. The policy acts in conjunction with the Company's Continuous Disclosure Policy\* and Securities Trading Policy\* and details how the Company interacts with its shareholders.

The Board has determined that the Company website will be the primary source of information for shareholders. The Company website will disclose the following:

- (a) Details of the Company including contact details;
- (b) All formal Company policies;
- (c) All ASX market announcements;
- (d) Current Corporate Governance Statement; and
- (e) The full text of Notice of Meetings and any explanatory material.

All shareholders are provided with a notice of the annual general meeting in accordance with the applicable laws.

The Board as a part of the Notice of Meeting of the annual general meeting provides all shareholders with the Shareholder Communications Form\* to enable their details to be updated including the option to receive communication electronically. This form is also available from the Company website at [www.reversecorp.com.au/policies/corporate-governance](http://www.reversecorp.com.au/policies/corporate-governance).

## **PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

### **7.1 Approach to Risk Management**

The Board is committed to the establishment and maintenance of adequate risk management systems which are reviewed bi-annually. The Board has delegated responsibility for risk management systems to the Audit and Risk Committee as detailed in the Audit and Risk Committee Charter\*.

### **7.2 Risk Management Process**

The Audit and Risk Committee seeks to ensure compliance with legal and regulatory requirements and oversees the risk management system. The operational risks are managed at the senior management level and escalated to the Board where the issue is novel, recurring or may impose a material burden on the Company or its stakeholders. The small size of the Company means that communication and decision making is centralised ensuring early identification of risks by senior management and allowing senior management to respond to each risk as is appropriate.

The Company implemented a Risk Management Policy\* in 2013 and this policy was reviewed during the financial year.

The Company does not have any material exposure to environmental or social sustainability risks.

The Company provides additional information and insights into other business risks in the Directors' Report of the Annual Report under the section titled Likely Developments, Prospects and Business Strategies.

### **7.3 Internal Audit**

The Company does not have an internal audit function however there are effective risk management controls in place by senior management which include segregation of duties and delegated levels of authority for all staff as well a formal Risk Management Policy\*.

## **PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

### **8.1 Remuneration Policy**

The Company has designed the remuneration policy to align senior executives' objectives with shareholder and business objectives by providing fixed and variable cash and non-cash incentives (including equity based remuneration). The Company has a Securities Trading Policy\* outlining how the Board and senior management are to manage any equity positions in the Company including hedging.

The Company's remuneration policy is outlined in the Remuneration Report section of the Directors' Report of the Annual Report. The Remuneration Report also highlights:

- (a) The details and total remuneration of the Board and senior executives;
- (b) Amounts and details of any bonuses paid; and
- (c) Details of any share based payments for senior executives.