

2022 Corporate Governance Statement iSignthis Limited

The Board of Directors of iSignthis Limited is committed to ensuring that its Corporate Governance framework meets and exceeds the requirements set out in the ASX Corporate Governance Council's Principles and Recommendations (Fourth Edition) (**Governance Principles**).

Strong corporate governance is critical to the delivery of value to our shareholders and acting with integrity in the conduct of our business. iSignthis is committed to high standards of corporate governance and it has been an important foundation of our success.

iSignthis's corporate governance practices were in place throughout the year ended 31 December 2021 and were compliant with the ASX Corporate Governance Council's guidance set out in the Governance Principles.

Consistent with the Company's commitment to transparency in its dealings with stakeholders, this statement has been prepared by reference to each recommendation contained in the Governance Principles.

The statement has been approved by the Board and, except where otherwise stated, is current as at 9 May 2022.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

- (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 iSignthis Board of Directors is responsible for the corporate governance of iSignthis and ensuring high standards of governance are maintained across all the aspects of Group's business and operations. The Board guides and monitors the business and affairs of iSignthis on behalf of stakeholders and its activities are governed by the Constitution.

The responsibilities of the Board of Directors and those functions reserved to the Board, together with the responsibilities of the Managing Director or Executive Chair (as relevant) are set out in our Board Charter. It outlines the role, composition, authority, responsibilities and conduct of the Board of Directors in the governance framework of iSignthis. The Board Charter is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

The Board seeks to identify the expectations of shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

To ensure that the Board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of Directors and the operation of the Board.

The responsibility for the operation and administration of the Group is delegated by the Board to the Managing Director or Executive Chair (as relevant) and the senior management personnel. The Board ensures that the Managing Director or Executive Chair (as relevant) and the senior management personnel are appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Managing Director or Executive Chair (as relevant).

Whilst at all times the Board retains full responsibility for guiding and monitoring the Company, to assist in discharging its stewardship, it makes use of sub-committees.

To this end the Board has established a Board Audit Committee, a Risk Committee and a Remuneration Committee. The Board carries out the role of the Nomination Committee. The roles of these committees are discussed throughout this statement. Due to the relatively small Board all Non-executive Directors and Executive Directors are currently members of all Board Committees.

The Board is responsible for ensuring that management's objectives and activities are aligned with expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved including:

- Development and Board approval of a strategic plan designed to meet stakeholders' needs and manage business risk; and
- Implementation of budgets by management and monitoring progress against budget.

Other functions reserved to the Board are:

- Approval of annual and half-yearly financial reports;
- Approving and monitoring the progress of major acquisitions and divestments;
- Ensuring the entity has an appropriate risk management framework; and
- Reporting to shareholders.

Recommendation 1.2

A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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 Company has a process governing the appointment of Directors and senior executives. Each of the Directors and senior executives is screened for matters of skill, character, experience, education, criminal record and bankruptcy history.

Before Board candidates are appointed, the Board will consider the current Board's skills and competencies, and will assess its needs at that time and in the future and develop selection criteria for the candidates. Candidates will be required to disclose their other commitments and confirm that they are able to dedicate sufficient time to their duties. A shortlist of candidates is considered by the Board relative to its selection criteria.

The Company provides shareholders in the relevant notice of meeting with information to enable them to make an informed decision on all Directors standing for election or re-election as a Director including experience, qualifications, relevant memberships and details of other material directorships held. The notice of meeting also states whether the Board considers the Director to be independent, and the term of office currently served by the Director.

Recommendation 1.3

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

All Non-executive Directors and senior executives have written agreements in place governing the terms of their appointment in order to ensure that roles and responsibilities are clearly defined. Non-executive Directors have in place letters of appointment and senior executives have detailed service contracts in place.

Recommendation 1.4

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Company Secretary is accountable directly to the Board, through the Chair, for the proper functioning of the Board and facilitating the Company's corporate governance processes. Each Director is entitled to access the advice and services of the Company Secretary. In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary are set out in the Directors' Report within the Annual Report.

Recommendation 1.5

A listed entity should:

- (a) have and disclose a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;**
- (b) 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**
- (c) disclose in relation to each reporting period:**
 - i. the measurable objectives set for that period to achieve gender diversity;**
 - ii. the entity's progress towards achieving those objectives; and**
 - iii. either:**
 - A. 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**
 - B. 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.**

The Company is committed to actively managing diversity as a means of enhancing the Company's performance by recognising and utilising the contribution of diverse skills and talent from its Directors, officers and employees.

Diversity involves recognising and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives, including persons with co-existing domestic responsibilities. Diversity may result from a range of factors including age, gender, ethnicity, cultural

background or other personal factors. The Company values the differences between its people and the contribution these differences make to the Company.

To achieve this, a Diversity Policy has been put in place. Management reports to the Committee on an annual basis on the status of the implementation of the Policy and the progress towards achieving its objectives.

The Diversity and Inclusion Policy is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

The Company encourages diversity in employment, and in the composition of its Board, as a means of ensuring the Company has an appropriate mix of skills and talent to conduct its business and achieve the Company's goals.

Specifically, the Company will provide equal opportunities in respect to employment and employment conditions, including:

- a) **Hiring:** The Board will ensure appropriate selection criteria based on diverse skills, experience and perspectives is used when hiring new staff, including Board members. Job specifications, advertisements, application forms and contracts will not contain any direct or inferred discrimination. The Board is empowered to engage professional consultants to assist in the hiring process by presenting diverse candidates to the Company for consideration.
- b) **Training:** All internal and external training opportunities will be based on merit and in light of Company and individual needs. The Board will consider senior management training and executive mentoring programs to develop skills and experience to prepare employees for senior management and Board positions.
- c) **Career Advancement:** All decisions associated with career advancement, including promotions, transfers, and other assignments, will meet the Company's needs and be determined on skill and merit.

The Board has made a decision not to set measurable targets for achieving gender diversity in the composition of the Board, senior management or workforce until the Company is of a suitable size. The public version of the policy is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

Recommendation 1.6

A listed entity should:

- (a) **have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and**
- (b) **disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**

The Company has a Performance Evaluations Policy, which details the performance evaluation process for the Board, its committees and individual directors. The Policies are detailed below.

Board Evaluation Policy

A process has been established to review and evaluate the performance of the Board. The review process includes a confidential survey examining ways in which the Board can better perform its duties. A report summarising the results of the survey is presented to the Board for discussion at a Board meeting. The method and scope of the performance evaluation will be set by the Board and may include a Board self-assessment checklist to be completed by each Director. The Board may also use an independent adviser to assist in the review.

Committees

Similar procedures to those for the Board review are applied to evaluate the performance of the Board committees, if any. An assessment will be made of the performance of any committee against each charter and areas identified where improvements can be made.

Non-executive directors

The Chair or Executive Chair will have primary responsibility for conducting performance appraisals of Non-Executive Directors in conjunction with each Non-Executive Director, having particular regard to;

- contribution to Board discussion and function;
- degree of independence including relevance of any conflicts of interest;
- availability for, and attendance at, Board meetings and other relevant events;
- contribution to Company strategy;
- membership of, and contribution to, any Board committees; and
- suitability to Board structure and composition.

Where the Chair or Executive Chair, following a performance appraisal, considers that action must be taken in relation to a director's performance, the Chair or Executive Chair must consult with the remainder of the Board regarding whether a director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a Director be put to shareholders.

Managing Director / Executive Chair

The Board will annually review the performance of the Managing Director or Executive Chair as appropriate. At the commencement of each financial year, the Board and the Managing Director/Executive Chair will agree a set of general Company specific performance measures to be used in the review of the forthcoming year.

A review of the Board, Committees, individual directors and the Managing Director was completed for 2021.

Recommendation 1.7

A listed entity should:

- (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and**
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**

The Company has a Performance Evaluations Policy, which details the performance evaluation process for senior executives. The Policy is detailed below.

Senior Executive Evaluation Policy

The Managing Director/Executive Chair is responsible for assessing the performance of the key executives within the Company. This is to be performed through a formal process involving an annual formal meeting with each senior executive and ongoing informal monitoring throughout each financial year. The basis of evaluation of senior executives will be a set of agreed performance measures.

The Managing Director undertook a review of the senior executives during 2021 for that year. The review compared the performance of each senior executive against set duties and indicators per their employment agreements as well as the overall performance of the company and its results.

Principle 2: Structure the board to be effective and add value

Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

- i. has at least three members, a majority of whom are independent directors; and
- ii. is chaired by an independent director,
- v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

A Nomination Committee has not been established. Due to the size of the Company and its Board, the Board does not consider it necessary to establish a Nomination Committee. The Board will fulfil the roles and responsibilities in relation to nomination.

The Chair reviews board succession issues and the skills of the Board, versus future required skills, 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.

Refer to the Company's Board Charter isignthis.com.au for further details.

During the period that the Company does not have an Nomination Committee, the Company will disclose that fact and address the matters contained by Recommendation 2.1(b) in its annual reports.

Recommendation 2.2

A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

The Board seeks to have an appropriate and diverse mix of skills, experience, expertise and diversity (including gender and skills diversity) to effectively discharge its responsibilities, appropriately monitor risk management and add value to the Group.

Having regard to the business of the Company and its strategy, the following table sets out the mix of skills and experience the Board considers necessary or desirable and the extent to which they are represented on the Board as at 6 May 2022:

Requirement	Directors Expertise	Snr Executive Expertise
ASX Rules (> 2 years)	TH, SM, BEW	TH, EW
Corporate Governance	TH, SM, BEW	EW
CEO Experience	TH, BEW	TH
Industry/Sector Experience	BEW	EW
Independence	TH, SM, BEW	EW
Residency (in AU)	TH, SM, BEW	EW
Accounting / Economics/Financial Literacy	SM, BEW, TH	EW
AntiMoney Laundering	BEW	External Advisors used as required
Information Technology	SM, TH	External Advisors used as required
CyberSecurity	SM	External Advisors used as required
Compliance / Regulatory	BEW	EW
Legal / Privacy	SM	Inhouse counsel plus external counsel
HR Management	TH	External Advisors used as required
Banking Executive Experience	BEW	EW
Strategy Development & Execution	TH	TH
Risk Evaluation and Mitigation	BEW	External Advisors used as required
Marketing / Sales	TH	TH
Capital Raising & Markets	BEW, TH	EW

Key :

Directors

TH = Timothy J Hart,

SM=Scott W Minehane

BEW = Barnaby Egerton Warburton

Senior Executives

EW = Elizabeth Warrell

Recommendation 2.3

A listed entity should disclose:

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

In accordance with the definition of independence set out below and the established materiality thresholds, all Non-executive Directors of the Company are considered independent, being Mr Scott Minehane and Mr Barnaby Egerton Warburton.

In the context of Director independence, 'materiality' is considered from both the Company and individual Director perspective. None of the Non-executive Directors of the Company has an interest, position, association or relationship described in the examples set out in box 2.3 of the Governance Principles that in the opinion of the Board would compromise the independence of any Non-executive Director.

The length of service of each Director can be found in the Directors' Report within the Annual Report.

There are procedures in place, agreed by the Board, to enable Directors in furtherance of their duties to seek independent professional advice at the Company's expense.

Recommendation 2.4

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

The Executive Chair, Timoty Hart, is not independent on the basis that he is an executive director. All the other Directors are independent Non-executive Directors, as noted above.

Recommendation 2.5

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

The Executive Chair, Timoty Hart, is not independent on the basis that he is an executive director. Post the demerger in October 2021 from ISX Financial EU Plc, and the subsequent resignation of the Managing Director, the Board elected Mr Hart as the Executive Chair. This is considered reasonable given the relatively small size of the Company's operations post the demerger. In future years, if the Company's operations grow to a sufficient size, the Company will appoint a CEO and the Board will look to appoint an independent Chair.

Recommendation 2.6

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.

The entity has a program for inducting new directors and supports current directors to provide appropriate professional development opportunities. In addition, Directors will be informed about developments within the Company and the financial services industry more generally in order to maintain the currency of knowledge, skills and experience necessary to perform their roles.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

Recommendation 3.1

A listed entity should articulate and disclose its values.

Due to the relatively small size of the Company, it has yet to formally articulate its values.

Recommendation 3.2

A listed entity should:

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.**

The Company has established a **Code of Conduct** that sets out a framework of the ethical standards expected of all employees, Directors and senior executives of the Company. Any material breaches of the Code of Conduct are reported to the Board. The Code of Conduct is published in the **Corporate Governance** section of the Company's website www.isignthis.com.au.

Recommendation 3.3

A listed entity should:

- (a) have and disclose a whistleblower policy; and**
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.**

The Company has adopted a **Whistleblower Policy** to foster a culture of corporate compliance and ethical decision-making and to protect eligible whistleblowers who make protected disclosures. Any material incidents reported under the **Whistleblower Policy** are reported to the Board, in accordance with the protections for whistleblowers in the Policy. The **Whistleblower Policy** is published in the **Corporate Governance** section of the Company's website at www.isignthis.com.au.

Recommendation 3.4

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.**

The Company has adopted an **Anti-Bribery and Corruption Policy** as part of its commitment to creating a robust culture of integrity. Any material breaches of the **Anti-Bribery and Corruption Policy** are reported to the Board by Management. The **Anti-Bribery and Corruption Policy** is published in the **Corporate Governance** section of the Company's website www.isignthis.com.au.

Principle 4: Safeguard the integrity of corporate reports

Recommendation 4.1

The board of a listed entity should:

(a) have an audit committee which:

- i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
- ii. is chaired by an independent director, who is not the chair of the board, and disclose:
 - iii. the charter of the committee;
 - iv. the relevant qualifications and experience of the members of the committee; and
 - v. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Board has established a Audit Committee, which operates under the Audit Committee Charter approved by the Board. Due to the current size of the Board, all members of the Board are members of the Audit Committee, with two independent non executive directors and the Executive Chair. The Chair of the committee is a Non-executive Director and is not the Chair of the Board. The composition of the Audit Committee and the number of meetings held and attended by each member of the Committee during the year can be found in the Directors' Report within the Annual Report. The Audit Committee Charter is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

Ultimate responsibility for the integrity of the Company's financial reporting rests with the Board. The Committee assists the Board in fulfilling its statutory, corporate governance and oversight responsibilities by monitoring and reviewing the integrity of the Company's internal financial reporting and external financial statements, and the effectiveness of internal financial controls. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. Before the approval of the Company's financial statements for a financial period, the Board receives from the CFO and the Managing Director a declaration that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with 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, consistent with section 295A of the Corporations Act and Recommendation 4.2 of the Governance Principles.

The Audit Committee is responsible for monitoring the external audit process and ensuring the rotation, independence and competence of the external auditor.

Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Board, before it approves the Company's financial statements for a financial period, receives from its Managing Director or Executive Chair (as relevant) and its Chief Financial Officer 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.

Recommendation 4.3

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.

The Company doesn't disclose any periodic corporate reports, other than the Half Year and Annual Report, both of which are audited or reviewed by external auditors.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

iSignthis is committed to providing timely, complete and accurate disclosure of information to the market in accordance with its continuous disclosure obligations under the Corporations Act 2001 (Cth) (Corporations Act) and the ASX Listing Rules.

The continuous disclosure policy is designed to ensure that procedures are in place so that the securities exchange in which the Company's securities are listed is properly informed of matters which may have a material impact on the price at which the securities are traded.

The Company is committed to:

- a) complying with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing Rules;
- b) preventing the selective or inadvertent disclosure of material price sensitive information;
- c) ensuring shareholders and the market are provided with full and timely information about the Company's activities;
- d) ensuring that all market participants have equal opportunity to receive externally available information issued by the Company.
- e) ensuring that its directors, employees and contractors are aware of this Policy, including by way of ongoing training, and highlighting to directors, employees and contractors the importance of maintaining confidentiality of information against premature disclosure, particularly in circumstances where ISX is relying on the exception under ASX Listing Rule 3.1A.

- f) ensuring that its directors, employees and contractors are aware of the importance of maintaining confidentiality of information against premature disclosure, particularly in circumstances where ISX is relying on the exception under ASX listing Rule 3.1A.

iSignthis has a Disclosure Committee that manages the Group's compliance with its continuous disclosure obligations and this Policy. The Continuous Disclosure Policy is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

The Company provides Directors with copies of ASX announcements promptly after they have been released to the market.

Recommendation 5.3

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.

The Company releases copies of the slides for investor and analyst presentations to ASX before the presentations are given.

Principle 6: Respect the rights of security holders

Recommendation 6.1

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

The Company publishes detailed information on itself and its corporate governance policies including the Constitution, Board Charter, Board Committee Charters and the policies and procedures referred to in this Statement, in the in the Corporate Governance section of the Company's website www.isignthis.com.au.

Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

The Company promotes effective communication with its shareholders and is committed to:

- Ensuring shareholders and the financial markets are provided with full and timely information about the Company's activities in a balanced and understandable way;
- Complying with continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act in Australia; and
- Communicating with its shareholders and making it easier for shareholders to communicate with the Company.

To this end, the Company has established a Shareholder Communications Policy which detailshow the Company will communicate with securityholders.

The Company's website has a dedicated Investor Centre for the purposes of publishing all important

company information and relevant announcements made to the market.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

The Company encourages shareholder participation at general meetings.

The Notice of AGM is published on the Company's website. Shareholders are able to attend the meeting in person or via teleconference, or to appoint a proxy. Shareholders are invited to submit questions in advance and to ask questions of the Company and its auditor at the AGM.

Recommendation 6.4

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.

All substantive resolutions at general meetings are determined by way of a poll.

Recommendation 6.5

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Shareholders have the option to receive communications electronically from, and send communications to, the Company's registry service provider Computershare.

Principle 7: Recognise and manage risk

Recommendation 7.1

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- i. has at least three members, a majority of whom are independent directors; and
- ii. is chaired by an independent director, and disclose:
- iii. the charter of the committee;
- iv. the members of the committee; and
- v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

The Board has established a Risk Committee, which operates under the Risk Committee Charter approved by the Board. Due to the current size of the Board, all members of the Board are members of the Risk Committee, with two independent non executive directors and the Executive Chair. The Chair of the

committee is a Non-executive Director and is not the Chair of the Board. The composition of the Risk Committee and the number of meetings held and attended by each member of the Committee during the year can be found in the Directors' Report within the Annual Report. The Risk Committee Charter is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

Recommendation 7.2

The board or a committee of the board should:

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

The Board through the Risk Committee reviews the risk management framework annually.

Recommendation 7.3

A listed entity should disclose:

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

The Company has historically had an internal audit function, through an outsourced service provider. Post the demerger, due to the limited size of the Company's current operation it has not appointed another outsourced service provider as the internal audit function. In future years, when the size of the Company's operations warrant it, the Board will appoint another outsourced service provider as the internal audit function

The Company currently reviews, evaluates and improves the effectiveness of its risk management and internal controls through, management processes, and external audit input, all overseen by the Audit Committee and the Risk Committee.

Recommendation 7.4

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.

Protection of the environment in which we live and operate is part of iSignthis Limited values and purpose. We consider it to be sound business practice. We continue to reduce our environmental footprint by taking such measures as those outlined below. We have policies, training and engagement programmes in place to encourage our employees, suppliers and customers to do the same. Care for the environment is one of our key responsibilities and an important part of the way in which we do business.

The Company Environmental Policy can be found at www.isignthis.com.au.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

The board of a listed entity should:

- (a) have a remuneration committee which:
 - i. has at least three members, a majority of whom are independent directors; and
 - ii. is chaired by an independent director, and disclose:
 - iii. the charter of the committee;
 - iv. the members of the committee; and
 - v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has established a Remuneration Committee, which operates under the Remuneration Committee Charter approved by the Board. Due to the current size of the Board, all members of the Board are members of the Remuneration Committee, with two independent non executive directors and the Executive Chair. The Chair of the committee is the Executive Chair and is the Chair of the Board. The composition of the Remuneration Committee and the number of meetings held and attended by each member of the Committee during the year can be found in the Directors' Report within the Annual Report. The Remuneration Committee Charter is published in the Corporate Governance section of the Company's website www.isignthis.com.au.

Recommendation 8.2

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

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. For a full discussion of the Company's remuneration philosophy and framework and the remuneration received by Directors and executives in the current period please refer to the remuneration report, which is contained within the Annual Report.

There is no scheme to provide retirement benefits, other than payments made by way of the

superannuation guarantee, to Non-executive Directors.

Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and**
- (b) disclose that policy or a summary of it.**

Under the Company's Securities Trading Policy, a Designated Person (including Directors, Key Management Personnel and certain designated senior executives) must not trade in any securities of the company at any time when they are in possession of un-published price sensitive information in relation to those securities.

Before commencing to trade, a Designated Person must first notify and obtain approval of the Clearance Officer (the person appointed by the Company for processing the securities dealing clearance, currently the Company Secretary). Only in exceptional circumstances will approval be given by the Clearance Office to trade outside any of the 30 day periods which commence immediately after the announcement of the half yearly result or the full year results, the annual general meeting or the date of the release of a disclosure document offering equity securities in the company.

As required by the ASX Listing Rules, the company notifies ASX of any transaction conducted by Directors in the securities of the Company.

In accordance with the Company's Securities Trading Policy Designated Persons are prohibited from entering into transactions in financial products which operate to limit the economic risk of unvested options granted under a Company share option plan.

The Securities Trading Policy is published in the Corporate Governance section of the Company's website www.isignthis.com.au.