

# 2022 CORPORATE GOVERNANCE STATEMENT

This corporate governance statement sets out Careteq Limited's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 8 August 2022 and has been approved by the board of the Company (**Board**).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight</b>		
<p>1.1. <i>A listed entity should have and disclose a board charter setting out:</i></p> <p>(a) <i>the respective roles and responsibilities of its board and management; and</i></p> <p>(b) <i>those matters expressly reserved to the board and those delegated to management.</i></p>	Yes	<p>The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:</p> <ul style="list-style-type: none"> <li>a) maintain and increase Shareholder value;</li> <li>b) ensure a prudential and ethical basis for the Company's conduct and activities; and</li> <li>c) ensure compliance with the Company's legal and regulatory objectives.</li> </ul> <p>Consistent with these goals, the Board assumes the following responsibilities:</p> <ul style="list-style-type: none"> <li>a) developing initiatives for profit and asset growth;</li> <li>b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;</li> <li>c) acting on behalf of, and being accountable to, the Shareholders; and</li> <li>d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.</li> </ul> <p>The Company is committed to the circulation of relevant materials to directors in a timely manner to facilitate directors' participation in Board discussions on a fully-informed basis.</p> <p>In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. If the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.</p>
<p>1.2. <i>A listed entity should:</i></p> <p>(a) <i>undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election as a director; and</i></p> <p>(b) <i>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.</i></p>	Yes	<p>The Company undertakes checks on any person who is being considered as a director. These checks may include character, experience, education and financial history and background.</p> <p>All security holder releases will contain material information following the guidance contained in the ASX Corporate Governance Principles and Recommendations (4th Edition) about any candidate to be elected for the first time or re-elected to enable an informed decision to be made.</p>

ASX Principles and Recommendations	Comply (Yes/No)	Explanation																				
1.3. <i>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</i>	Yes	Each senior executive and executive director has a formal employment contract and the non-executive directors have a letter of appointment (including a director's interest agreement with respect to disclosure of security interests). These contracts/letters set out the relevant terms by which they will be involved in the Company.																				
1.4. <i>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.</i>	Yes	The Company Secretary position is directly accountable to the Board on all matters to do with the proper functioning of the Board.																				
1.5. <i>A listed entity should:</i> (a) <i>have and disclose a diversity policy</i> (b) <i>through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</i> (c) <i>disclose in relation to each reporting period:</i> (1) <i>the measurable objectives set for that period to achieve gender diversity;</i> (2) <i>the entity's progress towards achieving those objectives, and</i> (3) <i>either:</i> • <i>the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</i> • <i>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.</i>	No	<p>The Board supports diversity and has developed a policy.</p> <p>Copy of the Diversity Policy is available from the company's website.</p> <table border="1"> <thead> <tr> <th>Description</th> <th>No. of Women 2022</th> <th>Proportion of Women 2022</th> <th>No. of Women 2021</th> <th>Proportion of Women 2021</th> </tr> </thead> <tbody> <tr> <td>Whole Group</td> <td>47</td> <td>63%</td> <td>1</td> <td>7%</td> </tr> <tr> <td>Management positions</td> <td>8</td> <td>50%</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Board members</td> <td>0</td> <td>0%</td> <td>0</td> <td>0%</td> </tr> </tbody> </table>	Description	No. of Women 2022	Proportion of Women 2022	No. of Women 2021	Proportion of Women 2021	Whole Group	47	63%	1	7%	Management positions	8	50%	0	0%	Board members	0	0%	0	0%
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1.6. <i>A listed entity should:</i> (a) <i>have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</i> (b) <i>disclose for each reporting period whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.</i>	Yes	<p>The Chairman is responsible for evaluating the performance of the Board, its committees and individual directors. This is generally done through a meeting with the Chair.</p> <p>The review is currently informal but is based on a review of goals for the Board and individual Directors. The goals are based on corporate requirements and any areas for improvement that may be identified. The Chairman will provide each Director with confidential feedback on his or her performance. Informal performance evaluation was undertaken during the financial year.</p>																				
1.7. <i>A listed entity should:</i> (a) <i>have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</i> (b) <i>disclose for each reporting period whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period..</i>	Yes	<p>The Board is responsible for evaluating the senior executives. Induction procedures are in place and senior executives have formal job descriptions which includes the process for evaluating their performance.</p> <p>Informal performance evaluations were undertaken during the financial year.</p>																				



ASX Principles and Recommendations	Comply (Yes/No)	Explanation
2.4. <i>A majority of the board of a listed entity should be independent directors.</i>	Yes	<p>The Board has a majority of independent directors.</p> <p>Consistent with the size of the Group and its activities, the Board is currently comprised of four (4) directors, of which three (3) are currently considered to be independent directors.</p> <p>The Board's policy is that the majority of directors shall be independent, non-executive directors.</p>
2.5. <i>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.</i>	Yes	Mr Mark Simari as Chairman of the Board, is considered to be an independent director.
2.6. <i>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</i>	Yes	The Company takes care in ensuring that Directors will be able to effectively manage and govern the Company before their nomination as potential Directors. It has not been deemed necessary to devote resources towards ensuring that Directors have the sufficient skills to fulfil their role appropriately.
<b>3. Promote ethical and responsible decision-making</b>		
3.1. <i>A listed entity should articulate and disclose its values.</i>	Yes	<p>The Board has approved a statement of values and charges the Directors with the responsibility of inculcating those values across the Company.</p> <p>A copy of the Company's statement of values is available on the "Corporate Governance" page of the Company's website.  <a href="https://www.careteq.com.au/investors-centre/">https://www.careteq.com.au/investors-centre/</a>.</p>
3.2. <i>A listed entity should: have and disclose a code of conduct for its directors, senior executives and employees; and ensure that the Board or a committee of the Board is informed of any material breaches of that code.</i>	Yes	<p>The Company seeks to encourage and develop a culture which will maintain and enhance its reputation as a valued corporate citizen of the countries where it operates and an employer which personnel enjoy working for.</p> <p>The Company has established a Code of Conduct that sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standards of behaviour expected from its Directors and employees. The Code of Conduct sets out policies in relation to various corporate and personal behaviour including safety, discrimination, respecting the law, anti-corruption, interpersonal conduct and conflict of interest.</p> <p>While the Code of Conduct seeks to prescribe standards of behaviour for all Company personnel to observe, it does not, and understandably cannot, identify every ethical issue that an individual might face. The Code of Conduct's objective is to provide a framework for decisions and actions in relation to ethical conduct in employment, to safeguard the Company's reputation and to make clear the consequences of breaching the Code of Conduct.</p> <p>A copy of the Company's Code of Conduct is available on the "Corporate Governance" page of the Company's website  <a href="https://www.careteq.com.au/investors-centre/">https://www.careteq.com.au/investors-centre/</a>.</p>
ASX Principles and Recommendations	Comply (Yes/No)	Explanation



ASX Principles and Recommendations	Comply (Yes/No)	Explanation
4.2. <i>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.</i>	Yes	The Board received a declaration from its CEO and CFO before it approved the Company's financial statements for all financial periods in the reporting period.
4.3. <i>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor..</i>	Yes	When preparing reports for release to the market including the quarterly activity and cash flow reports, these reports shall be prepared and reviewed by the Chief Executive Officer before being presented to the Board for review and approval. Such reports shall not be released to market without this review and approval process by executive management and the Board.
<b>5. Make timely and balanced disclosure</b>		
5.1. <i>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.</i>	Yes	The Company has a written policy for complying with its continuous disclosure obligations under the Listing Rules which is disclosed on its website.
5.2. <i>A listed entity should ensure that its Board receives copies of all material market announcements promptly after they have been made.</i>	Yes	<p>The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures that the Board are aware of when any announcement is due to go out and when the confirmation of release is received by the ASX, the Company Secretary promptly forwards this to the Board.</p> <p>The Continuous Disclosure Policy of the Company is available on the "Corporate Governance" page of the Company's website.  <a href="https://www.careteq.com.au/investors-centre/">https://www.careteq.com.au/investors-centre/</a></p>
5.3. <i>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</i>	Yes	<p>The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures any substantive presentations are released to the ASX Market Announcements Platform ahead of the presentation and in accordance with the Continuous Disclosure Policy of the Company, a copy of which is available on the "Corporate Governance" page of the Company's website.  <a href="https://www.careteq.com.au/investors-centre/">https://www.careteq.com.au/investors-centre/</a></p>
<b>6. Respect the rights of shareholders</b>		
6.1. <i>A listed entity should provide information about itself and its governance to investors via its website.</i>	Yes	<p>The Company provides information about itself and its governance to investors via its corporate website.  <a href="https://www.careteq.com.au/investors-centre/">https://www.careteq.com.au/investors-centre/</a></p>
6.2. <i>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</i>	Yes	The Company encourages shareholders to attend and participate in general meetings and makes itself available to meet shareholders and regularly responds to enquiries made via telephone and in writing. In addition, the Company regularly disseminates news and information to investors via emails and social media.



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6.3. <i>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</i>	No	The Company encourages shareholders to attend and participate in general meetings. As a small company the shareholder attendance numbers are low however, if a shareholder wishes to provide a comment or question and is not able to attend the meeting, the Company will address this as part of the meeting.
6.4. <i>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</i>	Yes	The Company encourages security holders to register for receipt of communications from the Company electronically.
6.5. <i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i>	Yes	The Company provides information through its website, enabling security holders to email the Company and to receive Company announcements by email. The share registry also provides (through its website, links to which can be found on the Company's website) the ability to email the share registry and to receive documents by email from the share registry.
<b>7. Recognise and manage risk</b>		
7.1. <i>The Board of a listed entity should:</i> <i>(a) have a committee or committees to oversee risk, each of which:</i> <i>(1) has at least three members, a majority of whom are independent directors; and</i> <i>(2) is chaired by an independent director, and disclose:</i> <i>(3) the charter of the committee;</i> <i>(4) the members of the committee; and</i>  <i>(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</i> <i>(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.</i>	Yes	<p>The Company has established an Audit and Risk Management Committee to assist and report to the Board.</p> <p>The Committee comprises three members, being Stephen Munday (Chair), Mark Simari and Brett Cheong. All members are considered independent Directors.</p> <p>Copy of the Audit and Risk Committee Charter can be obtained from the company's website.</p> <p>Details of Board committee meetings held and meeting attendance of each member is set out in the Directors Report.</p>
	N/A	
7.2. <i>The board or a committee of the board should:</i> <i>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</i> <i>(b) disclose in relation to each reporting period, whether such a review has taken place.</i>	Yes	The Board meets on a regular basis to discuss the operating activities. As part of this all risks are considered including but not limited to strategic, operational, legal, reputation and financial risks. This is an on-going process rather than an annual formal review.
7.3. <i>A listed entity should disclose:</i> <i>(a) if it has an internal audit function, how the function is structured and what role it performs; or</i> <i>(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 governance, risk management and internal control processes.</i>	Yes	<p>The Company did not have an internal audit function during the reporting period.</p> <p>The Company remains committed to effective management and control of these factors. The Board considers the risk management on an annual basis and the Company uses external services providers in the processing of financial transactions and preparation of financial reports, providing safeguards over the internal control processes.</p>

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7.4. <i>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</i>	Yes	All material risks were announced to the market, in accordance with its continuous and other disclosure obligations pursuant to the ASX Listing Rules and the Corporations Act 2001 (Cth).
<b>8. Remunerate fairly and responsibly</b>		
8.1. <i>The Board of a listed entity should:</i> (a) <i>have a remuneration committee which:</i> (1) <i>has at least three members, a majority of whom are independent directors; and</i> (2) <i>is chaired by an independent director, and disclose:</i> (3) <i>the charter of the committee;</i> (4) <i>the members of the committee; and</i> (5) <i>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</i> (b) <i>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.</i>	Yes	<p>A Remuneration and Nomination Committee has been established with its own Charter.</p> <p>The Committee comprises of three members, being Brett Cheong (Chair), Stephen Munday and Mark Simari. Each member is considered independent.</p> <p>Copy of the Remuneration and Nomination Committee Charter is available from the company's website.</p> <p>Details of Board committee meetings held and meeting attendance of each member is set out in the Directors Report.</p>
8.2. <i>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.</i>	Yes	<p>The Company provides disclosure of all Directors remuneration in its annual report.</p> <p>Non-executive directors are remunerated at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to the performance of the Group. There are no documented agreements providing for termination or retirement benefits to non-executive directors (other than for superannuation).</p> <p>Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. Long term performance incentives may include performance and production bonus payments, shares and / or options granted at the discretion of the Board and subject to obtaining the relevant approvals.</p>
8.3. <i>A listed entity which has an equity-based remuneration scheme should:</i> (a) <i>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</i> (b) <i>disclose that policy or a summary of it.</i>	Yes	<p>The Company has a Securities Trading Policy that prohibits employees (including directors and the Company Secretary) from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements (or vested entitlements that remain subject to a holding lock) relating to any element of their remuneration.</p> <p>A copy of the Securities Trading Policy is available on the Company's website.</p>