

2019 CORPORATE GOVERNANCE STATEMENT

BASIS OF PREPARATION

The Board of Directors of CV Check Ltd is responsible for the corporate governance of the Company and guides and monitors the business and affairs of the Company on behalf of its shareholders.

The format of this 2019 Corporate Governance Statement is based on ASX Corporate Governance Council's ("the Council") *Corporate Governance Principles and Recommendations* (3rd edition). In accordance with the Council's recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the period.

Where a recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure. The Company's Corporate Governance Statement is structured with reference to the Council's principles and recommendations, which are as follows:

Principle 1	Lay solid foundations for management and oversight
Principle 2	Structure the board to add value
Principle 3	Act ethically and responsibly
Principle 4	Safeguard integrity in corporate reporting
Principle 5	Make timely and balanced disclosure
Principle 6	Respect the rights of security holders
Principle 7	Recognise and manage risk
Principle 8	Remunerate fairly and responsibly

Commensurate with the spirit of the *Corporate Governance Principles and Recommendations*, the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for corporate governance practices, taking into account factors such as the size of the Company and Board, resources available and activities of the Company. Where the Company's corporate governance practices depart from the *Corporate Governance Principles and Recommendations*, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice.

The Company's corporate governance statement and practices were:

- in place throughout the year ended 30 June 2019 and is current as of this date; and
- approved by the Board.

For further information on the Company's corporate governance statement and policies which were adopted, please refer to its website: cvcheck.com/investors.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT.

A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.

The Board is ultimately accountable for the performance of the Company and provides leadership and sets its strategic objectives. It appoints the Chief Executive Officer (Executive Director) and approves the appointment of any other executive directors and assesses their performance on at least an annual basis. It is responsible for overseeing all corporate reporting systems, remuneration frameworks, governance issues, and stakeholder communications. Decisions reserved for the Board relate to those that have a fundamental impact on the Company, such as material acquisitions and takeovers, capital raising, major capital expenditure, dividends and buybacks, material profits upgrades and downgrades, significant disclosures and monitoring the effectiveness of governance principles.

Management is responsible for implementing the Board's strategy, day-to-day operational aspects, and ensuring that all material risks and performance issues are brought to the Board's attention. They must operate within the delegation policy and matrix, risk and authorisation parameters set by the Board.

The Company has adopted a Board Charter that sets out the objectives, responsibilities and administration of the board of directors and its relationship with the Chief Executive Officer (including any Acting Chief Executive Officer) of the Company and any subsidiary, and any committees of the Board that may be established.

The Board has also implemented and regularly reviews its Delegation of Authority Policy and Matrix for all employees of the Company. The policy and matrix is an ancillary document to the Board Charter and deals with reserved powers and delegated authorities. It enables the effective management of the business and its risks as it sets out the matters specifically reserved for the Board, and those matters delegated to Management. It provides clear guidance to each employee on their authority to make decisions on a day to day basis.

A copy of the Board Charter adopted by the company is available from the company's website at cvcheck.com/investors.

The Company undertakes a comprehensive screening and verification process prior to appointing a director or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any material way from undertaking the duties of director. The Company provides relevant information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election.

The terms of the appointment of non-executive directors, executive directors and senior executives are agreed upon and set out in writing at the time of each appointment. The agreement sets out: remuneration (including superannuation entitlements); requirement to disclose interests and matters which may affect independence; requirement to comply with key corporate policies (including the company's Corporate Code of Conduct and Trading Policy); policy on when directors may seek independent professional advice at the expense of the company (which generally should be whenever directors, especially non-executive directors, judge such advice necessary for them to discharge their responsibilities as directors); the circumstances in which the director's office becomes vacant; indemnity and insurance arrangements; ongoing rights of access to corporate information; and ongoing confidentiality obligations. In the case of senior executives, it also sets out to whom they report.

A copy of the Corporate Code of Conduct and Trading Policy adopted by the Company are available from the company's website at cvcheck.com/investors.

The Company Secretary reports directly to the Board through the Chairman and is accessible to all directors. The Company Secretary advises the Board and its committees on governance matters; monitors that Board and committee policy and procedures are followed; coordinates the timely completion and despatch of Board and committee papers; ensures that the business at Board and committee meetings is accurately captured in the minutes; and helps to organise and facilitate the induction and professional development of directors.

The Company has a Diversity Policy which is available from its website at cvcheck.com/investors. The Diversity Policy aims to provide a work environment where employees have equal access to career opportunities, training and benefits. It also aims to ensure that employees are treated with fairness and respect and are not judged by unlawful or irrelevant reference to gender, age, ethnicity, race, cultural background, disability, religion, sexual orientation or caring responsibilities. This commitment enables the Company to attract and retain employees with the best skills and abilities.

The Company is currently satisfied with the levels of age, cultural and gender diversity among its employees and executives and therefore has not set measurable objectives in relation to diversity.

As at 30 June 2019, 41% of staff in the organisation were women (59% men); and 5 senior executive and senior positions were occupied by women. For this purpose, the Board defines a senior executive as a person who makes, or participates in the making of, decisions that affect the whole or a substantial part of the business or has the capacity to affect significantly the Company's financial standing. This includes all senior management and senior executive designated positions as well as senior specialised professionals.

The Company is not a 'relevant employer' for the purposes of the Workplace Gender Equality Act 2012 and therefore has no Gender Equality Indicators to be disclosed.

The Board reviews its performance annually, as well as the performance of individual Directors (including the performance of the Chairman as Chairman of the Board). The review for the 2019 financial year was begun prior to the date of this statement and will be completed prior to the Company's Annual General Meeting ("AGM").

The Chief Executive Officer has line responsibility for certain senior executives and undertook assessments of those senior executives in about June 2019. In assessing the performance of the individual, the review included consideration of the senior executive's function, individual targets, group targets, and the overall performance of the Company.

The Company has a Board Performance Evaluation Policy and is available from the Company's website at cvcheck.com/investors.

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.

Details of the Board of directors, their appointment dated, length of service and independence status is as follows:

Director's name	Role	Length of service	Independent
Ivan Gustavino	Non-executive Chairman	13 August 2018 - present	Yes
Rod Sherwood	Executive Director, CEO	1 July 2014 - present	No
Steve Carolan	Non-Executive Director ¹	9 November 2004 - present	No
George Cameron-Dow	Non-Executive Director	16 February 2017 - present	Yes
Chris Brown	Non-Executive Chairman	22 June 2015 – 13 August 2018	Yes
Reina Nicholls	Non-Executive Director	17 November 2015 – 28 November 2018	Yes

Note: ¹ Mr Carolan was originally an Executive Director until from 4 July 2017. He then became a Non- Executive Director.

The Board regularly and at least annually as part of the Board evaluation process conducts a review of its structure, composition and performance. This is also in accordance with the Board Performance Evaluation Policy available from the Company's website at cvcheck.com/investors.

A performance evaluation in respect of each reporting period is scheduled to take place prior to each AGM in accordance with that process.

The Board considers that a diverse range of skills, backgrounds, knowledge and experience is required to effectively govern the Company. The Board believes that orderly succession and renewal contributes to strong corporate governance and is achieved by careful planning and continual review. As part of that review the Board identified a need for new and different skills in the role of non-executive chairman as part of the Company's planned evolution and growth strategy. The appointment of Mr Gustavino as non-executive chairman with effect from 13 August 2018 addressed that need.

The Board currently comprises of 4 members, and it is of the view given the skill mix and composition of the Board, it has an appropriate number of directors for the size of the Company.

The Company does not maintain a nomination committee as it is considered that the current size of the Board does not warrant the formal establishment of a separate committee. The Board as a whole is responsible for the nomination and selection of directors.

It is intended that the Board should comprise Directors having qualifications, skills, expertise and experience from a diverse range of backgrounds, including financial acumen, governance, regulatory, risk management and industry experience, which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

Details of the skills, experience and expertise relevant to the position of each Director who is in office will be included in each Annual Report.

The Board has previously considered and adopted a formal skills matrix covering the competencies and experience of each member. The Board has a balanced and appropriate mix of skills, experience and independence and a Chairman with experience in the Board of listed companies.

When the need for a new director is identified, the required experience and competencies of the new director will be defined in the context of this matrix and any gaps that may exist.

Generally, a list of potential candidates will be identified based on these skills required and other issues such as geographic location and diversity criteria. Candidates will be assessed against the required skills and on their qualifications, backgrounds, relevant experience and personal qualities. In addition, candidates are sought who have a proven track record in creating security holder value and the required

time to commit to the position. Appropriate background and other checks are undertaken before finalising the appointment.

This process and the skills matrix are used in the consideration and any new appointments to the Board.

New directors are issued with a formal Letter of Appointment that sets out the key terms and conditions of their appointment, including director's duties, rights and responsibilities, the time commitment envisaged, and the Board's expectations regarding involvement with any Committee work.

This process was followed in the appointment of Ivan Gustavino to the Board.

The Company has adopted a definition of "independence" that is consistent with the *ASX's Corporate Governance Principles and Recommendations*.

Ivan Gustavino (Chair of the Board) and George Cameron-Dow (Non-Executive Director) are considered to be independent directors of the Company.

Directors have a right of access to all Company information and executives. Directors are entitled, in fulfilling their duties and responsibilities, to obtain independent professional advice on any matter connected with the discharge of their responsibilities, with prior notice to the Chairman, at the Company's expense.

An induction program is followed for any new directors and all directors are encouraged to engage in professional development activities to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY.

A listed entity should act ethically and responsibly.

The Company maintains a Corporate Code of Conduct for its directors, senior executives and employees. In summary, the Code requires that each person: act honestly and with integrity and carry out their work to a high standard and committing to the Company's policy of producing quality services, operate within the law, follow the Company's policies, act in good faith and in the best interests of the Company; exercise a duty of care; use the powers of office in the best interests of the Company and not for personal gain; declare any conflict of interest; safeguard the Company's assets and information; and not undertake any action that may jeopardise the reputation of Company. The Code also addresses corporate misconduct (including fraud, unlawful or unethical payments or inducements) and the consequences of any breaches to the Code. The Code is reviewed as necessary to ensure it reflects the high ethical standards of conduct necessary to maintain confidence in the Company's integrity.

The Corporate Code of Conduct is available from the Company's website at cvcheck.com/investors.

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.

Previously, the Company did not maintain an audit committee as it was considered that the size and composition of the Board did not warrant the formal establishment of a separate committee. Given the growth of the Company and changes to the composition of the Board, the Board appointed an Audit and Risk Committee commencing from 1 July 2017 and approved its Charter. The Audit and Risk Committee's

Charter is regularly reviewed and was most recently reviewed and amended on 27 March 2019. The Audit and Risk Committee's Charter is available from the Company's website at cvcheck.com/investors.

Following the resignation of Reina Nicholls, the members appointed to the Audit and Risk Committee are George Cameron-Dow (as Chair) and Steve Carolan. The Audit and Risk Committee's composition does not comply with the recommendations in ASX's *Corporate Governance Principles and Recommendations*; as there are currently only two members and the majority are not independent. However, it is considered given the size of the Company, total number of directors in the Company and skill mix of the current members of the Committee, that the current composition of the Committee is appropriate.

The Audit and Risk Committee performed the duties outlined in the Charter and reported to the Board during FY2019. The Committee met with the external auditor, discussed the adequacy of the Company's internal controls and systems used to provide assurance over the integrity of corporate reporting and assessed the adequacy of the external audit process, the outcome and the auditors' continued independence.

Details of the skills, experience and expertise relevant to the position of each member of the Audit & Risk Committee will be included in each Annual Report.

Whilst the Committee assists in the financial reporting process, the Board acknowledges that the full Board is responsible for ensuring that the financial statements reflect their understanding of operations, and provide a true and fair view as to the financial position and performance of the Company.

In accordance with the ASX Recommendations 4.2 and 4.3:

- On 23 September 2019, the Company's Chief Executive Officer only (as the Company does not have a CFO) provided the Board with the required declarations for the financial year ended 30 June 2019 and the half-year ended 31 December 2018; and
- The audit engagement partner will attend the AGM and be available to answer shareholder questions from shareholders relevant to the audit.

PRINCIPLE 5: MAKING 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.

The Company has adopted a formal written policy for complying with its continuous disclosure obligations under Listing Rule 3.1 and this is available on its website at cvcheck.com/investors.

For the purposes of expediency and to ensure the market is informed in a timely manner the Board has delegated its powers in relation to disclosure matters to a continuous disclosure subcommittee comprising the: Chairman, Chief Executive Officer and General Counsel (and in his absence the Company Secretary). The continuous disclosure subcommittee has been delegated the authority to: approve announcements to be made to the Australian Securities Exchange; request the Company's securities be placed into a trading halt session state or suspended from official quotation of the Australian Securities Exchange and respond to any queries from the Australian Securities Exchange.

The Chief Executive Officer and General Counsel are involved in all significant transactions and events and would be considered the first persons within the Company to come into possession of market sensitive information. The Chief Executive Officer and General Counsel are members of the continuous disclosure subcommittee and the members of the subcommittee jointly make an assessment as to whether the information ought to be released to the market.

Where time permits and the information relates to fundamentally significant events affecting the Company, the Company Secretary will arrange for authorisation at Board level before such information is released. Such information may relate to significant acquisitions, disposals and closures, material profit upgrades or downgrades, dividend declarations and buybacks, and any other transaction flagged by the Chief Executive Officer, General Counsel or Chairman as being fundamentally significant.

The Company's Continuous Disclosure Policy is available from the Company's website at cvcheck.com/investors.

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.

The Company has a Shareholder Communications Strategy which aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs.

As part of the Company's developing investor relations program, shareholders can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the Australian Securities Exchange, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the Australian Securities Exchange is immediately posted.

The Shareholder Communications Strategy is available from the Company's website at cvcheck.com/investors.

The Company maintains information in relation to governance documents, Board and Committee Charters, annual reports, Australian Securities Exchange announcements and contact details on the Company's website, cvcheck.com/investors.

The Company continuously reviews its website to identify ways in which it can promote its greater use by shareholders and make it more informative.

The Board and Company Secretary engage with investors (and are encouraged to participate) at all general meetings and the AGM and respond to shareholder enquiry on an ad hoc basis. Material communications are dispatched to investors either via email, surface mail, and/or via market announcement.

The Company engages its share registry to manage most of its communications with shareholders. Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through its share registry, Automic Registry Services at automic.com.au.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK.

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

As noted above, the Board has appointed an Audit and Risk Committee. The Audit and Risk Committee's Charter is available from the Company's website at cvcheck.com/investors.

George Cameron-Dow (as Chair) and Steve Carolan are the current members of the Audit and Risk Committee. Following the resignation of Reina Nicholls from the Board (and this Committee), the Audit

and Risk Committee's composition no longer complies with the recommendations in *ASX's Corporate Governance Principles and Recommendations*; as there are currently only two members, one of whom is not independent. However, it is considered given the size of the Company, total number of directors in the Company and skill mix of the current members of the Committee, that the current composition of the Committee is appropriate.

The Audit and Risk Committee performed the duties outlined in the Charter and reported to the Board during FY2019. The functions of the Committee included setting of corporate governance policy and exercising due care and skill in assessing risk, developing strategies to mitigate such risk, monitoring the risk and the Company's effectiveness in managing it. A risk matrix which set out the risks of the Company is prepared and is considered by the Board at each of its board meetings. The risk matrix is updated as necessary to ensure that it continues to be sound and that all the risks are appropriately identified and mitigated where possible.

The Company maintains internal controls which assist in managing enterprise risk, and these are reviewed as part of the scope of the external audit, with the auditor providing the Board with commentary on their effectiveness and the need for any additional controls. The Chief Executive Officer (with the support of General Counsel) is responsible for monitoring the operational risk, ensuring all relevant insurances are in place, and that all regulatory and compliance obligations of the Company are satisfied.

The Company does not have a dedicated internal audit function. The responsibility for risk management and internal controls lies with both the Chief Executive Officer and Finance Officers who continually monitor the Company's internal and external risk environment. Necessary action is taken to protect the integrity of the Company's books and records including by way of design and implementation of internal controls, and to ensure operational efficiencies, mitigation of risks, and safeguard of the Company's assets.

The Company has adopted a Risk Management Review Procedure and Internal Compliance and Control Policy which is available from the Company's website at cvcheck.com/investors.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY.

A listed entity should pay each director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.

On 26 September 2018, the Board (in accordance with the *Corporate Governance Principles and Recommendations*) approved the establishment and Charter of a Remuneration Committee. The Remuneration Committee's Charter is available from the Company's website at cvcheck.com/investors.

The composition of the Remuneration Committee does not comply with the *ASX's Corporate Governance Principles and Recommendations*, as it comprises only 2 independent non-executive directors. However, it is considered given the size of the Company, total number of directors in the Company and skill mix of the current members of the Committee, that the current composition of the Committee is appropriate.

The Remuneration Committee performs the following functions: setting the Company's remuneration structure, determining eligibilities to incentive schemes, assessing performance and remuneration of senior management and determining the remuneration and incentives of the Board, Chief Executive Officer and Company Secretary. The Committee has obtained external advice from independent consultants, where it was considered appropriate, in determining the Company's remuneration practices including remuneration levels.

All Directors are remunerated by way of cash fees and superannuation contributions. In addition, the outgoing Chairman (who resigned with effect from 13 August 2018) had performance shares which converted (following meeting certain criteria) to 75,000 fully paid ordinary shares in the Company on the first anniversary of the Company's successfully listing on the Australian Securities Exchange. The incoming Chairman (who commenced on 13 August 2018) was issued options which had a vesting condition that the Chair remain in the role until 13 August 2019 and can be converted to shares at a price significantly higher than the price at which CVCheck shares were trading at the time of his appointment. The options issued to the Chairman expire on 13 August 2021.

The level of remuneration reflects the anticipated time commitments and responsibilities of the position, considered in the context of the overall financial position of the Company. Performance based incentives are not available to non-executive directors.

Executive Directors and other senior executives are currently rewarded using combinations of fixed and performance-based remuneration. In the future they will also be rewarded pursuant to an equity incentive scheme. Fees and salaries are set at levels reflecting market rates. Performance based remuneration is linked directly to specific performance targets (individual and company targets) that are aligned to both short and long-term objectives.

At the Company's Annual General Meeting (AGM) held on 28 November 2018 shareholders approved:

- The issue of options to Director and Chief Executive Officer, Rodney Sherwood (or his nominee), of 1,500,000 options which had various vesting conditions including Company performance metrics and remaining in the role of CEO until 30 June 2019. The options have an exercise price of \$0.068 per option and expire 12 December 2021. Further details are in the 2018 Notice of AGM.

At the Company's General Meeting held on 30 January 2019, shareholders approved an Employee Incentive Option Plan (Plan). The objective of the Plan is to attract, motivate and retain key employees or contractors. No equity securities have currently been issued under the Plan. The Company has a trading policy which governs the sale and purchase of securities in the Company by all its personnel. All personnel are required to seek approval before transacting or in any way dealing with the Company's securities.

It is proposed to introduce a more formal policy with restricts participants in the Plan entering into transactions (whether through the use of derivatives or otherwise) so as to try and limit the economic risk of participating in the Plan.

Further details in relation to the Company's remuneration policies are contained in the Remuneration Report, within the Directors' Report in the Company's Annual Report.

The Company's Trading Policy is available from the Company's website at cvcheck.com/investors.