

# 2019 CORPORATE GOVERNANCE STATEMENT

This corporate governance statement sets out LiveTiles Limited's (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 31 October 2019 and has been approved by the board of the Company (**Board**).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<b>1. Lay solid foundations for management and oversight</b>		
<p><b>1.1.</b> <i>A listed entity should disclose:</i></p> <p><i>(a) the respective roles and responsibilities of its board and management; and</i></p> <p><i>(b) those matters expressly reserved to the board and those delegated to management.</i></p>	Yes	<p>As part of the Corporate Governance Plan adopted by the Company, a Board Charter was adopted by the Company's board of directors (<b>Board</b>). The Board Charter notes that the Board will be responsible for the corporate governance of the Company. The Board will develop strategies for the Company, review strategic objectives and monitor performance against those objectives. The goals of the corporate governance processes are to:</p> <ul style="list-style-type: none"> <li>(a) maintain and increase Shareholder value;</li> <li>(b) ensure a prudential and ethical basis for the Company's conduct and activities; and</li> <li>(c) ensure compliance with the Company's legal and regulatory objectives.</li> </ul> <p>Consistent with these goals, the Board will assume the following responsibilities:</p> <ul style="list-style-type: none"> <li>(a) developing initiatives for profit and/or asset growth;</li> <li>(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;</li> <li>(c) acting on behalf of, and being accountable to, the Shareholders; and</li> <li>(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.</li> </ul> <p>The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully-informed basis.</p> <p>It is expected that the division of responsibility of the Board and senior executives will vary with the evolution of the Company. The Company intends to regularly review the balance of the responsibilities to ensure that the division of functions remains appropriate to the needs of the Company.</p>

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<p>1.2. <i>A listed entity should:</i></p> <p>(a) <i>undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and</i></p> <p>(b) <i>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.</i></p>	Yes	<p>The Board will identify and recommend candidates for election as a director. These recommendations will occur after considering the necessary and desirable competencies of new Board members, the range of and depth of skills and the diversity of the Board, and making appropriate checks.</p> <p>The Boards will ensure that all material information in its possession relevant to a decision of whether to appoint or re-elect a director is made available to security holders.</p>
<p>1.3. <i>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</i></p>	Yes	<p>Directors will be required to sign letters of appointment and/or service agreements, and senior executives are required to sign employment contracts prior to their engagement with the Company.</p>
<p>1.4. <i>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.</i></p>	Yes	<p>The Company Secretary has been appointed by and will be responsible to the Board through the Chairman. The Chairman and the Company Secretary will co-ordinate the Board's agenda.</p>
<p>1.5. <i>A listed entity should:</i></p> <p>(a) <i>have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</i></p> <p>(b) <i>disclose that policy or a summary of it; and</i></p> <p>(c) <i>disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</i></p> <p>(1) <i>the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</i></p> <p>(2) <i>if the entity is a "relevant employer" under the Workplace Gender Equality</i></p>	Yes	<p>The Company adopted a diversity policy, which is available on the Company's website (it forms part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a>) in as it recognises that a commitment to achieving greater gender and multicultural diversity is essential for enabling the Company to attract and retain employees with the best skills and abilities.</p>
	Yes	<p>The Board, however, has not developed any measurable objectives for achieving gender diversity and their annual assessment. As at the date of this statement, the measurable objectives of the diversity policy are being developed by the Board.</p>
	No	



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<i>independence and diversity to enable it to discharge its duties and responsibilities effectively.</i>		
2.2. <i>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</i>	No	The Board is committed to ensuring that it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business. The Nomination Committee Charter provides that the Nomination Committee (once formed) will be responsible for preparing and maintaining the board skills matrix.
2.3. <i>A listed entity should disclose:</i> (a) <i>the names of the directors considered by the board to be independent directors;</i> (b) <i>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;</i> and (c) <i>the length of service of each director.</i>	Yes	<p>The Board has reviewed the position and associations of each of the five directors during the reporting period and has determined that three of the directors (Ms Cassandra Kelly, Mr Andrew McKeon and Mr David Lemphers) were independent.</p> <p>The length of services (appointment dates) of each director will be disclosed in the Company's 2019 Annual Report.</p> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned and Ms Dana Rasmussen was appointed as a director on the same day. Ms Rasmussen is considered to be independent.</p>
2.4. <i>A majority of the board of a listed entity should be independent directors.</i>	Yes	<p>For the reporting period, a majority of the Board was independent.</p> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned and Ms Dana Rasmussen was appointed as a director on the same day. Ms Rasmussen is considered to be independent.</p>
2.5. <i>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.</i>	Yes	<p>For the reporting period, the Chair of the Board, Ms Cassandra Kelly, was an independent Director and was not the CEO.</p> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned.</p>
2.6. <i>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</i>	Yes	The Company takes care in ensuring that Directors will be able to effectively manage and govern the Company before their nomination as potential Directors. It has not been deemed necessary to devote resources towards ensuring that Directors have the sufficient skills to fulfil their role appropriately.
<b>3. Promote ethical and responsible decision-making</b>		
3.1. <i>A listed entity should:</i>	Yes	The Company has adopted a formal code of conduct (it forms

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<p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>		part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> ) for its directors, senior executives and employees.
<b>4. Safeguard integrity in financial reporting</b>		
<p>4.1. The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</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>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>N/A</p>	<p>The Company has a separately constituted Audit and Risk Committee. A copy of the Audit and Risk Committee Charter can be located on the Company's website at <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> (it forms part of the Corporate Governance Plan).</p> <p>During the reporting period, the Audit and Risk Committee consisted of the following members:</p> <ul style="list-style-type: none"> <li>• Cassandra Kelly (Chair);</li> <li>• Andrew McKeon;</li> <li>• Matthew Brown (resigned 30 April 2019).</li> </ul> <p>However, since Mr Brown signed on 30 April 2019, the Audit and Risk Committee was reduced to two members from that date until the end of the reporting period.</p> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned.</p> <p>During the reporting period, the majority of the members of the Audit and Risk Committee were considered by the Company to be independent directors, including the chair of the Audit and Risk Committee. However, not all of the members were non-executive directors.</p> <p>The number of times that the Audit and Risk Committee met is set out in the 2019 Annual Report.</p> <p>As the Company continues to develop, the Board will consider appointing additional members to the Audit and Risk Committee and changing the composition so that it complies with all the conditions in this Recommendation.</p>
<p>4.2. The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and</p>	Yes	The Board received a declaration from its CEO and CFO before it approved the Company's financial statements for all financial periods in the reporting period.

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<i>internal control which is operating effectively.</i>		
4.3. <i>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</i>	Yes	An external auditor will be present at the AGM and be available to answer questions from security holders relevant to the audit.
<b>5. Make timely and balanced disclosure</b>		
5.1. <i>A listed entity should:</i> (a) <i>have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</i> (b) <i>disclose that policy or a summary of it.</i>	Yes	The Company adopted a formal written policy (it forms part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> ) for complying with its continuous disclosure requirements under the ASX Listing Rules.
<b>6. Respect the rights of shareholders</b>		
6.1. <i>A listed entity should provide information about itself and its governance to investors via its website.</i>	Yes	The Company provides information about itself and its governance to investors via its corporate website, <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> .
6.2. <i>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</i>	No	The Company did not find it necessary during the reporting period to design and implement a formal investor relations program. Investors are encouraged in ASX announcements to contact the Company's CFO or Company Secretary if they have any queries.  In addition, the Company has adopted a shareholders communications strategy (it forms part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> ).
6.3. <i>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</i>	No	The Company did not find it necessary during the reporting period to create a formal policy to facilitate and encourage participation at meetings of security holders.  However, the Company notes that security holders are welcome to attend any of its general meetings.  In addition, the Company has adopted a shareholders communications strategy (it forms part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> ).
6.4. <i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i>	Yes	The Company encourages security holders to register for receipt of communications from the Company electronically.

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<b>7. Recognise and manage risk</b>		
<b>7.1. The Board of a listed entity should:</b> <b>(a) have a committee or committees to oversee risk, each of which:</b> <b>(1) has at least three members, a majority of whom are independent directors; and</b> <b>(2) is chaired by an independent director, and disclose:</b> <b>(3) the charter of the committee;</b> <b>(4) the members of the committee; and</b> <b>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</b> <b>(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.</b>	<p>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>N/A</p>	<p>The Company has a separately constituted Audit and Risk Committee. A copy of the Audit and Risk Committee Charter can be located on the Company's website at <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> (it forms part of the Corporate Governance Plan).</p> <p>During the reporting period, the Audit and Risk Committee consisted of the following members:</p> <ul style="list-style-type: none"> <li>• Cassandra Kelly (Chair);</li> <li>• Andrew McKeon;</li> <li>• Matthew Brown (resigned 30 April 2019).</li> </ul> <p>However, since Mr Brown signed on 30 April 2019, the Audit and Risk Committee was reduced to two members from that date until the end of the reporting period.</p> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned.</p> <p>During the reporting period, the majority of the members of the Audit and Risk Committee were considered by the Company to be independent directors, including the chair of the Audit and Risk Committee.</p> <p>The number of times that the Audit and Risk Committee met is set out in the 2019 Annual Report.</p>
<b>7.2. The board or a committee of the board should:</b> <b>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</b> <b>(b) disclose in relation to each reporting period, whether such a review has taken place.</b>	Yes	<p>The Board will have the oversight function of risk management and internal control systems. Therefore, risk management functions and oversight of material business risks will be performed directly by the Board and not by management.</p> <p>A review took place in the reporting period.</p>
<b>7.3. A listed entity should disclose:</b> <b>(a) if it has an internal audit function, how the function is structured and what role it performs; or</b> <b>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</b>	No	<p>The Company did not have an internal audit function during the reporting period, and did not disclose the processes it used to improve risk management. The Board will continue to monitor whether this will become appropriate. Nonetheless, it remains committed to effective management and control of these factors.</p>

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7.4. <i>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</i>	Yes	All material risks were announced to the market, in accordance with its continuous and other disclosure obligations pursuant to the ASX Listing Rules and the Corporations Act 2001.
<b>8. Remunerate fairly and responsibly</b>		
8.1. <i>The Board of a listed entity should:</i> <i>(a) have a remuneration committee which:</i> <i>(1) has at least three members, a majority of whom are independent directors; and</i> <i>(2) is chaired by an independent director, and disclose:</i> <i>(3) the charter of the committee;</i> <i>(4) the members of the committee; and</i> <i>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i> <i>(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.</i>	Yes  Yes  Yes  Yes  Yes  N/A	<p>The Company has a separately constituted Remuneration Committee. A copy of the Remuneration Committee Charter can be located on the Company's website at <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> (it forms part of the Corporate Governance Plan).</p> <p>During the reporting period, the Remuneration Committee consisted of the following members:</p> <ul style="list-style-type: none"> <li>• Cassandra Kelly (Chair);</li> <li>• Andrew McKeon;</li> <li>• Karl Redenbach; and</li> <li>• David Lemphers.</li> </ul> <p>The Board notes that after the reporting period (on 27 September 2019), Ms Kelly resigned.</p> <p>During the reporting period, the majority of the members of the Remuneration Committee were considered by the Company to be independent directors, including the chair of the Remuneration Committee.</p> <p>As the Company continues to develop, the Board will consider appointing additional members to the Remuneration Committee.</p> <p>Qualifications of the members and number of meetings held is set out in the Company's 2019 Annual Report.</p>
8.2. <i>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.</i>	Yes	The Company discloses its remuneration policy in the 2019 Annual Report.
8.3. <i>A listed entity which has an equity-based remuneration scheme should:</i> <i>(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</i>	Yes	The Company has adopted a trading policy (it forms part of the Corporate Governance Plan on <a href="https://www.livetiles.nyc/investors/">https://www.livetiles.nyc/investors/</a> ) that prohibits directors, officers and employees from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration scheme.



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<i>(b) disclose that policy or a summary of it.</i>		