

## CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Oakridge International Limited (“Oakridge” or “the Company”) is responsible for the corporate governance of the Company and is committed to achieving and demonstrating the highest standards of corporate governance.

Oakridge’s Corporate Governance Statement is structured with reference to the Australian Securities Exchange Corporate Governance Council’s “Corporate Governance Principles and Recommendations” as revised in September 2019 (4<sup>th</sup> edition), the Principles of which are as follows:

1. Lay solid foundations for management and oversight;
2. Structure the board to be effective and add value;
3. Instil a culture of acting lawfully, ethically and responsibly;
4. Safeguard integrity in corporate reports;
5. Make timely and balanced disclosure;
6. Respect the rights of security holders;
7. Recognise and manage risk; and
8. Remunerate fairly and responsibly.

The Corporate Governance Statement contains certain specific information and discloses the extent to which the Company has followed the guidelines during the period. Where a recommendation has not been followed, the fact is disclosed, together with reasons for the departure.

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

#### Recommendation 1.1 – Role of the Board and Management

*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.*

#### **Recommendation followed**

The Board operates in accordance with the broad principles set out in this charter which is available from the investor information section of the Company website at: <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>

The charter details the board’s composition and responsibilities.

The charter states:

- the board will comprise a suitable mix of Non-Executive Directors and Executive Directors. Non-Executive Directors bring a fresh perspective to the board’s consideration of strategic, risk and performance matters and are best placed to exercise independent judgement and review and constructively challenge the performance of management;
- in recognition of the importance of independent views and the board’s role in supervising the activities of management, it is preferred that the Chairman should be an independent Non-Executive Director. The board must be independent of management and all directors are required to bring independent judgement to bear in their board decision making;
- the Chairman is elected by the full board and is required to meet regularly (either formally or informally) with the Chief Executive Officer;
- the Company is to maintain a mix of directors on the board from different backgrounds with complementary skills and experience; and

- the board is required to undertake an annual board performance review and consider the appropriate mix of skills required by the board to maximise its effectiveness and its contribution to the Group.

The Board delegates responsibility for the operation and administration of the Company, including day-to-day management of Oakridge's affairs and the implementation of corporate strategy and policy initiatives, to the Chief Executive Officer (the "CEO") and the Senior Executives.

The responsibilities of the board include:

- providing strategic guidance to the Company including contributing to the development of and approving the corporate strategy;
- reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
- overseeing and monitoring:
  - organisational performance and the achievement of the Company's strategic goals and objectives;
  - compliance with the Company's Code of Conduct; and
  - progress of major capital expenditures and other significant corporate projects including any acquisitions or divestments;
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditors;
- appointment, performance assessment and, if necessary, removal of the Chief Executive Officer;
- ratifying the appointment and/or removal and contributing to the performance assessment for the members of the senior management team;
- ensuring there are effective management processes in place and approving major corporate initiatives;
- enhancing and protecting the reputation of the organisation; and
- overseeing the operation of the Company's system for compliance and risk management reporting to shareholders.

### **Recommendation 1.2 – Director Checks**

*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.*

### **Recommendation followed**

The Company performs checks on all potential directors and includes checks on character, education, experience and criminal records. Directors are required to provide consent for the Company to perform such checks.

Details of each Director are tabled in the Annual Report and Company website, and include their relevant qualifications and experience and the skills they bring to the Board. Any material directorships currently held are also stated in the Annual Report.

Non-Executive Directors are expected to spend an appropriate portion of time per year preparing for and attending board and committee meetings and associated activities. It is the Company's practice to allow its executive directors to accept appointments outside the Company with prior advice to and agreement by the board.

The commitments of Non-Executive Directors are considered by the Board prior to the directors' appointment to the board of the Company and are reviewed each year as part of the annual performance assessment.

Prior to appointment or being submitted for re-election, each Non-Executive Director is required to specifically acknowledge that they have and will continue to have the time available to discharge their responsibilities to the Company.

Directors must have sufficient time to fulfil their duties as a Director of the Company and are required to table any new commitments at Board Meetings.

### **Recommendation 1.3 – Written Agreement with each Director and Senior Executive**

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

#### **Recommendation followed**

Non-Executive Directors are engaged by the Company under letters of appointment and senior executives are engaged under service contracts. The roles and responsibilities of an appointee are addressed in these agreements.

Directors' remuneration and appointment and service contracts for senior executives are provided in the Remuneration Report within the Annual Report.

### **Recommendation 1.4 – Company Secretary**

*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.*

#### **Recommendation followed**

The Company Secretary reports directly to the Board, through the Chairman, on all matters to do with the functioning of the Board.

### **Recommendation 1.5**

*A listed entity should:*

- (a) *have and disclose a diversity policy:*
- (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:*
  - (1) *the measurable objectives set for that period to achieve gender diversity;*
  - (2) *the entity's progress towards achieving those objectives; and*
  - (3) *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.*

#### **Recommendation not followed**

The Company recognises that diversity is a critical aspect of effective management of its people and their contributions to the success of the Company. On 21 September 2021, the Company adopted a Diversity Policy, which includes requirements for the Board to establish measurable objectives for achieving diversity within their personnel.

The Diversity Policy provides a framework to achieve:

- a diverse and skilled workforce, leading to continuous improvement in business activities;;
- a workplace culture of inclusion practices and behaviours for the benefit of all employees;
- a work environment that values the contributions of all employees including those with diverse backgrounds, experiences, and perspectives; and

- awareness of all employees in respect of their rights to fairness, and all aspects of diversity.

The Policy will be periodically reviewed by the Board to ensure it is operating effectively. The Policy can be accessed at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

Given the size of the Company and the recent adoption of the Diversity Policy, Oakridge is not in a position to report on measurable objectives for gender diversity or their progress towards achieving them.

#### **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 was undertaken in accordance with that process during or in respect of that period.*

#### **Recommendation followed**

The Board Charter details the Company's commitment, responsibility and process to evaluate the performance of the Board, individual directors, the chairman and Committees of the Board. The Board Charter is located on the Company's website at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

During the reporting period, the Board has undertaken an assessment of individual Directors performance via informal discussions between each Director and the Chairman.

#### **Recommendation 1.7 – Performance of Senior Executives**

*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.*

#### **Recommendation followed**

The Board evaluates management's performance against various criteria and requires senior executives to formally address the Board on execution of strategy and associated issues.

During the reporting period, no Senior Executives were engaged by the Company requiring any assessments to take place.

## **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:*
  - (1) *has at least three members, a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director,*  
*and disclose;*
  - (3) *the charter of the committee;*
  - (4) *the members of the committee; and*
  - (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*

- (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.*

**Recommendation followed**

The Board has no formal nomination committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new Directors. In view of the size and resources available to the Company, it is not considered that a separate nomination committee would add any value to this process.

**Recommendation 2.2 – Board Skills Matrix**

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

**Recommendation not followed**

The Company adopts an informal process to review the Board skills at Board meetings without the need for a board skills matrix. The Board benefits from the combination of Directors' individual skills, expertise and experience in particular areas, as well as the varying perspectives and views that arise amongst the Directors and their diverse backgrounds.

The Board believes the skills base of the current Directors is appropriate and adequate for the Company's size.

**Recommendation 2.3 - Directors' independence**

*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 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 or relationship in question and an explanation of why the board is of that opinion; and*
- (c) *the length of service of each director.*

The following principles apply in respect of the Board:

- The majority of Non-Executive Directors on the Board are comprised of Independent Directors.
- All Directors, whether independent or not, should bring independent judgement to bear on the board decisions. A procedure will be agreed whereby, in appropriate circumstances, directors can have access to independent professional advice at the Company's expense.
- Non-Executive Directors are encouraged to confer regularly without management present, including at scheduled sessions.
- Specifically to be deemed independent, a director must be a non-executive and:
  - not be a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company.
  - within the last three years, not have been employed in an executive capacity by the Company or any other Group member, or been a director after ceasing to hold any such employment;
  - within the last three years not have been a principal of a material professional adviser or a material consultant to the Company or any other Group member, or an employee materially associated with the service provided;
  - not be a material supplier or customer of the Company or any other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
  - must have no material contractual relationship with the Company or a controlled entity other than as a director of the Group;

- not have been on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and / or
- be free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

Materiality for these purposes is determined on both quantitative and qualitative bases. A transaction of any amount or a relationship is deemed material if knowledge of it may impact the shareholders' understanding of the director's performance.

The Non-Executive Directors are encouraged to meet regularly without the presence of management or executive directors, to discuss the operation of the board and a range of other matters. Relevant matters arising from these meetings are shared with the full board.

Any and all potential conflicts of interest (whether relating to Non-Executive Directors, or to Executive Directors) are to be notified by the individual director concerned, prior to the matter being formally discussed between Directors. In accordance with the board charter, the directors concerned declare their interests in those dealings to the Company and take no part in decisions relating to them or the preceding discussions. In addition, these directors do not receive any papers from the Group pertaining to those dealings.

Where the independence status of a director changes, the Company will provide immediate notification of such change to the market. Directors' independence and the length of service of each Director is disclosed within the Annual Report.

Mr. Elvis Diao and Mr. Peter John Whelan are considered to be Independent Directors.

Mr. Con Unerkov was appointed a Director on 31 December 2019, Mr. Elvis Diao was appointed a Director on 24 April 2020 and Mr Peter John Whelan was appointed a Director on 29 January 2021.

#### **Recommendation 2.4 – Majority of the Board compose of Independent Directors**

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

##### **Recommendation followed**

The board currently consists of two (2) Independent Non-Executive Directors and one (1) Executive Director.

#### **Recommendation 2.5 – Independent Chairman & Chief Executive Officer**

*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.*

##### **Recommendation not followed**

Mr. Con Unerkov is the current Chairman and CEO and considered to be an Executive Director.

#### **Recommendation 2.6 – Induction of Directors and Professional Development**

*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.*

##### **Recommendation followed**

The Company has a program for the induction of new Directors. This induction covers all the aspects of the Company's operations including the provision of information and meetings with other Directors and management to ensure that new Directors are able to fulfil their responsibilities and contribute to Board decisions.

Directors and board committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense. Prior written approval of the Chairman is required, but this is not to be unreasonably withheld.

### 3. PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

#### **Recommendation 3.1 – Articulate and disclosed values**

*A listed entity should articulate and disclose its values.*

#### **Recommendation followed**

The Board is firmly committed to ensuring that it and all directors, employees, representatives and service providers observe the highest standards of core values and conduct. Decisions made should honour the spirit and letter of the law. To this end, business will be conducted honestly and ethically, using best skills and judgments, for the benefit of clients, employees and the Company itself. The Statement of Core Values (“Values”) can be found at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

#### **Recommendation 3.2 – Code of Conduct**

*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.*

#### **Recommendation followed**

The Company supports and has adopted a Code of Conduct for its Directors and employees, which outlines the standards of ethical behaviour and is essential to maintain the trust of all stakeholders and the wider community.

The code recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics and its commitment to ensuring compliance with the insider trading laws.

The insider trading provisions of the Corporations Act have been drawn to the attention of all Directors and executives and it has been agreed that this will be a continuing policy on a regular basis. Directors have all entered into agreements to notify the Company within three days of any dealing in the Company’s securities and it is an employment condition that all executives notify the Company within three days of any dealing in the Company’s securities.

The Board and management of Oakridge are committed to the Code of Conduct which is based on the Company’s core values of acting with integrity, fairness and honesty along with legal and fiduciary obligations to all legitimate stakeholders including shareholders, customers, employees and the broader community.

#### **Confidentiality**

Information concerning Oakridge and its clients is confidential and must not be released without authorisation from a manager. Information gained through dealings with clients should only be used in the course of employment.

#### **Privacy Act obligations**

Employees must comply with the Privacy Act. Employees have an obligation and personal responsibility to respect clients’, and all individuals’ rights to privacy. This means doing everything the security of any personal information handled in the course of employment.

#### **Protecting confidential information**

Commercially sensitive documents, records and files should be stored securely and not left where visible. Confidential information should not be left on computer screens and computer access passwords must not be shared with others.

#### **Securities trading policy**

A copy of the Securities Trading Policy can be found on the Company website at:

<https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

### **Recommendation 3.3 – Whistleblower policy**

*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.*

#### **Recommendation followed**

The Board is firmly committed to ensuring that the company and all employees observe the highest standards of ethical behaviour and conduct. To this end, business will be conducted honestly and ethically, exercising its best skills and judgment, for the benefit of clients, employees and the company itself. This extends to providing protection to whistleblowers, as laid out in the Corporations Act. A copy of the Whistleblower Policy can be found at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

### **Recommendation 3.4 – Anti-bribery and corruption policy**

*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 incidents reported under that policy.*

#### **Recommendation followed**

The Board is committed to conducting its business in accordance with all applicable laws and regulations and in accordance with the values set out in its Code of Conduct.

The Code of Conduct outlines:

- the Board's position on bribery, corruption and modern slavery;
- the responsibilities of employees to observe and uphold the Board's position; and
- how to recognise and deal with instances of bribery, corruption and modern slavery.

## **4. SAFEGUARD INTEGRITY IN FINANCIAL REPORTING**

### **Recommendation 4.1 – Audit and Risk Management Committees**

*The board of a listed entity should:*

- (a) *have an audit committee which:*
  - (1) *has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director, who is not the chair of the board, and disclose;*
  - (3) *the charter of the committee;*
  - (4) *the relevant qualifications and experience of the members of the committee; and*
  - (5) *in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- (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.*



### **Recommendation not followed**

The Board has an Audit and Risk Committee but does not have a charter for that committee. The Board (excluding the Executive Chairman) acts as a committee and carries out the processes that would be undertaken by a committee constituted under a formal charter. In view of the size and resources available to the Company, it is not considered that an Audit and Risk Committee constituted under a formal charter would add any value to this process. Further the Company has three directors, two of whom are non-executive directors, so it does not have a sufficient number of directors to make up a committee of three directors, all of whom are non-executive directors.

### **Recommendation 4.2 – Declaration from the CEO and CFO**

*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.*

### **Recommendation followed**

The Chief Executive Officer and Chief Financial Officer, at the end of each six months period, make the following certifications to the board:

1. that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards; and
2. that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

### **Recommendation 4.3 – External Auditors**

*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.*

### **Recommendation followed**

The Company and audit and risk committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditors is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. HLB Mann Judd, were appointed as the external auditor for the financial year 2021 onwards.

It is the policy of the external auditors to provide an annual declaration of their independence to the audit committee.

The external auditor will attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

## 5 MAKE TIMELY AND BALANCED DISCLOSURE

### Recommendation 5.1 – Disclosure Policy

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

#### **Recommendation followed**

The continuous disclosure requirements of the ASX are detailed in Chapter 3 of the ASX Listing Rules and are adopted by the Company. The Company ensures all investors have equal and timely access to information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings.

The company secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When presentations on aspects of the Company's operations are made, the material used in the presentation is released to the ASX and posted on the Company's web site.

Where uncertainty arises as to the meeting of continuous disclosure obligations, the company secretary may seek external legal advice. The Board monitors the implementation and effectiveness of the continuous disclosure procedures and promotes the understanding of compliance.

### Recommendation 5.2 – Distribution of Material Market Announcements

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

#### **Recommendation followed**

The Company will use the facility in ASX Online to automatically disseminate all lodged announcements to members of the board.

### Recommendation 5.3 – Release of Investor or Analyst Presentations

*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.*

#### **Recommendation followed**

The Company ensures that investor presentations are release on the ASX Market Announcements Platform ahead of the presentation.

## 6. RESPECT THE RIGHTS OF SHAREHOLDERS

### Recommendation 6.1 – Information on Website

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

#### **Recommendation followed**

Information about the Company and its governance to investors can be located on the "Corporate Governance" landing page on the Company website.

The location is: [www.xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Statement-2021.pdf](http://www.xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Statement-2021.pdf) and provides access to all relevant corporate governance information. The Company website also contains links to copies of ASX announcements, annual reports, semi-annual reports and quarterly cash flow report for entities

subject to Listing Rule 4.7B, news and alerts, shareholder services and overview of the Company's business activities in relevant sections.

### **Recommendation 6.2 – Investor Relations Program**

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

#### **Recommendation followed**

The Board aims to ensure that the shareholders, on behalf of whom they act, are provided with all information necessary to assess the performance of the Company. Information is communicated to the shareholders through:

- The Annual Report, which will be distributed to all shareholders (unless shareholders specifically indicate otherwise);
- Half year Report to all shareholders (to be issued within two months of the end of the Half yearly);
- The Annual General Meeting, and other meetings called to obtain approval for Board action as appropriate;
- The Company's website is at [www.oakridgeint.com](http://www.oakridgeint.com). This website is actively maintained and includes all market announcements, briefings to shareholders, full texts of notices of meeting and explanatory material and compliance reports such as the quarterly cash flow report, the half yearly and annual report.
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### **Recommendation 6.3 – Participation at meetings of Security Holders**

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

#### **Recommendation followed**

The Board encourages the full participation of its shareholders at the annual general meeting and welcomes questions from shareholders on relevant issues.

The external auditor will attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

### **Recommendation 6.4 – Substantive resolutions are decided by poll rather than show of hands**

*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.*

#### **Recommendation followed**

Oakridge security holders are given the opportunity to vote on all substantive resolutions at the Company's AGM or at a General Meeting. Notices of meeting are sent out in advance of the meeting with voting sheets attached. The Company ensures that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

### **Recommendation 6.5 – Electronic Communication**

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

#### **Recommendation followed**

The Company provides opportunities for shareholders to participate through electronic means including through its website, by email communications and via the share registry. Shareholders who have made an election receive communications including the Company's Annual Report on the Company's website or by email.

Electronic contact details are provided on the Company website. The Company endeavours to respond to all shareholder queries on a prompt and courteous basis. All information disclosed to the ASX is automatically posted on the Company's website as soon as it is disclosed to ASX.

## 7. RECOGNISE AND MANAGE RISK

### Recommendation 7.1 – Audit and Risk Committee

*The board of a listed entity should:*

- (a) *have a committee or committees to oversee risk, each of which:*
  - (1) *has at least three members, a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director, who is not the chair of the board,*  
*and disclose;*
  - (3) *the charter of the committee;*
  - (4) *the members of the committee; and*
  - (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*
- (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.*

### **Recommendation followed**

Taking and managing risk are central to business and building shareholder value. The Board as a whole is responsible for the identification of significant areas of business risk, implementing procedures to assess, monitor and manage such risks and developing policies regarding the establishment and maintenance of appropriate ethical standards to:

- ensure compliance in legal, statutory and ethical matters;
- monitor the business environment, identify potential opportunities & risk areas therein; and
- monitor systems established to ensure prompt and appropriate responses to Stakeholder complaints and/or enquiries.

The Board meets on a regular basis and reviews and monitors the parameters under which such risks will be managed. The Company has not established an Audit and Risk Committee in accordance with recommendation 7.1(a). The Risk Management Policy is available from the Company's website at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.

### Recommendation 7.2 – Annual Risk Review

*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 that the entity is operating with due regard to the risk appetite set by the board; and*
- (b) *disclose, in relation to each reporting period, whether such a review has taken place.*

### **Recommendation followed**

The Company risk management policy and the operation of the risk management and compliance system are regularly reviewed by the management and has been reviewed for the year ended 30 June 2021. Detailed control procedures cover management accounting, financial reporting, project appraisal, environment, health and safety, IT security, compliance and other risk management issues.

In addition, the board requires that each major proposal submitted to the board for decision is accompanied by an appropriate review of risks and, where required, management's proposed mitigation strategies.

The Chief Executive Officer and Chief Financial Officer, at the end of the financial year, make the following certifications to the board:

1. that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards; and
2. that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

### **Recommendation 7.3 – Internal Audit**

*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 governance, risk management and internal control processes.*

#### **Recommendation followed**

The Company does not have a formal internal audit function. The Company's management periodically undertakes a review of financial systems and processes and where systems are considered to require improvement these systems are developed. Authority delegations are reviewed annually by the audit and risk committee.

### **Recommendation 7.4 - Material exposure to risk**

*A listed entity should disclose whether it has any material exposure environmental or social risks and, if it does, how it manages or intends to manage those risks.*

#### **Recommendation followed**

The Company ensures that any material exposure to economic, environmental and social sustainability risks will be disclosed. The Board has considered the Company's exposure specifically to economic, environmental and social sustainability risks and has determined the following:

- Economic Risks - the business is exposed to general economic conditions. Specifically, material risks exist in relation to; competition and new technologies; reliance on key personnel; data loss, theft or corruption; technology platform failure; the impact of privacy laws and regulations; country specific risks in new unfamiliar markets;
- Environmental risks - there is no current material exposure to environmental risks; and
- Social sustainability - there is no current material risk associated with social sustainability.

## **8. REMUNERATE FAIRLY AND RESPONSIBLY**

### **Recommendation 8.1 – Remuneration Committee**

*The board of a listed entity should:*

- (a) *have a remuneration committee which:*
  - (1) *has at least three members, a majority of whom are independent directors; and*
  - (2) *is chaired by an independent director*

and disclose;

- (3) the charter of the committee;
  - (4) the members of the committee; and
  - (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
- (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.

#### **Recommendation followed**

Given the current size of the Board, the Company does not have a remuneration committee. The Board as a whole reviews remuneration levels on an individual basis, the size of the Company making individual assessment more appropriate than formal remuneration policies. In doing so, the Board seeks to retain professional services as it requires, at reasonable market rates, and seeks external advice and market comparisons where necessary.

#### **Recommendation 8.2 – Disclosure of Remuneration Policies and Practices**

*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.*

#### **Recommendation followed**

Oakridge's remuneration policy ensures that remuneration packages properly reflect the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Remuneration Committee reviews and makes recommendation on Director and Senior Executive remuneration and overall staff remuneration and incentive policies. Committee members have regard to external remuneration sources on recent developments on remuneration and related matters as required.

Executive remuneration and the terms of employment are reviewed annually having regard to personal and corporate performance, contribution to long-term growth, relevant comparative information and independent advice. There was executive remuneration paid for key management during the 2021 financial year and this is disclosed in the remuneration section of Annual Report.

All remuneration paid to Directors and Senior Executives is measured at the cost to the Company and expensed.

Non-Executive Directors are entitled to be paid fees and those fees will be as agreed or adjusted by them, from time to time. The maximum amount of fees that can be paid to Non-Executive Directors is subject to shareholder approval at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Company.

#### **Recommendation 8.3 – Policy on Equity Based Remuneration Scheme**

*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.

#### **Recommendation followed**

The Company has an equity-based remuneration scheme. The Company's Securities Trading Policy provides that participants in the scheme must not enter into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested equity interest. The Securities Trading Policy is located at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Policies.pdf>.