

2021 ORCODA LIMITED'S CORPORATE GOVERNANCE STATEMENT

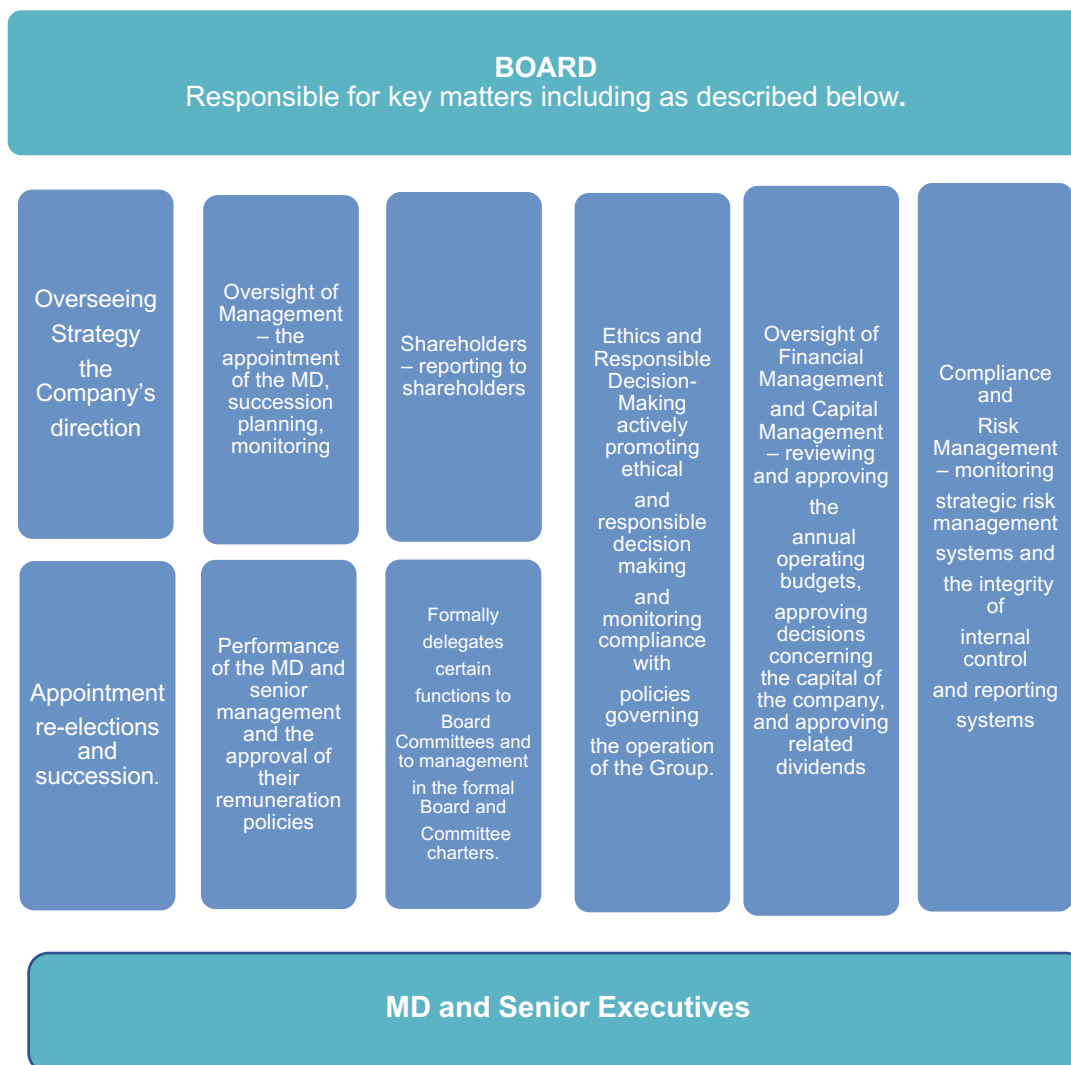
This Corporate Governance Statement (**Statement**) outlines the primary corporate governance practices for Orcoda Limited (**Company** or **Orcoda**). It addresses the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**). The Board believes the Company complies with most of the ASX Recommendations and provide explanations for where it does not.

The corporate governance policies and practices described have been in place since the date this Statement was approved and the 2020/21 financial year except where referenced. The Board reviews the governance framework to ensure that it meets the interests of its shareholders to their best judgment. Any references to the Company's website are to: www.orcoda.com.

Principle 1: Lay solid foundations for management and oversight

Role of the Board. The Board is committed to effectively representing and promoting the Company and adding long-term value to all shareholders. The Board is accountable for the management of the Company's business and affairs and responsible for overall strategy, governance, and performance. To clarify directors and management's roles and responsibilities, the Company has established a governance framework that sets out the functions reserved to the Board and the delegates other responsibilities.

The Board's formal Charter is located on the Company's website. The diagram below depicts the Governance and Framework of the operation of the Company's governance framework.



Board Committees

The ultimate responsibility for the oversight of the operations of the Company rests with the Board. However, the Board discharges some duties through delegation to its Committees as per the Constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Board has established the following standing Board Committees, which assist it with the execution of its responsibilities. The composition and effectiveness of the Committees are considered regularly.

Each Committee operates following a specific Charter also found on the Company's website.

Risk and Audit Committee

Remuneration and Audit Committee

The Company Secretary

The Company Secretary acts as secretary of the Board and attends each meeting. The Company Secretary is accountable through the Chairman for corporate governance matters. A hybrid Company Secretary that has corporate and commercial legal skills and a deep and nuanced understanding of the ASX Listing Rules, in the Board's view, best complement its own attributes.

Diversity

In appointing new Directors, consideration is given to the skills, business experience and educational or working backgrounds of each candidate. There is a mix of relevant business, executive and professional experience is required. Cultural and ethical values diversity is recognised and will be for future appointments to fill skill gaps.

A formal Diversity Policy is adopted that outlines the Group's commitment to diversity in the workplace and the provision of a work environment free from discrimination and promotes equal opportunity. Orcoda promotes an inclusive workplace where employee differences in areas like gender, age, culture, disability, and lifestyle choice are valued.

The policy does not include measurable objectives for achieving gender diversity. Due to the size of the organisation and stage of business, this was felt unnecessary. The Group has a policy of actively encouraging gender diversity at every level in the organisation and a culture supportive of diversity. The following proportions of females in the Company at the end of the 30 June 2021 period are described below:

- The proportion of female directors: 0%
- The proportion of female employees in the organisation: 20%
- The proportion of female employees in senior positions: 6%

The Board may consider establishing measurable objectives for achieving gender diversity at a later date.

The Board recognises the benefit of diversity, primarily through the inclusion of different nationalities.

Board and Director performance

The Board is committed to enhancing its effectiveness through performance management and review. The Board and Committee review process is designed to help enhance performance by providing a mechanism to raise and resolve issues and to provide recommendations to enhance its effectiveness.

The existing Board and Committee review process involve each director completing a confidential questionnaire covering the role, composition, processes and the carrying out of its responsibilities. The results of the questionnaire and analysis is reported to the Board by the Company Secretary.

The Board has not conducted a performance review during the year following the process outlined above or its Committees primarily due to management changes and challenges to the business related to the COVID19. It is envisaged for a performance review to be undertaken in FY22 of the Board and the Committees.

Senior Executives

The Board delegates the responsibility for the day-to-day management of the Company and implementing of the strategic plan to the Managing Director (**MD**), who is assisted by the executives that report to him.

The MD and the Chief Financial Officer are presently the same role, however, the Board is engaged in identifying a suitable replacement CFO noting the governance and practical advantages of separating these positions, notwithstanding the MD's

extensive experience as a CFO, including a former extended role in that position. For the reporting period of 2021, these roles were separated, and while the present combined status is not preferred, it is in the Board's view better than hurrying and obtaining the wrong person for this key role.

The authorisation thresholds for the control of expenditure and capital commitments are defined in the Company's Delegations and Authorities Policy. This is established to optimise decision-making while maintaining oversight as the Company expands.

Subject to these policy limits and the directions of the Audit and Risk Committee, the MD may sub-delegate the day-to-day running of the Company to the senior executive team. The exercise of delegated authority is restricted to specific organisational functions and roles.

The Delegations and Authorities Policy details the delegated thresholds for various types of commitment and individual positions.

Senior executives are appointed to their positions after a rigorous recruitment process. Each member of the senior executive team, including the executive directors, are employed under employment contracts, covering a range of matters, including their duties, rights, responsibilities, and any entitlements on termination. Each agreement refers to a specific formal job description. Each contract sets out the remuneration of the executive, including their entitlements to any rights under incentive plans.

Performance of Senior Executives

The evaluation for all executives is based on specific criteria, including the Company's business performance, whether strategic objectives are being achieved, and the development of management and personnel.

The MD's performance is formally assessed on an annual basis by the Board. The Remuneration and Nomination Committee carefully considers all key performance indicators (KPIs), which evaluates the MD's performance and makes recommendations to the Board.

The Board undertakes an annual assessment of the performance of all other senior executives on the basis of recommendations by the MD, who conducts performance reviews in relation to each senior executive.

A performance evaluation for senior executives was undertaken in the reporting period by the process disclosed above.

Further information on directors' and executives' remuneration, including principles used to determine compensation, is set out in the Annual Report under the heading 'Remuneration Report'.

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

Board size and composition

The Constitution of the Company provides for a minimum of three directors and no more than ten directors. The Board presently comprises a non-executive chairman, the managing director, an executive director and two fellow non-executive directors.

The members of the Board are currently:

1. Nicholas Johansen (Non-Executive Chairman), appointed 21 June 2018
2. Brendan Mason (Non-Executive Director), appointed 29 July 2017
3. Geoffrey Jamieson (Managing Director and Interim Chief Financial Officer), appointed 7 March 2018
4. Stephen Pronk (Non-Executive Director), appointed 14 April 2019
5. Geoffrey Williams (Executive Director), appointed 1 February 2021

The Board considers that the existing Board structure is appropriate for the Company's current operations and stage of development.

Directors' details are listed in the Annual Report, including details of their other listed entity directorships and experience.

Board skills and diversity

The Board considers that its directors and senior management have the combined skills and experience to discharge their respective responsibilities. The Board recognises its membership are males of a distinctly Australian background notwithstanding the ASX Corporate Governance Principles (4th Edition) and agrees that ideally, diversity is present at every level of a business.

Notwithstanding those views, the present Board is not presently willing to change its stable, productive Board and Company Secretarial team purely to improve the optics of equal and favourable gender and/or ethnic metrics. Notwithstanding this, the Board notes its highly regarded Senior Financial Controller is female and Hungarian, with numerous employees with diverse backgrounds and genders in its workforce.

The full biographies of all directors and the Company Secretary is included in the Director's Report within the Company's Annual Report.

The Board intends to participate in the development of a governance review including a skills matrix, to support its assessment of competency in 2022.

In addition to the skills and experience set out in the table below, the Board considers that each director has the following attributes:

- honesty and integrity.
- Ability to think strategically.
- Time available to devote to Orcoda's business requirements to their responsibilities.
- willingness to question and challenge assumptions during Board meetings; and
- commitment to being part of an organisation that strives toward maintaining a high standard of governance.

All directors are expected to use their skills, knowledge, and experience to apply their judgement to all matters discussed at Board meetings. The table following sets out the skills and experience considered important. The Company considers the Board and Company Secretary, together with do have the core competencies described.

SKILL	DESCRIPTION
Strategy	Ability to think strategically and identify and critically assess opportunities and threats and develop effective strategies in the context of changing market conditions.
Accounting, Finance, and Risk	The ability to analyse financial statements and reporting, critically assess the financial performance of the Group, contribute to budget planning and efficient use of capital and resources.
Management Experience	A range of commercial and business experience in systems, practices, risk and compliance, sales, technology, and human resources.
Negotiation Skill	The ability to negotiate deals across a variety of contexts; including different industries, products, and services.
Industry experience	A broad understanding of the resources, ASX industry, logistic markets, including market drivers, risks and trends, policies, competitors, understanding of its clients, and regulatory change.
Investment Experience	Experience in negotiation, structuring, risk management and assessment of both acquisitions and divestments, including expertise in implementing efficient capital management, including alternative capital sources and distributions, yields and markets.

IT and Digital Technical Experience	Expertise in technology, including governance of technology projects and appreciation of emerging technology relevant to the Company's existing operations and future strategy.
Government Relations	Expertise in the critical analysis of government policy, its development, interest groups input, lobbying and legislation. Effective networks.
Community Relations	Expertise in managing communication between Company, and the community it operates. To build effective relationships and generally act as a positive corporate member in the community.
Investor Relations	Experience in integrating finance, communication, marketing and ASX compliance to enable the most effective two-way communication between a company, the financial community, and other constituencies, which ultimately contributes to a company's securities achieving fair valuation.
Environment	Knowledge of the environment in which the Company operates, the impact the Company has on that environment and related environmental risks.
People and performance	Appreciation for the best practices of HR and familiarity in employment legislation, recruitment, compensation, performance reviews and conflict management.
Legal and compliance	The ability to identify critical risks to the Group and monitor risk and contribute to the risk management frameworks across the business.
ASX governance	Knowledge and experience in best practice ASX and Corporations Act, governance structures, policies, and processes.

Whilst the current Board composition meets the Company's needs, further skills and experience, future analysis should identify skills gaps that may be addressed through further appointments or training.

Director Nomination Matters

Under its Charter, the Remuneration and Nomination Committee reviews, and where appropriate, makes recommendations to the Board on the size and composition of the Board, including assessment of necessary and desirable competencies of board members. To this end, the Remuneration and Nomination Committee will periodically assess the appropriate mix of competencies, skills, experience, and expertise required by the Board and assess the extent required skills and experience are represented.

The Remuneration and Nomination Committee is also responsible for reviewing and making recommendations to the Board on its membership, including recommendations for the appointment and re-election of directors and where necessary, proposing candidates for consideration by the Board. The Remuneration and Nomination Committee must have regard to the factors set out in the Remuneration and Nomination Committee Charter, including that the Board should comprise Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds in accordance with the Diversity Policy.

Ultimately, the full Board determines who is invited to fill a casual vacancy after extensive one-on-one and collective interviews with candidates and thorough due diligence and reference checks.

The Remuneration and Nomination Committee's current membership, the independence of the members and details of Audit and Risk Committee meetings and attendance by each Committee member are set out in the Director's Report in the Annual Report.

Director Remuneration and Induction

Non-executive directors are appointed under formal letters of appointment that, among other things, set out the key terms and conditions and their expectations about performance. The letter also includes procedures for dealing with a potential conflict of interest and the disclosure obligations of the director, together with the details of the director's remuneration. Director remuneration gets reviewed each year.

Directors' independence

The majority of the Board's members are independent as required by the relevant ASX Recommendation.

All directors, including the Executive Directors, are mindful of their public responsibilities to exercise their judgement in an unfettered manner and to provide effective oversight of management and duties owed to the Company's shareholders.

Whether their colleagues consider independent directors, every director has shown willingness to exercise independent judgment when making decisions in the Company's best interests.

In determining the independent status for each Director, the Board has adopted the approach described in ASX Principle 2 and assessed the independence of the Directors against the criteria outlined in Box 2.3 of the ASX Recommendations.

Box 2.3

The Board notes the following:

- Mr Geoffrey Jamieson is not considered independent due to his executive position as the Managing Director and as a substantial shareholder.
- Mr Stephen Pronk may be considered non-independent by being a substantial shareholder.
- Mr Brendan Mason might be considered non-independent as he was an executive director in the past three (3) years.
- Mr Geoffrey Williams is not considered independent due to his executive position as an Executive Director and being a substantial shareholder.

The Board has considered these factors and determined that despite the relevant associations for

- Mr Mason; and
- Mr Pronk.

That the Board considers each to be independent. That is, on balance against these associations, both have demonstrably and consistently demonstrated that those associations have not adversely impacted their capacity to bring an independent judgement to many issues brought (or introduced by themselves) to the Board, and consistently acted in the best interests of the Company's shareholders.

On any occasion, if it is determined that a non-executive director should no longer be considered independent, or vice versa, then the Company will announce that change to the market.

Directors' interests

Directors are required to keep the Board advised of any interest that may conflict with those of the Company, and restrictions are applied to directors' rights to participate in the discussion and to vote, as circumstances dictate when a conflict has been identified. Where a potential conflict of interest may exist, directors concerned may be required to leave the Board meeting while the matter is considered in their absence.

The Company has also entered a deed of disclosure with each director, which is designed to facilitate the Company's compliance with its obligations under the ASX Listing Rules relating to disclosure of changes in directors' security holdings. Directors and their nominated related party shareholdings are also monitored to identify changes that may require urgent disclosure.

Chairman

The role of Chairman and MD is not occupied by the same person. The Board has agreed that the positions of Chairman and MD must be separate, and the Chairman should remain an independent non-executive director.

Mr Nicholas Johansen was appointed Chairman of the Company on 1 July 2018 and is considered an independent director in accordance with recommendation 2.5 of the ASX recommendations without any further qualification.

Board meetings

The Board typically schedules meetings on a bi-monthly basis, with additional meetings convened as required. The agenda for each Board meeting where documents have been received in advance (i.e. not on short notice) are prepared by the Company Secretary. The Board papers also include minutes of board committees and papers on material issues requiring consideration, in accordance with the ASX Corporations based compliance calendar. Board papers receive MD and Chairman input before being distributed with supporting papers.

Standing items include the MD's Report and the Financial Report, and reports addressing matters of strategy, governance, and compliance.

Senior executives and external experts such as the Auditors are sometimes invited to Board discussions, and directors can directly contact Company employees during business hours.

Independent advice

The Board has a policy of enabling directors to seek independent professional advice for Company-related matters at the Company's expense, subject to the prior notification of the Chairman and where the estimated costs are reasonable.

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

Orcoda values

Orcoda values are behaviors that guide the actions and decision making of the staff and everyone across the organisation.

Cultural diversity values

These reflect in Company's dealings with outsiders and reflect Orcoda brand and culture. Orcoda recognises the need for continuous improvement with Local Contractors and supports Aboriginal & Torres Strait Islander (ATSI) employment.

As part of this commitment, Orcoda in conjunction with our corporate partnerships and alliances, and actively promotes a range of specific initiatives to attract and retain ATSI employees and use Local Contractors. ODA intends to provide a secure workplace by:

1. providing a culturally secure recruitment and retention process
2. providing working effectively with cultural diversity within the mandatory induction training program
3. working within ATSI protocols and heritage guidelines
4. managing cultural differences in an effective, equitable and consistent manner
5. displaying ATSI appropriate cultural material, e.g. where appropriate
6. identifying opportunities for community engagement and support of values diversity

Core Values

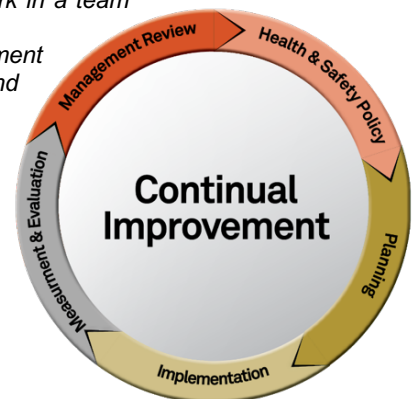
For a number of years the Company's Induction handbook which is provided to all employees contains the following description on its view of core values: *"Our reputation and ability to help our businesses to grow depends on providing products and services that are consistent, reliable and of a quality that meeting or exceeding our customers' needs and achieving customer satisfaction.*

"This can only be achieved through having a trusted and totally transparent process with our clients, a passion for quality, systems that comply with all standards and people who are prepared to work in a team environment collaboratively with the client.

We are committed to providing a productive, safe and healthy work environment for employees, contractors, clients, customers and visitors on our worksites and those of our clients."

Its values are summarised as follows:

- ✓ Customer-focused
- ✓ "Can-do" mentality
- ✓ Collaboration and team-work
- ✓ Interpersonal communication
- ✓ Customer relationship focus
- ✓ Commitment to quality to products and its services
- ✓ Individual performance and collective performance as recognised the organisation.



Code of conduct and ethical behaviour

The Board acknowledges the need for high standards of corporate governance practice and ethical conduct by all directors and employees of the Company.

The Board has endorsed a Code of Conduct which outlines acceptable behaviour and attitudes expected from all staff to promote and maintain the confidence and trust of all those dealing with the Company.

The Company's Code of Conduct, which may be viewed on the Company's website, is the subject of periodic review to ensure that it covers all relevant issues and sets standards consistent with the Company's commitment to ethical and responsible behaviours.

The code of conduct sets out Orcoda policies on various matters including conflicts of interest, use of Orcoda property, confidentiality, equal opportunity, environment health and safety, compliance with laws and regulations and responsibility to shareholders and the financial community. In addition to their obligations under the Corporations Act in relation to inside information, all directors, employees, and consultants have a duty of confidentiality to the Company in relation to confidential information they possess.

The code also sets out the consequences for its breach, including the possibility of legal or disciplinary action. Management ensures the Board is informed of breaches of that code.

Whistleblower Protection Policy

Orcoda seeks to identify and assess any wrongdoing as early as possible. The Company values support a culture that encourages staff to speak up on matters or conduct that concerns them. This policy provides information to assist staff in making disclosures and sets out how the Company will protect them from any form of retaliation or victimisation when they make a legitimate whistleblowing disclosure and has been in place since December 2020.

Anti-Bribery and Corruption Policy

Orcoda is committed to a high standard of integrity. The Company has a framework to report material breaches of the Anti-Bribery and Corruption Policy, or material incidents reported under the bribery and corruption to the Audit and Risk Committee or tBoard.

Employee and director trading in Orcoda Limited securities

In accordance with ASX Listing Rule 12.9, Orcoda has adopted a written policy for dealing in securities which are intended to explain the prohibited type of conduct about dealings in securities under the Corporations Act and to establish a best practice procedure with directors', officers', employees', contractors' and their families and associates' dealings in shares in Orcoda.

The securities trading policy sets out the restrictions that apply to dealing with shares, including "closed periods", during which certain persons are generally not permitted to deal with shares, along with a procedure under which certain persons are required to submit a prior notification and obtain written confirmation **b e f o r e** dealing in shares outside of the the "closed periods".

The Prohibited Periods are:

- in the two weeks prior to the release of the Company's quarterly reports and for 1 business day after the release of the Report;
- in the 1 month prior to the release of the Company's half-year financial results and for 1 business day after the release of the results;
- in the 1 month prior to the release of the Company's full-year financial results and for 1 business day after the release of the results; or
- for any other time determined by the Board.

The policy also prohibits short term trading, margin lending, short selling and hedging of the Company's securities. The Company's Security Trading Policy may be viewed on the Company's website.

Principle 4: Safeguard the integrity of corporate reports

The Audit, Risk and Finance Committee is responsible for assisting the Board in discharging its responsibilities to safeguard the integrity of the Company's financial reporting and the system of internal control. A key component of the Committee's role is to provide appropriate advice and recommendations to the Board to assist the Board to fulfil its responsibilities regarding financial reporting, the internal control environment, and audit management where appropriate across the Company.

The Audit, Risk and Finance Charter, which is available on the Company website, considers the roles and responsibilities of the Audit Risk and Finance Committee as contemporary governance practices. The Audit, Risk and Finance Committee Charter includes details on the appointment and oversight of the external auditor. The Company will ensure the external auditor is available to shareholders at the Annual General Meeting to answer any questions about the Company's external audit.

The Audit, Risk and Finance's current membership, the independence of the members and details of Audit, Risk and Finance meetings and attendance by each Committee member are set out earlier in this Corporate Governance Statement and the Director's Report in the Annual Report.

The qualifications and experience of the members of the Audit Risk and Finance Committee are outlined in the Director's Report in the Annual Report.

In accordance with the Company's legal obligations and Recommendation 4.2 of the ASX Recommendations, the MD and Group Financial Controller has made the following certifications to the Board in relation to the Financial Statements for 2021:

"In [our] opinion, the financial records of the entity has 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".

Additionally, the MD and Group Financial Controller are responsible for identifying, assessing, managing, and reporting material business risks to the Risk Committee and Board.

Principle 5: Make timely and balanced disclosure

The Company is committed to complying with its continuous disclosure obligations under the ASX Listing Rules and Corporations Act and to ensuring that its shareholders are kept well-informed of all major developments affecting the Company's situation to promote transparency and investor confidence.

Orcoda has adopted a Continuous Disclosure and Shareholder Communication Policy and has incorporated a cohesive framework to comply with ASX Listing Rules Chapter 3 and ASX Guidance Note 8. That policy is available on the Group's website.

The Continuous Disclosure Policy and Shareholder Communication Policy created a framework for compliance with relevant disclosure obligations and established the accountability of the Board for achieving compliance. More specifically, the policy:

- Explains in an abridged and summarised form, the Company's obligations under ASX Listing Rule 3.1 and the Corporations Act;
- Establishes internal processes for reporting of information considered to be potentially price-sensitive and for consideration of data to be reported by the Board to the market;
- Establishes processes for the disclosure of price-sensitive information, taking into account the clarification provided by ASX Guidance Note 8;
- Establishes internal processes for a briefing of analysts, investors, and media groups, responding to market speculation, leaks and rumours and calling trading halts where appropriate to avoid trading occurring in an uninformed market; and
- Outlines authorisation procedures for the release of ASX announcements.

The Continuous Disclosure Policy includes policies on Shareholder Communication as follows:

- Communication of information;
- Analysts and institutional investors;
- Analyst reports;
- Inadvertent disclosure or mistaken non-disclosure;
- Media relations and public statements;
- Reports to shareholders;
- Orcoda website;
- Use of electronic communication and other technology;
- General meetings;
- Notices of meetings;
- Auditor to attend AGM; and
- Shareholder privacy.

Principle 6: Respect the rights of security holders

The Board aims for shareholders to be well-informed of all major developments and business events likely to materially affect the Company's operations and financial-standing or market price of securities. Information is communicated to shareholders through:

The Company's website under the "Home tab" includes;

- The Annual and half-year financial reports were lodged with the public ASX and immediately available.
- Announcement of market-sensitive and other information, including annual and half-year results announcements and analyst presentations released to the ASX; and
- The Chair and MD's addresses are published before each AGM, and the Annual General Meeting results are published shortly.

- The Company's website contains a large amount of information for investors.

The following information for investors is located from the links in the Home page footer:

- ASX releases;
- Shareholder reports;
- Media articles;
- Presentations;
- Directors' details; and
- Corporate Governance information – including Charters and Policies.

The website has provision for electronic contact to be made with the Company.

The Company has a Continuous Disclosure and Shareholder Communication Policy that includes a formal procedure for dealing with potentially price-sensitive information. The policy sets out how the Company meets its disclosure obligations under ASX Listing Rule 3.1. The Company's policy is to lodge with the ASX and place on its website all market-sensitive information, including annual and half-year result announcements and analyst presentations, as soon as practically possible.

The Company produces two sets of financial information each financial year: the half-year financial report for the six months ended 31 December and the annual financial Report for the year ended 30 June. Both are made available to shareholders and other interested parties.

Shareholders have the right, and are encouraged, to attend the Company's Annual General Meeting, held in October/November each year, and are provided with explanatory notes on the resolutions proposed through the notice of meeting. A copy of the notice of meeting is also posted on the Company website and lodged with the ASX.

In addition, a document is enclosed with the notice of meeting to invite shareholders to submit questions of the Board, Auditors' or management may be addressed at the Annual General Meeting.

Shareholders are encouraged to vote on all resolutions, and unless specifically stated otherwise in the notice of meeting, all shareholders are eligible to vote on all resolutions. Shareholders who cannot attend the Annual General Meeting may lodge a proxy in accordance with the Corporations Act. Proxy forms may be lodged with the share registry by mail, hand delivery, facsimile or electronically.

A poll decides every substantive resolution at shareholder meetings.

The Company's Disclosure and Shareholder Communication Policy outlines the processes to be followed to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure. The policy also outlines requirements for communications with analysts and investors to ensure that the contacts are effective and comply with the Company's continuous disclosure obligations.

All shareholders are provided with the option to receive communications from the Company and the share registry electronically and are encouraged to do so, with election documentation included in regular mailouts to shareholders.

Principle 7: Recognise and manage risk

The Board is responsible for ensuring that sound risk management frameworks and policies are in place. The Board has delegated to the Audit, Risk and Finance Committee the responsibility for identifying and overseeing major risks and ensuring that systems are in place to manage them.

In addition, the Audit, Risk and Finance Committee:

- Identifies and assess the Company's material business risk;
- Regularly reviews and updates the Company's risk profile; and
- oversees the risk policies and systems.

The Audit, Risk and Finance Committee's current membership and the independence of the members are set out earlier in this Corporate Governance Statement. Details of Audit and Risk Committee meetings and attendance by each Committee member are outlined earlier in this Statement and in the Directors' Report in the Annual Report.

The Company's risk management framework is integrated with its day-to-day business processes and functional responsibilities. Parts of the business are ISO standard approved. It notes that public tenders to governments (such as the Mt Buller one), or large commercial tenders, require detailed risk and mitigation strategies embedded into their submissions, and the execution of complex organisational logistics, operating around large machinery on hand, and transferring people with complex conditions on the other, requires that the active management of risk is embedded into the culture of the Group both from "bottom-up" and "top-down".

A review of the Company's entire risk management framework was not carried out during the year ended 30 June 2021; however, given the substantial acquisition undertaken during the period, however, unless another addition that prioritises integration and safety at a granular level (like with the Beta Group), it would plan to undertake a review during the FY22 year.

Internal Audit

The Company does not have an internal audit function as the Board considers the Company not of the size to warrant such a function. Risk is monitored and managed by reporting to the Audit, Risk and Finance Committee.

Economic, environmental, and social sustainability risks

In accordance with Recommendation 7.4, the Audit and Risk Committee has considered the Group's material exposures to economic, environmental, and social sustainability risks. Economic and social sustainability are not considered less key risks owing to the business's emphasis on scalable technology innovation and SaaS innovation. The Company is prioritising environmental risk and has so for several years. Notably, recent, this has been more necessary due to the environmental impact of the Beta acquisition and the importance of environmental planning. Since its origin, the Transport Division has leaned into vehicles with smaller carbon footprints - for example, in Orcoda's fleet of Prius Hybrid vehicles and their involvement in community transport for the elderly and clients with disabilities within the NDIS scheme.

Principle 8: Remunerate fairly and responsibly

The Board has established a Remuneration and Nomination Committee, which under its Charter (available on the Company's website), is responsible for reviewing and making recommendations to the Board in respect of:

- Executive remuneration;
- Executive incentive plans;
- Remuneration of the Company's key management personnel;
- Equity-based incentive plans;
- Recruitment, retention, performance measurement and termination policies and procedures for non-executive directors, the MD and any other executive director and all senior executives reporting directly to the MD; and
- The disclosure of remuneration in the Company's Annual Report.

Details of Remuneration and Nomination Committee are outlined earlier in the Corporate Governance Statement and in the Directors' Report contained in the Annual Report.

The Company distinguishes the structure of non-executive directors' remuneration from executive directors and senior executives (who are often directors of subsidiaries of the Company or junior members of the Group).

Orcoda reward's executives with a combination of fixed, performance and equity-based incentives that it reconsiders at least each year.

The Non-Executive Directors receive fees primarily in the form of cash. However, security incentives are often adopted to address market competitiveness and ensure that the non-executive have 'skin in the game', even if through 'sweat equity', because the Board considers that a tangible economic connection with Shareholders encourages they are encouraged to inject bold ideas and maximise the contribution of each of their many attributes at meetings including their strong network of contacts, a lifetime of commercial experience and generosity to all boards they serve including that of Orcoda Limited (ASX: ODA).

For further details on the Company's remuneration structure, please refer to the Remuneration Report in the Company's Annual Report.

This Corporate Governance Statement has been adopted by a resolution of the Board on 21 September 2021.

***Confirmed by Julian Rockett,
Company Secretary***