

IOUpay LIMITED ACN 091 192 871
(the "Company") 2021 Corporate Governance Statement

This Corporate Governance Statement sets out the Company's current compliance with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory. However, the Company is required to provide a statement as part of its annual report disclosing the extent to which the Company has followed the Principles and Recommendations. This Corporate Governance Statement is current as at 30 September 2021 and has been approved by resolution of the Board.

The Board of the Company currently has in place corporate governance policies and charters which have been posted in a dedicated corporate governance information section on the Company's website at <https://iou-pay.com/governance.html>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
1	Lay solid foundations for management and oversight		
1.1	<p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Yes	<p>The respective roles and responsibilities of the Board and management are defined under the Board Charter, a copy of which is available on the Company's website at https://iou-pay.com/governance.html</p> <p>There is a clear delineation between the Board's responsibility for the Company's strategy and activities, and the day-to-day management of operations conferred upon officers of the Company.</p> <p>For specific delineation of these Board roles throughout the reporting period please see Section 2.5.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(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.</p>	Yes	<p>The process for selection, appointment, and re-appointment of directors is detailed in the Nomination and Remuneration Committee Charter, a copy of which is available on the Company's website at https://iou-pay.com/governance.html</p> <p>Under this policy appropriate checks are required before the appointment of directors or senior executives.</p> <p>The Directors provide all shareholders with all material information in the Committee's possession relevant to a decision on whether or not to elect or re-elect a director including, biographical details, qualifications, a statement as to whether the Board supports the nomination of the director and the degree of independence of the director and, details of any existing directorships held.</p>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION												
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company requires each director and senior executive to execute a written agreement setting out the terms of their appointment.												
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.	Yes	The company secretary reports directly to the chair of the Board, (in respect of his role as company secretary). The role of the company secretary is outlined in the Board Charter, a copy of which is available on the Company's website at https://iou-pay.com/governance.html												
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have</p>	No	<p>The Company has adopted a Diversity Policy, a copy of which is available on the Company's website at https://iou-pay.com/governance.html</p> <p>The Diversity Policy requires the Board to establish measurable objectives to assist the Company to achieve gender diversity and to assess the Company's progress in achieving these objectives.</p> <p>The Nomination and Remuneration Committee reports to the Board on gender diversity initiatives. The Directors Report includes disclosures on the Company's measurable objectives for gender diversity and provides an update on the progress towards achieving these objectives.</p> <p>The Company is not considered a "relevant employer" under the Workplace Gender Equality Act. The respective proportion of men and women across the IOU workforce is as follows:</p> <table border="1" data-bbox="1368 1070 2101 1358"> <thead> <tr> <th></th> <th>Male (%)</th> <th>Female (%)</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>5 (100%)</td> <td>0 (0%)</td> </tr> <tr> <td>Senior Executive*</td> <td>6 (75%)</td> <td>2 (25%)</td> </tr> <tr> <td>All employees</td> <td>27 (45%)</td> <td>33 (55%)</td> </tr> </tbody> </table> <p>*Senior Executive is defined as the CEO and the Executive Leadership Team members who report directly to the CEO</p>		Male (%)	Female (%)	Board	5 (100%)	0 (0%)	Senior Executive*	6 (75%)	2 (25%)	All employees	27 (45%)	33 (55%)
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PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
	not less than 30% of its directors of each gender within a specified period.		<p>The entity was not in the S&P/ASX 300 Index at the commencement of the reporting period.</p> <p>The Board reviews its composition from time to time and administers any Board search in conjunction with the Board approved Diversity Policy, and will continue to review the appropriate definition of a measurable objective for achieving gender diversity at a Board level, however notes that as an employing organisation and Group the total staff by proportion are 55% female and 45% male.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Yes	<p>Under the Board Charter, the Board is required to regularly, with the advice and assistance of the Nomination and Remuneration Committee, to review and evaluate the performance of the Board, its Committees and individual directors against the relevant charters, corporate governance policies, and agreed goals and objectives (as applicable).</p> <p>The Board as currently formed was only constituted following an EGM during the year and intends to assess its performance and the performance of its committees and directors via a detailed, anonymous, self-evaluation which will include a survey regarding all areas of Board and Committee performance.</p> <p>This Board intends to complete this process by 31 December 2021.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Yes	<p>Under the Board Charter, the Board (with the advice and assistance of the Nomination and Remuneration Committee) is responsible for reviewing and approving the performance of the members of the executive leadership team.</p> <p>The Non-Executive Directors (NEDs) annually assess the performance of the Senior Executive function according to agreed performance indicators. Where areas for improvement are identified, the NEDs direct actions and implement strategies to put into effect appropriate improvements.</p> <p>The Senior Executive function is responsible for assessing the performance of their direct reports and identifying areas for improvement and strategies designed to implement appropriate improvements. The Local CEO consults the Board regarding the</p>

	PRINCIPLES AND RECOMMENDATIONS	COMPLY	EXPLANATION
			<p>remuneration of the Senior Executive function, including any bonus or proposed issue under the Company's employee share plan.</p> <p>During the reporting period, the performance of the Local CEO and senior executives were assessed, areas for improvement identified and strategies adopted to implement improvements.</p>
2	Structure the board to be effective and add value		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and</p> <p>disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(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.</p>	No	<p>Where constituted, the Nomination and Remuneration Committee is governed by a Nomination and Remuneration Committee Charter, which is available on the Company's website at https://iou-pay.com/governance.html</p> <p>Due to the level of Board changes throughout the reporting period (see item 2.2) the Board resolved that all remuneration and nomination matters be dealt with by the full Board of Directors.</p> <p>Subsequent to the reporting period, having the appropriate members to constitute the Nomination and Remuneration Committee, the Board has formed the Nomination and Remuneration Committee.</p> <p>The Nomination and Remuneration Committee consists of three members, Datuk Khairul Idham Bin Ismail, Kwong Yang Chong (being independent non-executive directors).and Paul Russel who is an executive director.</p> <p>The Nomination and Remuneration Committee is chaired by Datuk Khairul Idham Bin Ismail who is an independent director for ASX purposes.</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	Yes	<p>The below Board skills matrix broadly provides a detailed description of the desired skills and behaviours that are considered important to achieve in the board memberships. Throughout the period this matrix was administered by the Board for nominations made.</p> <p>These include the following competencies:</p>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
			<ol style="list-style-type: none"> 1. Strategic and commercial acumen; 2. Corporate governance experience; 3. Financial acumen; 4. Risk and compliance; 5. Global technology B2B business experience; 6. Marketing / new product development; 7. Wholesale debt transaction funding; 8. Executive leadership; 9. Technology infrastructure; 10. People, culture and conduct; and 11. Mergers and acquisitions experience. <p>In conjunction with the formation of the Nomination and Remuneration Committee (newly constituted subsequent to the reporting period), moving forward the Nomination and Remuneration Committee will use the above matrix for future appointments in assessing the current skills and diversity of the Board and its needs going forward.</p> <p>The Company's Nomination and Remuneration Committee is responsible for regularly reviewing the size, composition and skills of the Board to ensure that the Board is able to discharge its duties and responsibilities effectively and to identify any gaps in the skills or experience of the Board.</p> <p>With reference to Item 2.5, the Board considers there is currently an appropriate mix of skills, cultural diversity and experience on the Board, taking into account the size of the Company and the nature of its operations.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p>	Yes	<p>The Company assesses the independence of its directors against the requirements for independence set out in the Board Charter which is based upon the independence criteria set out in the ASX Corporate Governance Principles.</p>

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	<p>(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</p> <p>(c) the length of service of each director.</p>		<p>Director independence is initially assessed upon each director's appointment and reviewed on an ongoing basis, or as required when a new personal interest or conflict of interest is disclosed. Directors are required to disclose all actual or potential conflicts of interest on an ongoing basis.</p> <p>Kwong Yang Chong, Datuk Khairul Idham Bin Ismail, Byung Moo Shin are the directors considered by the Board to be independent.</p> <p>Lee Chin Wee, the interim executive Chairman, and Paul Russell, are not considered independent.</p> <p>The length of service of each director on the Board, during and subsequent to the reporting period ended 30 June 2021, is as follows:</p> <p>Currently Appointed Directors</p> <ul style="list-style-type: none"> • Lee Chin Wee: 20 September 2014 – present • Kwong Yang Chong: 8 September 2014 - present • Datuk Khairul Idham Bin Ismail: 20 November 2020 - present • Byung Moo Shin: 11 January 2021 - present • Paul Russell: 12 May 2020 – present <p>Directors in Office During the Period</p> <ul style="list-style-type: none"> • Raymond Hor: 23 June 2015 to 20 November 2020 • Bai Goujin: 3 March 2020 to 28 September 2020 • Timothy Monger 25 September 2015to 8 July 2020 • Andrew Bristow 8 July 2020 to 11 January 2021
2.4	A majority of the board of a listed entity should be independent directors.	Yes	<p>During and since the Reporting Period the Company had a total of nine directors and four of these are considered independent for ASX purposes.</p> <p>At all times a majority of the Directors were independent.</p>
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.	No	<p>The Chairman of the Board is Lee Chin Wee. He is not considered an independent director for ASX purposes as he is an Executive Chairman. During the year he has also undertaken executive duties</p>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
			<p>consistent with that of a CEO as the only consistently appointed Executive Director of the Listed Company Board for the majority of the year, however was never formally appointed as the Group CEO. As a Founder of the original iSentric business Mr Lee has been supporting the executive function of the parent and other subsidiary entities as required during both the Board and operational business transitions on a temporary basis.</p> <p>Noted that the majority of the Group's business operations are conducted in subsidiaries not at the listed Company level and that the Group employs a local CEO to oversee the operation and oversight of these businesses who reports to the Board.</p> <p>The Board has, at the date of this statement, and in conjunction with the Nomination and Remuneration Committee, engaged a reputable global search firm to identify possible candidates to hold the position of independent non-executive Chairman of the Company. Assuming such a candidate is identified and appointed, it is likely that Lee Chin Wee will continue as an executive director.</p>
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	<p>During the period the Company Secretary undertook the formal appointment and onboarding process of newly appointed Directors.</p> <p>Moving forward the Company's Nomination and Remuneration Committee formed subsequent to the reporting period in conjunction with the Company Secretary is responsible for establishing and facilitating induction for new directors and providing new directors with all such information and advice which may be considered necessary or desirable for the director to commence their appointment to the Board.</p> <p>The Company's Nomination and Remuneration Committee is also responsible for providing directors with access to continuing education for directors for the purpose of updating and maintaining their skills and knowledge to perform their roles as directors effectively.</p> <p>A copy of the Nomination Committee Charter is available on the Company's website at https://iou-pay.com/governance.html</p>

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3	Instil a culture of acting lawfully, ethically and responsibly		
3.1	A listed entity should articulate and disclose its values.	Yes	<p>IOU's Values, which have been approved by the Board and are lived throughout the Company are:</p> <ul style="list-style-type: none"> • Balance - We believe teamwork enables ordinary people to achieve extraordinary things. We empower our employees in a work environment that is conducive to creating an optimal work-life balance. • Collaboration - We inspire a culture of value creation in the digital economy ecosystem via collaborative networks with our partners. Through collaboration we multiply our contribution. • Diversity & Differentiation - We recognise a world of communities with different needs and interests. To make a difference we have to be different. We are a premium brand standing out through quality and commitment. • Inclusion - We value uniqueness and excellence for all. We encourage diversity and recognise that our differences make us stronger. We foster inclusion by respecting, valuing and considering the different perspectives, styles and needs of all our stakeholders. • Forward Thinking - We want the best for our clients, for now and for years to come. We are firm advocates of investing in and building technology-based solutions that endure the test of time.
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Yes	<p>The Company has adopted a Code of Conduct which applies to all directors, officers and employees of the Company. The Code of Conduct is available on the Company's website at https://iou-pay.com/governance.html</p> <p>The Board receives regular reporting from Management which includes any material breaches of the Code or confirmation that there have been no known breaches.</p>
3.3	A listed entity should:	Yes	The Company has adopted a Whistleblower Policy which provides for confidential reporting of reportable conduct. The Whistleblower Policy

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	<p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>		<p>is available on the Company's website at https://iou-pay.com/governance.html</p> <p>The Board receives regular reporting from Management which includes the number and nature of whistleblowing disclosures received or confirmation that there have been no disclosures received.</p>
3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	Yes	<p>The Company's anti-bribery and corruption policy forms part of the Company's Code of Conduct. As set out above, the Code of Conduct is available on the Company's website at https://iou-pay.com/governance.html</p> <p>The Board receives regular reporting from Management which includes any material breaches of the Code (including the anti-bribery and corruption) or confirmation that there have been no known breaches.</p>
4	Safeguard the integrity of corporate reports		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p>	Yes	<p>The Company has an established Audit and Risk Management Committee to oversee the management of financial and internal risks.</p> <p>During the reporting year there was a high level of Board transition and the Board resolved that all sub committees including the Audit and Risk Committee be reformed to be wholly constituted by the entire Board to ensure transparency and consistency during the reporting period.</p> <p>Acknowledging the role of the Audit and Risk Management Committee and need for independence it was resolved that the Audit and Risk Management Committee be Chaired by Kwong Yang Chong with all other Directors as appointed during the period being members.</p> <p>Subsequent to the end of the reporting period the Company has in conjunction with the formation of the Nomination and Remuneration Committee separately considered the membership of the Audit and Risk Committee.</p>

	PRINCIPLES AND RECOMMENDATIONS	COMPLY	EXPLANATION
	<p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(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.</p>		<p>Moving forward the Audit and Risk Management Committee consists of four members:</p> <ul style="list-style-type: none"> • Kwong Yang Chong (Chair); • Datuk Khairul Idham Bin Ismail, (being independent non-executive director); • Byung Moo Shin (being independent non-executive director); • Paul Russell who is an executive director; and • The Group CFO. <p>The Company Secretary is an invitee and contributor to the Audit and Risk Management Committee as required.</p> <p>All members of the Committee (other than Mr Russell) are independent non-executive directors. The Committee is chaired by, Kwong Yang Chong (being independent non-executive directors).</p> <p>The Audit and Risk Management Committee is governed by an Audit and Risk Management Committee Charter, a copy of which is available on the Company's website at https://iou-pay.com/governance.html</p> <p>The relevant qualifications and experience of the members of the committee, the number of times the committee met and the individual attendances of the members at those meetings is set out in the Directors' Report.</p>
4.2	<p>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.</p>	Yes	<p>Prior to the Board approving the Company's financial statements, including the Company's accounts to 30 June 2021, the Board ensures that it receives from the required declaration from the Group's Executive, and that in their opinion, the financial records of the entity have been properly maintained, 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.</p>

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4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	<p>Periodic corporate reports that are not otherwise subject to audit or review by an external auditor are reviewed in accordance with an internal verification procedure to ensure the integrity and accuracy of the information included in those reports.</p> <p>This verification procedure involves a systematic checking and sign off procedure. Where possible, each statement or number is linked back to an independent external or internal source document.</p>
5	Make timely and balanced disclosure		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	<p>The Company is committed to taking a proactive approach to continuous disclosure and creating a culture within the Company that promotes and facilitates compliance with the Company's continuous disclosure obligations.</p> <p>The Company has adopted a written policy to ensure compliance with its ASX Listing Rule disclosure obligations. A copy of the Company's Disclosure and Communication Policy is available on its website at https://iou-pay.com/governance.html.</p> <p>The Company has appointed the Company Secretary as the reporting officer and the ASX liaison officer on behalf of the Board, who retains the responsibility for compliance with the Company's continuous disclosure obligations and approving all market disclosures and compliance with Listing Rule 3.1.</p>
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Company Secretary is responsible for circulating to the Board copies of all material ASX announcements released by the Company promptly after their release.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	All substantive investor and analyst presentations are released to ASX ahead of the presentation.
6	Respect the rights of security holders		

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6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company provides investors with comprehensive and timely access to information about itself and its governance on its website at https://iou-pay.com/governance.html Further details are set out in the Company's Disclosure and Communication Policy.
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has adopted a Disclosure and Communication Policy for shareholders wishing to communicate with the Board, a copy of which is available on the Company's website at https://iou-pay.com/governance.html . The Company employs the services of an experienced third party media and investor relations team, in addition to seeking to utilise numerous modes of communication, including electronic communication, website and the company's social media platforms to ensure that its communication with shareholders is frequent, clear and accessible.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	All shareholders are invited to attend the Company's general meetings either in person or by representative. Shareholders have an opportunity to submit questions to the Board and the Company's external auditor for consideration at the annual general meeting.
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Yes	All substantive resolutions considered at the Company's general meetings are decided by a poll rather than by a show of hands, as occurred at the Company's 2020 Annual General Meeting.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company encourages shareholders to submit questions or requests for information directly to the Company via the Company's website at https://iou-pay.com/contact.html . The Company also encourages shareholders to submit any questions related to their shareholdings in the Company to the Company's share registry with the share registry's contact details included in the Company's Disclosure and Communication Policy, including details for electronic communication.
7	Recognise and manage risk		

	PRINCIPLES AND RECOMMENDATIONS	COMPLY	EXPLANATION
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(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.</p>	Yes	<p>In conjunction with the Company's other corporate governance policies, the Company has established an Audit and Risk Committee which is designed to assist the Company to identify, assess, monitor and manage its risk, including any material changes to its risk profile.</p> <p>The Board has delegated responsibility for the day-to-day oversight and management of the Company's risk profile to the Audit and Risk Committee.</p> <p>The Audit and Risk Committee is responsible for ensuring that the Company maintains effective risk management and internal control systems and processes and provides regular reports to the Board on these matters.</p> <p>See 4.1 above for details of how the Audit and Risk Committee is comprised.</p> <p>The Board has conferred responsibility on the Company's management to develop and maintain a risk management program and internal control systems which identify material risks in light of the day to day needs of the Company.</p> <p>The Board is responsible for oversight of the overall system of internal control and provides final consideration and direction on any risk management issues.</p> <p>The number of times the committee met and the individual attendances of the members at those meetings is set out in the Directors' Report.</p> <p>A copy of the Company's Audit and Risk Committee Charter are available on the Company's website at https://iou-pay.com/governance.html</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The Audit and Risk Committee regularly reviews and evaluates the effectiveness of its risk management framework to ensure that its internal control systems and processes are monitored and updated on an ongoing basis.</p> <p>The division of responsibility between the Board, Audit and Risk Committee and management aims to ensure that specific</p>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
			<p>responsibilities for risk management are clearly communicated and understood.</p> <p>The Audit and Risk Committee Charter provides for regular reporting to the Board which supplements the Company's quality system, complaint handling processes and standard operating procedures which are all designed to address various forms of risks.</p> <p>In accordance with the Risk Management Policy, the Audit and Risk Committee and Board have reviewed the Company's risk framework during the reporting period.</p>
7.3	<p>Companies should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes</p>	Yes in respect to 7.3(b)	<p>Due to the Company's current size and business circumstances, the Company does not have an internal audit function. The Company will reconsider this decision as appropriate and appoint an internal auditor if, and when, the Company considers this necessary.</p> <p>Under the Audit and Risk Committee Charter, the Audit and Risk Committee is responsible providing an independent and objective assessment to the Board regarding the adequacy, effectiveness and efficiency of the Company's risk management and internal control process.</p>
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Yes	<p>The Company does not consider that it has any material exposure to environmental and social sustainability risks.</p> <p>If the Company determines in the future that it has any material exposure to environmental and social sustainability, the Company will provide details in its future corporate governance statements.</p> <p>The operating and financial performance of the Company is influenced by a variety of general domestic and global economic and business conditions. These are factors outside of the Company's control and accordingly they are managed through monitoring the economic and political environment and taking mitigating actions where possible and warranted.</p>

	PRINCIPLES AND RECOMMENDATIONS	COMPLY	EXPLANATION
8	Remunerate fairly and responsibly		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p style="padding-left: 20px;">(i) has at least three members, a majority of whom are independent directors; and</p> <p style="padding-left: 20px;">(ii) is chaired by an independent director</p> <p>and disclose:</p> <p style="padding-left: 20px;">(iii) the charter of the committee;</p> <p style="padding-left: 20px;">(iv) the members of the committee; and</p> <p style="padding-left: 20px;">(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(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.</p>	No	<p>A copy of the Nomination and Remuneration Committee Charter is available on the website at https://iou-pay.com/governance.html</p> <p>During the period all Nomination and Remuneration items were dealt with by the full Board of Directors.</p> <p>See 2.1 above for details of how the Nomination and Remuneration Committee is comprised subsequent to the reporting period.</p>
8.2	<p>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.</p>	Yes	<p>The Nomination and Remuneration Committee is responsible for setting and reviewing the policies and practices of the Company regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives, separately.</p> <p>Policies and practices regarding remuneration of non-executive directors, executive directors and senior executives are set out in the Company's Remuneration Report, which forms part of the Directors' Report.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p>	Yes	<p>The Company has adopted a Securities Trading Policy which provides that participants must not, without prior written approval by the relevant person specified in the Policy, engage in hedging</p>

PRINCIPLES AND RECOMMENDATIONS		COMPLY	EXPLANATION
(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		arrangements, deal in derivatives or enter into other arrangements which vary economic risk related to the Company's securities.
(b)	disclose that policy or a summary of it.		A copy of the Securities Trading Policy is available on the Company's website at https://iou-pay.com/governance.html