



## **Corporate Governance Plan**

The Company has adopted a Corporate Governance Plan, which forms the basis of a comprehensive system of control and accountability for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent they are applicable to the Company, the Board has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition ("Principles and Recommendations").

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. As the Company's activities develop in size and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

### **a) Board Responsibilities**

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:

- 1) maintain and increase Shareholder value;
- 2) ensure a prudential and ethical basis for the Company's conduct and activities;
- 3) ensure compliance with the Company's legal and regulatory objectives consistent with these goals, and to achieve this the Board assumes the following responsibilities:
  - (A) developing initiatives for profit and asset growth;
  - (B) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
  - (C) acting on behalf of, and being accountable to, the Shareholders; and
  - (D) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.



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## **b) Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting.

However, subject thereto, the Company is committed to the following principles:

- 1) the Board is to comprise persons with a blend of skills, experience and attributes appropriate for the Company and its business; and
- 2) the principal criteria for the appointment of new Directors are their ability to add value to the Company and its business. All incumbent Directors bring an independent judgement to bear in deliberations and the current representation is considered adequate given the stage of the Company's development. The names, qualifications and relevant experience of each Director will be set out in the Annual Reports of the Company.

## **c) Code of Conduct**

As part of its commitment to recognising the legitimate expectations of stakeholders and promoting practices necessary to maintain confidence in the Company's integrity, the Company has an established Code of Conduct (the Code) to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of R3D personnel for reporting and investigating unethical practices or circumstances where there are breaches of the Code.

These stakeholders include employees, clients, customers, government authorities, creditors and the community as whole. This Code governs all of the Company's commercial operations and the conduct of Directors, employees, consultants, contactors and all other people when they represent the Company. This Code also governs the R3D Global Limited Corporate 2 Governance Plan responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices.

The Board, management and all employees of R3D are committed to implementing this Code and each individual is accountable for such compliance. A copy of the Code is given to all employees, contractors and relevant personnel, including directors.

## **d) Diversity Policy**

The Board has adopted a diversity policy which provides a framework for the Company to achieve, among other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

## **e) Continuous Disclosure**

The Board has designated R3D's Company Secretary as the person responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX. The



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Board has established a written policy for ensuring compliance with ASX Listing Rule disclosure requirements and accountability at senior executive level for that compliance. A copy of the Company's continuous disclosure policy can be found on the Company's web site (under "Corporate Governance").

#### **f) Audit Committee and Management of Risk**

The Board has not established an Audit and Risk Committee. The Company is not of a size that justifies having a separate committee to oversee risk, so matters typically considered by such a committee are dealt with by the full Board. The Board has established an Audit and Risk Committee Charter governing the Audit and Risk Committee which is available on the Company's website (under "Corporate Governance").

#### **g) Remuneration Arrangements**

The Board will decide the remuneration of an executive Director, without the affected executive Director participating in that decision-making process.

The constitution of R3D provides that Directors are entitled to remuneration as the Directors determine, but the remuneration of the non-executive Directors must not exceed, in aggregate, a maximum amount fixed by R3D in general meeting of Shareholders for that purpose. This amount has been set at \$400,000.

A Director may be paid fees or other amounts (subject to any necessary Shareholder approval) (for example, noncash performance incentives such as Options) as determined by the Board where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors. The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

#### **h) Shareholder Communications**

The Board tries to ensure that Shareholders are provided with sufficient information to assess the performance of the Company and its Directors and to make well-informed investment decisions. Information is communicated to Shareholders through:

- 1) annual and half-yearly financial reports and quarterly reports;
- 2) annual and other general meetings convened for Shareholder review and approval of Board proposals;
- 3) continuous disclosure of material changes to ASX for open access to the public; and,



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- 4) the Company maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

The auditor is invited to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.

#### **i) Trading in the Company's Shares**

The Company's Share Trading Policy prohibits Directors from taking advantage of their position or information acquired, during their duties, and the misuse of information for personal gain or to cause detriment to of R3D.

Directors, senior executives and employees are required to advise the Company Secretary of their intentions prior to undertaking any transaction in R3D securities.

If an employee, officer or director is considered to possess material non-public information, they will be precluded from making a Security transaction until after the time of public release of that information.

A copy of the Company's Share Trading Policy is available on the Company's website (under "Corporate Governance").

#### **j) Corporate Social Responsibility**

The Company is committed to conducting its operations and activities in harmony with the environment and society, and wherever practicable to work in collaboration with communities and government institutions in decision-making and activities for effective, efficient and sustainable solutions.

A copy of the Company's Environmental and Social Charter is available on the Company's website (under "Corporate Governance").