



8common Limited and its Controlled Entities
ACN 168 232 577

APPENDIX 4G
CORPORATE GOVERNANCE STATEMENT
30 June 2019

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

8common Ltd

ABN / ARBN:

168 232 577

Financial year ended:

30 June 2019

Our corporate governance statement² for the above period above can be found at:³

- ☐ These pages of our annual report:
- ☐ This URL on our website: <http://www.8common.com/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 30 September 2019 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 30 September 2019

Name of Director or Secretary authorising
lodgement: Nic Lim
Director

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (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 fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ at http://www.8common.com/corporate-governance/	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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 fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the f and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	A listed entity should: (a) have 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) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) 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 fact that we have a diversity policy that complies with paragraph (a): ☐ in our Corporate Governance Statement OR ☐ at [insert location] ... and a copy of our diversity policy or a summary of it: ☒ at http://www.8common.com/wp-content/uploads/2015/03/Diversity-Policy.pdf ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☐ in our Corporate Governance Statement OR ☐ at [insert location] ... and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at <i>[insert location]</i> ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
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.	[If the entity complies with paragraph (a):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement OR ☐ at [insert location] ... and a copy of the charter of the committee: ☐ at [insert location] ... and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement OR ☐ at [insert location] [If the entity complies with paragraph (b):] ... the fact that we do not have a nomination committee and the processes we employ 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: ☒ in our Corporate Governance Statement OR ☒ at http://www.8common.com/wp-content/uploads/2015/03/Board-Charter.pdf	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	... our board skills matrix: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	... the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement OR ☐ at [insert location] ... and, where applicable, the information referred to in paragraph (b): ☐ in our Corporate Governance Statement OR ☐ at [insert location] ... and the length of service of each director: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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 fact that we follow this recommendation: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	☒ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ☐ in our Corporate Governance Statement OR ☒ at http://www.8common.com/wp-content/uploads/2015/03/Code-of-Conduct.pdf	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	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.	[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> ... and a copy of the charter of the committee: ☒ at http://www.8common.com/wp-content/uploads/2015/03/Audit-Committ-Charter.pdf ... and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement OR ☒ In the Company's 2017 Annual Report [If the entity complies with paragraph (b):] ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement
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 fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: ☒ at http://www.8common.com/investor-center/	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	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, 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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> ... and a copy of the charter of the committee: ☐ at <i>[insert location]</i> ... and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> [If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement
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 fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	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.	[If the entity complies with paragraph (a):] ... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at <i>[insert location]</i> ... and a copy of the charter of the committee: ☒ at http://www.8common.com/wp-content/uploads/2015/03/Remuneration-Committee-Charter.pdf ... and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement <u>OR</u> ☒ In the Company's 2018 Annual Report [If the entity complies with paragraph (b):] ... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☐ in our Corporate Governance Statement <u>OR</u> ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	... our policy on this issue or a summary of it: ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement OR ☒ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	... the information referred to in paragraphs (a) and (b): ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	... the terms governing our remuneration as manager of the entity: ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i>	☐ an explanation why that is so in our Corporate Governance Statement

CORPORATE GOVERNANCE STATEMENT

The principal features of the Company's Corporate Governance policies and practices of 8common are summarised below.

The Company has adopted a comprehensive system of control and accountability as the basis for the administration of corporate governance.

The Board is responsible to Shareholders for the overall management of the Company's business and affairs. The Directors' overriding objective is to increase Shareholder value within an appropriate framework, which protects the rights and interests of Shareholders and ensures the Company is properly managed.

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, the Company has adopted the Corporate Governance Principles (3rd edition) ("**Principles**") as published by ASX Corporate Governance Council (ASX CGC).

The Company's corporate governance principles and policies are structured with reference to the ASXCGC's Corporate Governance Principles (2nd edition), which are as follows:

- Recommendation 1** Lay solid foundations for management and oversight;
- Recommendation 2** Structure the Board to add value;
- Recommendation 3** Promote ethical and responsible decision making;
- Recommendation 4** Safeguard integrity in financial reporting;
- Recommendation 5** Make timely and balanced disclosures;
- Recommendation 6** Respect the rights of shareholders;
- Recommendation 7** Recognise and manage risk;
- Recommendation 8** Remunerate fairly and responsibly;

In accordance with recommendations of the ASX, information published on the Company's web site includes charters of Board and its subcommittees, codes of conduct and other policies and procedures relating to the Board and its responsibilities. A copy of the Company's Corporate Governance Statement can be found on the Company's website www.8common.com under the Corporate Governance Section.

The Board will consider on an ongoing basis its Corporate Governance procedures and whether they are sufficient as the Company's activities develop in size, nature and scope. 8common Limited's corporate governance practices were in place for the year ending 30 June 2019 and other than outlined below the corporate governance practices of 8common Limited were compliant with the Council's recommendations during the year.

Board Structure

The directors in office at the date of this statement and their respective terms in office are as follows:

Name	Position	Term in Office
Kah Wui "Nic" Lim	Managing Director and Executive Chairman	Since incorporation (25 February 2014)
Nyap Liou "Larry" Gan	Non-Independent Non-Executive Director	Since 31 March 2014
Adrian Bunter	Independent Non-Executive Director	Since 6 June 2014
John Du Bois	Independent Non-Executive Director	11 October 2018

Each of the other abovementioned directors denominated as independent are considered independent by virtue of the fact that each individual is not a member of management, is not a substantial shareholder of the Company and is free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with – the independent exercise of their judgment.

When assessing the independence of directors, the ASX recommendations refer to materiality thresholds throughout the independence criteria, specifically in reference to evaluating what may constitute a material relationship.

The Board has adopted the following quantitative thresholds to be used as a guide when considering amounts in context of determining the materiality of certain relationships:

- (i) an amount which is equal to or greater than 10% of the appropriate base amount may be presumed to be material unless there is evidence or convincing argument to the contrary;
- (ii) an amount which is equal to or less than 5% of the appropriate base amount may be presumed not to be material, unless there is evidence, or convincing argument to the contrary.

The Board consist of two independent directors and two directors who are not independent. The Chair is not an independent Director. While this is not in accord with the ASXCGC principles, the directors believe it is currently appropriate given the current scale and stage of the operations of the Company.

As part of discharging its obligations as directors of the Company, the Directors will, from time to time need to seek independent professional advice at the expense of the Company. Accordingly, the Board has agreed that where issues or matters arise in relation to the running of the Company, that in the opinion of the directors require independent professional advice to assist in the decision making surrounding the resolution of these issues, the Board may engage such professional advice providing it is on standard commercial terms for advice of its nature.

Please refer to pages 8-9 of the 2019 Annual Financial Report for the relevant skills and experience of each of the directors.

Company Secretary

The Company Secretary is appointed by the Board and is responsible for developing and maintaining the appropriate governance systems and processes for the Board to fulfil its role and is responsible to the Board for ensuring compliance with Board procedures and governance matters. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. The Company Secretary is Dean Jagger.

Committees to the Board

To assist in the execution of its corporate governance responsibilities, the Board has two committees, the Audit Committee and the Remuneration Committee. When appropriate special board committees may be appointed to address specific issues. The Board reviews requirements for Board committees regularly. All committees operate principally in a review or advisory capacity, except in cases where powers are expressly conferred on or delegated to a committee by the Board.

Audit Committee

The Board has established an Audit Committee that operates under a charter approved by the Board. It is the Board's responsibility to ensure that an appropriate and effective internal control framework exists within the entity.

The system of internal control is designed to safeguard assets, ensure the maintenance of proper accounting records, monitor risks and reliability of financial information as well as non-financial considerations such as the benchmarking of operational key indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the economic entity to the Audit Committee. That Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.

The members of the Audit Committee are Adrian Bunter (Chair), Nyap Liou Gan and John Du Bois. Full details and qualifications of the members are contained in the Directors' Report.

The members are experienced in executive management, public company management and finance. The Chair of the Audit Committee is not the Chairman of the Board. The external auditors, the CEO and CFO are invited to Audit Committee meetings at the discretion of the Committee. Attendance at the meetings is set out in the Directors' Report.

Remuneration Committee

The Remuneration Committee is responsible for reviewing the remuneration of Directors and senior management and evaluation of senior management and makes recommendations to the Board on these matters. The committee is also responsible for recommendations to the Board on share and option schemes, incentive performance packages, superannuation entitlements, composition of the Board and

the process and criteria for selection of new directors. The Committee also has the responsibility to oversee the Company's general remuneration strategy.

Remuneration levels are competitively set to attract the best qualified and experienced Directors and key management personnel. The Committee is authorised to obtain independent advice on the appropriateness of remuneration packages.

The members of the Committee are John Du Bois, Adrian Bunter and Nyap Liou Gan. Attendance at the meetings is set out in the Directors' Report.

Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. The Board has adopted a formal code of conduct to be followed by all personnel and officers. The key aspects of this code are to:

- act with honesty, integrity and fairness and in the best interests of 8common and in the reasonable expectations of 8common's Shareholders;
- act in accordance with all applicable laws, regulations, policies and procedures; and
- use 8common's resources and property properly.

The code of conduct sets out 8common's policies on various matters including ethical conduct, business conduct, compliance, privacy, security of information, bribery and corruption, and conflicts of interest.

Diversity Policy

8common favors people who believe any goal is achievable. Those who understand teamwork, generate ideas, use company money wisely, work with integrity, and are energetic, enthusiastic and determined. 8common recognises that workplace diversity, including gender, age, ethnicity and cultural background is a key contributor to our business success.

8common is committed to promoting diversity and providing a respectful environment where employees and others in the workplace are treated fairly and all decisions are based on merit. Our policy is to recruit the right people for the right job regardless of race, gender, age, marital status, disability, sexual orientation, nationality, political or religious beliefs, or any other factor not relevant to their competence and performance.

As at 30 June 2019, the Company had 12 employees; of these 4 are female, (none of these hold senior management roles).

Timely Disclosure

The Company's Corporate Governance Statement contains the Company's policy to ensure compliance with ASX Listing Rules continuous disclosure obligations and the Company's policy to ensure timely and effective shareholder communication, including the encouragement for shareholders to participate at the Company's Annual General Meeting. A copy of the Company's Corporate Governance Statement is available on the Company's website.

Board and Senior Executive Performance Evaluation

ASXCGC recommendation 2.5 requires the disclosure of the process for performance evaluation of the Board, its committees and individual directors, and key executives. All consultants and contractors to the company had their contracts reviewed including agreed hours to be worked since 30 June 2018.

Other Information

The Company's corporate governance practices and policies are publicly available at the Company's registered office.

ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
Principle 1 – Lay solid foundations for Management and oversight		

ASX RECOMMENDATION	COMPLIED WITH?	COMMENT														
1.1. Company should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	Yes	8common's Board Charter sets out the specific responsibilities of the Board and senior executives														
1.2. Companies should undertake appropriate checks before appointing a person or putting forward a candidate for election as a director and provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes	8common has provided all relevant information about before appointing a person or putting forward a candidate for election as a director and will provide all materia information.														
1.3. A company should have a written agreement with each director and senior executive setting out the terms of their appointments.	Yes	8common has entered into written agreements with each of the directors setting out the terms of appointment, remuneration, working conditions and ongoing confidentiality of obligations.														
1.4. The company secretary of a company should be accountable directly to the Board through the Chair on all matters to do with proper functioning of the Board.	Yes	Dean Jagger currently fulfils the role of Company Secretary.														
1.5. A listed entity should have a diversity policy and should disclose at the end of each reporting year the measurable objectives for achieving gender diversity and the progress towards achieving those objectives.	Yes	8common will provide an explanation of any departures from recommendation 1.5 in future annual reports.														
1.6. Company should disclose the process for evaluating the performance of the Board and its committees.	Yes	8common intends to disclose the matters contemplated by Recommendation 1.6.														
1.7. Companies should disclose the process for evaluating the performance of senior executives.	Yes	8common intends to disclose the matters contemplated by Recommendation 1.7 in future annual reports.														
Principle 2 – Structure the Board to add value																
2.1 Company should have a Nomination Committee, which has at least 3 members a majority of whom are independent and is chaired by an independent director.	No	Given the size of 8common, its Board has not established a separate Nomination Committee but will perform the function itself. Should circumstances change, its Board will consider establishing a separate Nomination Committee.														
2.2 Companies should 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.	Yes	The Company does have a “board skills matrix” setting out the mix of skills and diversity that is looking to achieve in its membership. A summary of the experience and skills of the Board is set out in the matrix below. <table><tr><th>Experience & Skills</th><th>No of Directors.</th></tr><tr><td>Strategic planning and M&A</td><td>3</td></tr><tr><td>Corporate Governance</td><td>4</td></tr><tr><td>Accounting & Finance</td><td>3</td></tr><tr><td>Risk management</td><td>3</td></tr><tr><td>Leadership</td><td>4</td></tr><tr><td>Sales & Marketing</td><td>3</td></tr></table>	Experience & Skills	No of Directors.	Strategic planning and M&A	3	Corporate Governance	4	Accounting & Finance	3	Risk management	3	Leadership	4	Sales & Marketing	3
Experience & Skills	No of Directors.															
Strategic planning and M&A	3															
Corporate Governance	4															
Accounting & Finance	3															
Risk management	3															
Leadership	4															
Sales & Marketing	3															

ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
		Technology 3 Digital Business 4
2.3 A company should disclose the directors considered by the Board to be independent and the length of service of each director and whether a director has an interest in position association or relationship which the Board believes does not compromise the independence of the director.	Yes	8common intends to disclose the matters contemplated by ASX Recommendation 2.3 in future annual reports. 8common has provided detail in relation to the current Board.
2.4 A majority of the Board should be independent directors.	No	There are two independent directors.
2.5 The Chair should be an independent director and should not be the same person as the CEO of the Company.	No	The Chairman is an Executive director, is not independent and is the Managing Director of the Company.
2.6 A company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain skills and knowledge needed to perform their role as directors effectively.	Yes	The Board of 8common will regularly review the directors as a group and whether they have the skills, knowledge and familiarity with 8common and its operating environment. Where necessary, 8common will provide additional resources to help develop and maintain directors' skills and knowledge. 8common will provide relevant information in future annual reports.
Principle 3 – Act Ethically and Responsibly		
3.1 Companies should establish a code of conduct for its directors, senior executives and employees and disclose that code or a summary of it.	Yes	The Company has adopted a Code of Conduct. 8common requires all its directors to comply with the standards of behaviour and business ethics in accordance with the law and the Code of Conduct. These include acting honestly and with integrity and fairness in all dealings.
Principle 4 – Safe Guard Integrity in Corporate Reporting		
4.1 Company should have an audit committee which consists of at least 3 members all of who are non-executive directors and a majority of whom are independent directors and the committee should be chaired by an independent director who is not the chair of the board.	No	The Board has established an Audit Committee. The primary responsibility of which is to review and make recommendations to the Board as a whole. The Audit Committee consists of two independent non-executive directors and one non-independent, non-executive director. An independent non-executive director, who is not chair of the board chairs the Committee.
4.2 The Board should have, before it approves the company's financial statements, a declaration from the CEO and CFO that in their opinion the financial records of the company have been properly maintained and they comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the company.	Yes	8common has received the declaration.
4.3 A company that holds an AGM should ensure that its external auditor attends the AGM and is available to answer questions.	Yes	The Auditor attended the AGM.

ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
Principle 5 – Make timely and balanced disclosure		
5.1 Companies should establish written policies to ensure compliance with the disclosure obligations under the Listing Rules.	Yes	The Board has adopted a policy to ensure compliance with the disclosure obligations of 8common under the Corporations Act and the ASX Listing Rules.
Principle 6 – Respect the rights of Shareholders		
6.1 Companies should provide information about themselves and their governance to investors via their websites.	Yes	8common has established a website and there is sufficient information to enable shareholders to be kept informed of major developments.
6.2 Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	8common has established a shareholders communications policy to support and implement an effective investor relations program, which will support its commitment to effective communication with shareholders including encouraging shareholders to participate at general meetings among other things.
6.3 Companies should disclose policies and processes they have in place to facilitate and encourage participation at shareholder meetings.	Yes	See Recommendation 6.2 above.
Principle 7 – Recognise and manage risk		
7.1 The Board should establish a risk management committee made up of a majority of independent directors and chaired by an independent director.	No	Given the size of 8common, the Board has not established a separate Risk Committee but will perform the function itself. Should circumstances change, its Board will consider establishing a separate Risk Management Committee.
7.2 The Board or a committee of the Board should review the risk management framework of the company at least annually and disclose in relation to each reporting year whether that review has taken place.	Yes	The board reviewed the risk management framework of the company during the year.
7.3 A company should disclose if it has an internal audit function and if so how that function is structured and if not the processes employed for evaluating and continually improving the effectiveness of its risk management processes.	Yes	Given the size of 8common, it is not intended to establish at this stage a separate internal audit function. The Board will deal with this issue as a whole. If circumstances change, the Company will consider establishing an internal audit function.
7.4 A company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if so how it manages or intends to manage them.	Yes	8common has provided information on its website and in the Annual Report.
Principle 8 – Remunerate fairly and responsibly		
8.1 The Board should establish a remuneration committee a majority of who are independent	Yes	The Board has established a Remuneration Committee. The primary responsibility of which is to review and make recommendations to the Board as a whole.

ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
and which is chaired by an independent director.		The Remuneration Committee consists of two independent non-executive directors and a non-independent, non-executive director. An independent non-executive director chairs the Committee.
8.2 Companies should separately disclose policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	Disclosure regarding the remuneration of non-executive directors and executive directors is set out in the annual report.
8.3 Companies which have an equity based remuneration scheme should establish a policy on whether participants are permitted to enter into transactions, which limit the economic risk of participating in the scheme.	Not applicable	8common does not currently have an equity based remuneration scheme. Should circumstances change, the Company will disclose appropriate information in future annual reports.