



Corporate Governance Statement

As at 26 August 2021

Corporate Governance Statement

The Board is accountable to its shareholders for the performance of CountPlus Limited ABN 11 126 990 832 (**CountPlus** or the **Company**). In carrying out its responsibilities, the Board undertakes to serve such shareholders honestly, fairly, diligently and in accordance with the applicable laws while having due regard to the interests of employees, authorised representatives and the broader community.

In discharging its duties, the Board is responsible for, amongst other things, adopting policies and procedures to ensure that the CountPlus Directors, management and employees fulfil their functions to the standards and in accordance with the principles set out in this Corporate Governance Statement.

The Board's corporate governance policies and practices comply with the recommendations in the 4th edition of the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" (**ASX Recommendations**).

Principle 1

Lay Solid Foundations for Management and Oversight

The Board and management have agreed on their respective roles and responsibilities and the Board has adopted a Board Charter that details the Board's functions and responsibilities. The Board Charter is available on CountPlus' website (<https://www.countplus.com.au>). The Board has also established Delegations of Authority for matters delegated to the authority of the Chief Executive Officer (CEO) and other managers. The CEO and management are empowered to make decisions they believe are appropriate for the business, whilst remaining accountable to the Board. The Board delegates the management of CountPlus' resources to senior management under the CEO's leadership. The Board has also created a dedicated General Counsel and Company Secretary team, to enhance the effective implementation of its good governance policies across the Company's range of activities.

Responsibilities

As per the Board Charter, the responsibilities of the Board include the following:

- ▶ Provide leadership and set the strategic direction of CountPlus with management and monitor management's implementation of that strategy and management's performance generally.
- ▶ Monitor financial outcomes and the integrity of reporting, and in particular, approve annual budgets and longer term strategic and business plans.
- ▶ Set specific limits of authority for management to commit to new expenditure, enter contracts or acquire or dispose of businesses.
- ▶ Monitor compliance with regulatory requirements (including continuous disclosure) and ethical standards, including reviewing and ratifying codes of conduct and compliance systems.
- ▶ Monitor the effectiveness of the audit, risk management and compliance systems that are in place to protect CountPlus' assets and to minimise the possibility of CountPlus operating beyond acceptable risk parameters.
- ▶ Approve dividends.
- ▶ Provide effective and timely reporting to shareholders.

CountPlus' management is obliged to supply the Board with information that enables it to effectively discharge its duties. This is facilitated by the Company Secretary, who is responsible for completing and distributing Board agendas and briefing materials. The Company Secretary is directly accountable to the Board, through the Chair, regarding the proper functioning of the Board.

CountPlus has a written agreement with each Director and senior executive defining the terms of their appointment.

Information relevant to Directors and senior executives

CountPlus undertakes appropriate checks before appointing a director or senior manager or recommending to shareholders that a candidate be elected as a Director.

If shareholders are deciding on whether or not to elect or re-elect a Director, the Board will provide shareholders with all the relevant material information that it possesses.

Performance evaluation for Directors

In the ordinary course, CountPlus carries out annual evaluations on individual Directors, the Board Committees and the Board as a whole. Such evaluations involve self-assessments and may include third party assessments as circumstances may require. The most recent performance evaluation of the Board was undertaken during the financial year ended 30 June 2021.

Performance evaluation of senior executives

CountPlus has processes for evaluating the performance of its senior executives. Each senior executive is evaluated against agreed performance objectives. The evaluation process is conducted annually. Such evaluation was performed during the financial year ended 30 June 2021 and the results incorporated into their remuneration. Information regarding CountPlus' remuneration practices is provided in the Remuneration Report in the 2021 Annual Report.

Diversity Policy and Gender Diversity

The Company values diversity and recognises its benefits. The Company believes that it should hire, develop, promote and retain people strictly based on their talents, experience, commitment and performance.

The Company has a Diversity Policy, which sets out the Company's diversity objectives on gender, age and ethnicity, amongst the other areas specified in the Diversity Policy, which is on the Company's website (<https://www.countplus.com.au>). The Company's Diversity Policy includes the Company's requirement to establish measurable objectives for achieving gender diversity and reporting the Company's progress in achieving these objectives.

The Company promotes its Diversity Policy through communication of the Policy to all firms. This helps CountPlus apply the Diversity Policy across the Company and its subsidiaries (**Group**). The Company also addresses discrimination and harassment through prevention and awareness of the Company's Diversity Policy.

CountPlus takes several initiatives that assist in achieving, fostering and supporting the Diversity Policy, including:

- ▶ Retaining key employees by creating an environment of growth, advancement and retention of staff, regardless of gender, age, cultural background, and/or ethnicity;
- ▶ Circulating the Diversity Policy annually to highlight expectations around behaviour consistent with encouraging diversity;
- ▶ Hiring employees and Directors from a diverse candidate pool;
- ▶ Developing career progression based on merit. As part of the Company's succession planning process, well-performing staff are identified for career progression. A management leadership program (Emerging Leaders) assists staff in reaching senior management roles and is open to all staff;

- ▶ Reviewing the Company's objectives and on an annual basis, including the participation of women in leadership positions; and
- ▶ Developing other internal Group policies which support the Diversity Policy, including the "Code of Ethics and Conduct Policy" and "Whistleblower Policy".

The Company's Diversity Policy encourages gender diversity and the Company's commitment to creating a fair, equitable and respectful workplace where staff are considered for opportunities to advance on merit. As part of its commitment to improving gender balance in the workplace, the Company has adopted the ASX Recommendations, including a target for female participation within the Group as follows:

	Target % by 2021	Actual % 2021	Actual % 2020
Number of women employees in the whole organisation ¹	40% – 60%	62%	63%
Number of women in senior executive positions*	40% – 60%	37%	36%
Number of women on Partner Firms' Boards	40% – 60%	23%	22%
Number of women on the Board	40% – 60%	50%	40%

*senior executive positions refers to employees who have senior managerial responsibilities.

CountPlus continues to implement initiatives such as leadership development, succession planning and coaching and mentoring to support women in Partner Firms to move into leadership roles and board positions. Through this strategy, the proportion of women in senior executive positions rose to 37% in 2021, from 36% in 2020. Female participation in the Company was 62% during 2021, compared to 63% in 2020. The proportion of women on CountPlus' Board increased to 50% in 2021.

CountPlus participated in the Workplace Gender Equality Survey and received a Notice of Compliance from the Workplace Gender Equality Agency for the recent reporting period. The Notice of Compliance is located on CountPlus' website (<https://www.countplus.com.au>).

¹ The number of men in the workforce is equal to 100% less the women in the workforce.

Principle 2 Structure the Board to Add Value

The CountPlus Board is currently made up of six (6) Directors, five (5) of whom are independent Non-Executive Directors (Ray Kellerman, Alison Ledger, Carolyn Colley, Kate Hill, and Andrew McGill), with Matthew Rowe as Managing Director and CEO.

Recommendation 2.4 of the ASX Recommendations states that a majority of the board of an ASX listed entity should be independent Directors. Directors are considered to be independent if they are not part of management and if they are free of any interest, position or relationship that might influence their capacity to independently judge Board matters, and to act in the best interests of CountPlus and its shareholders. The Board will consider the materiality of any relationship on a case-by-case basis.

The Board considers Alison Ledger, Carolyn Colley, Kate Hill and Andrew McGill to be independent Directors. The current Chair, Ray Kellerman, is also considered by the Board to be an independent Director.

The following table sets out the length of service of each director:

Director	Date of appointment and length of service to 30 June 2021
Alison Ledger	Date of appointment – 1 October 2016 (tenure to 30 June 2021 4 years and 8 months)
Andrew McGill	Date of appointment – 4 December 2017 (tenure to 30 June 2021 3 years and 6 months)
Carolyn Colley	Date of appointment: 6 October 2020 (tenure to 30 June 2021 8 months)
Kate Hill	Date of appointment – 26 June 2017 (tenure to 30 June 2021 4 years and 0 months)
Ray Kellerman	Date of appointment – 27 April 2017 (tenure to 30 June 2021 4 years and 2 months)
Matthew Rowe	Date of appointment – 24 February 2017 (tenure to 30 June 2021 4 years and 4 months)

Board skills matrix

CountPlus' objective is to have an appropriate mix of expertise and experience on the Board to effectively discharge its responsibilities. The present Board's mix of expertise and experience covers the following key areas:

Strategy and Governance

- ▶ Strategic and commercial acumen
- ▶ Corporate governance

Finance and Risk

- ▶ Financial acumen
- ▶ Risk and compliance

Industry and Executive Experience

- ▶ Financial services licensee knowledge and experience
- ▶ Professional services experience
- ▶ Executive leadership and board experience

Functional Expertise

- ▶ Technology competence
- ▶ People, culture and conduct
- ▶ Mergers and acquisitions

Behavioural

- ▶ Desired behaviour

Remuneration & Nominations Committee

The Remuneration & Nominations Committee has the responsibility for planning succession in Board appointments, subject to Board and shareholder approval. This Committee must have at least three (3) members who are non-Executive Directors – a majority of whom are independent directors. Currently, Ray Kellerman, Alison Ledger and Andrew McGill are members of this Committee. The Chair to this Committee is an independent Non-Executive Director and is currently Alison Ledger. The number of meetings held and attended by each member of the Remuneration & Nominations Committee during the year are set out in the Directors' Report within the Annual Report.

The Board has a program in place for inducting new directors and provides professional development opportunities for all Directors to develop and maintain the skills and knowledge they need to perform their roles effectively.

Principle 3

Instil a culture of acting lawfully, ethically and responsibly

The Company believes in setting the standards and behaviours expected from its Directors, senior executives and employees through its values, being:

- ▶ Trust – Earned through character, competence and coachability;
- ▶ Commitment – We do what we say we will do; and
- ▶ Teamwork – We believe in the collective wisdom of the team.

The Board recognises the need to observe the highest standards of corporate practice and business conduct and it instils and reinforces a culture across the organisation of acting lawfully, ethically and responsibly. Accordingly, the Board has a formal Code of Ethics and Conduct (**Code**) to be followed by all employees and management. The key aspects of this Code are to:

- ▶ act honestly, with integrity, fairness and equity;
- ▶ observe the rule and spirit of all laws and regulations which govern the operation of CountPlus, its business environment and its employment practices;
- ▶ act in the best interest of CountPlus;
- ▶ not participate in any illegal or unethical activity;
- ▶ avoid any real or perceived conflict of interest; and
- ▶ use company resources and property properly.

CountPlus also has in place a Securities Trading Policy which applies to all staff, Directors and contractors of the Company. The Policy prohibits these individuals from dealing in the Company's shares when they are in possession of price-sensitive information, as defined by the *Corporations Act 2001 (Cth)*. The Securities Trading Policy also restricts Directors and employees in possession of price sensitive information from trading in CountPlus shares outside of the "share trading window".

The "share trading window" is the period between 24 hours and 30 working days after the release of CountPlus' half-year and full-year results and 24 hours and 30 working days after the annual general meeting (**AGM**). The Securities Trading Policy is circulated at least twice a year to Directors, key management personnel and anyone who is in possession of price sensitive information, along with an email reminding them of their obligations to abide by this policy.

The Company also has a Whistleblowing Policy and an Anti-Bribery and Corruption Policy which have been disclosed to all employees, consultants and contractors. Management have received training as to their individual obligations in respect to complying with this policy.

The Company Secretary reports to the Board of the Company on a monthly basis as to any material breaches under the Code, Securities Trading Policy, Whistleblowing Policy and Anti-Bribery and Corruption Policy. A copy of these policies are available on the Company's website (<https://www.countplus.com.au>).

Principle 4

Safeguard the Integrity of Corporate Reports

The Board requires the CEO and CFO to provide to the Board assurance in the form of a declaration that in their opinion, CountPlus' financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. This declaration must be given before the Board approves CountPlus' financial statements.

Audit & Risk Committee

The Board has an Audit & Risk Committee and this Committee must have at least three (3) members. All members must be Non-Executive Directors and a majority must be independent. Currently, independent Non-Executive Directors, Alison Ledger, Carolyn Colley and Kate Hill are members of this Committee. Kate Hill is the Chair of the Committee.

The current composition of the Audit & Risk Committee complies with Recommendation 4.1 of the ASX Recommendations.

The number of meetings held and attended by Audit & Risk Committee members is disclosed in the Annual Report, as are the qualifications of Committee members. The Committee's functions are to review:

- ▶ significant accounting and reporting matters;
- ▶ the reporting of financial information;
- ▶ the appointment and effectiveness of the external auditor;
- ▶ systems of internal control and audit; and
- ▶ the risk management framework.

The Company's external auditor, Grant Thornton, audit the Director's Report, the Remuneration Report and the Annual Financial Statements. The balance of periodic corporate reports are subject to a rigorous internal review process with sign-offs being coordinated by the Company Secretary, with individual sign-offs from the relevant functional areas. In all cases, the Chair of the Board must sign-off on any periodic corporate report released to the market.

The Company has a policy governing expenditure on any non-audit services provided by the Company's Auditors.

Principle 5 Make Timely and Balanced Disclosure

Continuous Disclosure and Shareholder Communication

CountPlus is committed to its disclosure obligations under the ASX Listing Rules. CountPlus has a Continuous Disclosure Policy which requires Directors and management to fulfil their obligations on the timely disclosure of price-sensitive information.

All material market announcements are confirmed by the Board prior to those announcements being made and a copy of the final announcement made available to each Board member promptly after lodging with the ASX. All new and substantive investor or analyst presentations will be provided through the ASX Market Announcements Platform prior to that presentation commencing.

The Continuous Disclosure Policy is disclosed on CountPlus' website (<https://www.countplus.com.au>).

Principle 6 Respect the Rights of Security Holders

CountPlus is committed to keeping shareholders informed of all major developments affecting CountPlus as required by law. CountPlus has also implemented an investor relations program to facilitate communication with investors and to encourage participation at Shareholder meetings. Information will be communicated to shareholders through ASX announcements and publishing information on CountPlus' website (<https://www.countplus.com.au>).

The Company's website will contain information about CountPlus, including media releases, key policies and the Charters of CountPlus' Board and Board Committees. All ASX announcements are posted on CountPlus' website (<https://www.countplus.com.au>) when this information has been released to the ASX.

The CountPlus AGM provides an important opportunity for shareholders to communicate with the CountPlus Board and management. Shareholders are encouraged to attend the AGM or to vote on motions through a proxy. This would apply to any other extraordinary shareholder meeting held by CountPlus.

Notice of the upcoming AGM and explanatory material will be available on CountPlus' website (<https://www.countplus.com.au>) and sent to shareholders as required by the *Corporations Act 2001 (Cth)*. At the AGM, shareholders can ask the Chair or any Board member questions or comment on the results or management of CountPlus. The external auditor will also be available at the AGM to answer questions about their report. All resolutions will be determined by a poll.

Shareholders can elect to receive and send communications electronically to CountPlus and its share registry.

Principle 7 Recognise and Manage Risk

The identification and proper management of CountPlus' risk is an important priority of the Board. CountPlus has a Risk Management Policy, which is disclosed on CountPlus' website (<https://www.countplus.com.au>). This Policy highlights the risks relevant to CountPlus' operations, and CountPlus' commitment to implementing systems to control risk.

This Policy ensures:

- ▶ regular reporting to the Board by the CEO on CountPlus' key risks and their management; and
- ▶ assurances are provided from the CEO about the effectiveness of CountPlus' risk management and internal compliance and control systems.

The Company confirms that following its annual review of the Risk Management Policy, that it has satisfied itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

Audit & Risk Committee

The Audit & Risk Committee is responsible for reviewing and reporting on the effectiveness of the Company's Risk Management Policy, and monitoring and advising to the Board on matters as they relate to risk management.

A review of the risk management framework was completed during the reporting period and will be undertaken on an annual basis.

The membership of the Audit & Risk Committee is set out above in Principle 4. As set out in CountPlus' Audit & Risk Committee Charter, the Committee's functions include (but are not limited to) reviewing:

- ▶ systems of internal control and internal audit; and
- ▶ the risk management framework.

Acquisitions Committee

As set out in CountPlus' Acquisitions Committee Charter, the purpose of the Committee is to review and approve certain investment and sale transactions proposed by CountPlus' management.

This Committee must have at least three (3) members, who may be Executive or Non-Executive Directors – the majority of whom must be Non-Executive Directors. Currently, Kate Hill, Andrew McGill and Matthew Rowe are members of this Committee. Andrew McGill, who is an independent Non-Executive Director, acts as the Chair of the Committee. Kate Hill is an independent non-executive member of the Committee.

A copy of the Acquisitions Committee Charter is available on the Company's website (<https://www.countplus.com.au>).

Technology & Innovation Committee

As set out in CountPlus' Technology & Innovation Committee Charter, the purpose of the Committee is to assist the Board with the effective oversight and strategic review of digital transformation, data, technology, technology innovation and process improvement, to effectively consider and provide risk management that is inherent with technology.

This Committee must have at least three (3) members, who may be Executive or Non-Executive Directors – the majority of whom must be Non-Executive Directors. Currently, Carolyn Colley, Andrew McGill and Matthew Rowe are members of this Committee. Carolyn Colley, who is an independent Non-Executive Director, acts as the Chair of the Committee. Andrew McGill is an independent non-executive member of the Committee.

A copy of the Technology & Innovation Committee Charter is available on the Company's website (<https://www.countplus.com.au>).

Internal audit function

CountPlus has an internal audit function which is managed by and within the Company's finance team. The audit process itself was performed by RSM and the internal audit function provides objective assurance on the effectiveness of the Company's risk management, internal control and governance processes by regularly reviewing and reporting on these processes to management. The internal audit function is ultimately responsible to the Chair of the Audit & Risk Committee.

Sustainability risks

The Company has a Risk Management Policy to monitor and manage risks. The Company has no material exposure to environmental and social sustainability risks.

Principle 8

Remunerate Fairly and Responsibly

The remuneration structure for Non-Executive Directors differs from that of the Executive Directors.

Remuneration & Nominations Committee

The Board has a Remuneration & Nominations Committee and this Committee must have at least three (3) members who are Non-Executive Directors - a majority of whom must be independent Non-Executive Directors. Currently, Ray Kellerman, Alison Ledger and Andrew McGill are members of this Committee who are all independent Non-Executive Directors. The Chair of this Committee is an independent Non-Executive Director, Alison Ledger.

The Remuneration & Nominations Committee reviews the total remuneration of senior executives and performances are reviewed annually. A review was performed for FY21 and the results have been incorporated into their remuneration. Details of the remuneration policies and the remuneration paid to directors (executive and non-executive) and executives are set out in the Remuneration Report section of the FY21 Annual Report available on the Company's website (<https://www.countplus.com.au>).

As the CEO, Matthew Rowe does not decide his remuneration or evaluate his own performance. The Company has procedures to identify and address any potential conflict of interest in Matthew Rowe being involved in setting the remuneration for other executives that may indirectly affect his own.

The number of meetings held and attended by members of the Remuneration & Nominations Committee is set out each year in the Directors' Report within the Annual Report.

As set out in CountPlus' Remuneration & Nominations Committee Charter, the primary functions of the Committee are to make recommendations to the Board on:

- ▶ remuneration and incentive policies for Executive Directors and senior management;
- ▶ CountPlus' recruitment, retention and termination policies for senior executives; and
- ▶ remuneration and incentive policies for Non-Executive Directors.

A copy of the Remuneration & Nominations Committee Charter is available on the Company's website (<https://www.countplus.com.au>).

Equity-based remuneration scheme

CountPlus has established a Long Term Incentive Plan (LTIP) confirmed by shareholder approval. The CEO and senior executives will be entitled to participate in the LTIP. Under the Company's Securities Trading Policy, all directors and senior executives of the Company (including the CEO) are prohibited from dealing in any financial products issued or created over the Company's shares by third parties or dealing in associated products. In addition, they must not enter into a transaction that would limit the risk of their shareholding in the Company.