

Rules 4.7.3 and 4.10.3¹

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

Eclipx Group Limited

ABN / ARBN

85 131 557 901

Financial year ended:

30 September 2018

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

☐ These pages of our annual report:

☒ This URL on our website: <http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance>

The Corporate Governance Statement is accurate and up to date as at 30 September 2018 and has been approved by the board.

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

Date: 10 January 2019

Name of Director or Secretary authorising
lodgement: Matt Sinnamon

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

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

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

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

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

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ Board Charter at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	... the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of our diversity policy or a summary of it: ☒ Diversity Policy at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement OR ☐ at ... and the information referred to in paragraphs (c)(1) or (2): ☐ in our Corporate Governance Statement OR ☒ Workplace Gender Equality Report at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement OR ☐ at ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ Remuneration and Nomination Committee Charter at http://investors.eclixgroup.com/Investor-Centre/?page=Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement AND ☒ at page <u>35</u> of the <u>Annual Report</u>	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	... our board skills matrix: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and, where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement <u>OR</u> ☐ at ... and the length of service of each director: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ☒ in our Corporate Governance Statement <u>OR</u> ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	... the fact that we have an audit committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ Audit & Risk Committee Charter at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement OR ☒ at pages 31-35 of the <u>Annual Report</u>	☐ an explanation why that is so in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement OR ☒ Continuous Disclosure and Communications Policy at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: ☒ at http://investors.eclipxgroup.com/Investor-Centre/?page=Overview	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ Audit & Risk Committee Charter at http://investors.eclixgroup.com/Investor-Centre/?page=Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement AND ☒ at page 35 of the Annual Report	☐ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement OR ☐ at ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	... how our internal audit function is structured and what role it performs: ☒ in our Corporate Governance Statement AND ☒ at page 45-47 of the Annual Report	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement OR ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

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Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement OR ☐ at ... and a copy of the charter of the committee: ☒ Remuneration and Nomination Committee Charter at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement AND ☒ at page 35 of the Annual Report	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☐ in our Corporate Governance Statement OR ☒ at pages 52-68 of the Annual Report	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	... our policy on this issue or a summary of it: ☒ in our Corporate Governance Statement AND ☒ Remuneration Policy at http://investors.eclipxgroup.com/Investor-Centre/?page=Corporate-Governance	☐ an explanation why that is so in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable



Eclix Group Limited

Corporate Governance

Statement

As at 30 September 2018

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CORPORATE GOVERNANCE STATEMENT

ECLIPX GROUP LIMITED

The Board is responsible for establishing Eclipx's corporate governance framework, the key features of which are set out in this Corporate Governance Statement.

Eclipx has adopted the 3rd edition of the ASX Corporate Governance Council's Principles and Recommendations (**ASX Principles**) for its reporting period 1 October 2017 to 30 September 2018.

Eclipx has followed each of the ASX Principles in full for the entire reporting period. This Corporate Governance Statement discloses Eclipx's corporate governance practices against the ASX Principles.

This Corporate Governance Statement is current as at 30 September 2018 and was approved by the Board and is also available on Eclipx's website at www.eclipx.com.

Copies of Eclipx's corporate governance documents referenced in this Corporate Governance Statement are available on its website at www.eclipx.com under "Investors" then "Corporate Governance".

1. Lay solid foundations for management and oversight

1.1 Board and Management Functions

The Board is responsible for the overall operation and stewardship of Eclipx. The Board has adopted a Charter to provide a framework for the effective operation of the Board, which sets out:

- the roles and responsibilities of the Board, including to provide overall strategic guidance for Eclipx, oversight of risk management and reporting, effective oversight of

Management, monitoring **Board and Management** performance and oversight of governance;

- the roles and responsibilities of the Chairman and Company Secretary;
- the membership of the Board, including in relation to the Board's composition and size and the process of selection and re-election of Directors, terms of appointment of Directors, independence of Directors and conduct of individual Directors;
- the delegations of authority of the Board to Board Committees, the Chief Executive Officer and Managing Director (**CEO**) and Management; and
- Board process, including how the Board meets.

The CEO is responsible for running the day to day affairs of Eclipx under delegated authority from the Board to implement the policies and strategies set by the Board.

The role of Management is to support the CEO and implement the running of the general operations and financial business of Eclipx in accordance with the delegated authority of the Board.

The functions delegated to the CEO and Management are set out in the Board Charter.

1.2 Electing or Re-electing a Director

The Remuneration and Nomination Committee is responsible for developing policies and procedures for the appointment of Directors and identifying new Director candidates, having regard to their skill, diversity and experience that would complement the experience of the other Board

members and any other factors that the Committee considers appropriate.

Potential candidates will be identified and, if relevant, the Remuneration and Nomination Committee will recommend the appropriate candidate for appointment to the Board. Any director appointed by the Board (other than the CEO) will be put to shareholders for election at the next Annual General Meeting (AGM) following their appointment.

At commencement of the Non-executive Director selection process, Eclipx undertakes appropriate checks on potential candidates to consider their suitability to fill a casual vacancy on the Board or for election as a Non-executive Director.

Prior to appointment, candidates are required to provide the Chairman with details of other commitments (including an indication of time involved), and to acknowledge that they will have adequate time to fulfil their responsibilities as a Non-executive Director of Eclipx.

Directors available for election or re-election at a general meeting will be reviewed by the Remuneration and Nomination Committee and recommended to the Board. The Board will provide shareholders with all material information in the possession of Eclipx in the Notice of Meeting that would be relevant for shareholders to make a decision on whether or not to elect or re-elect a Director, such as whether the Director will qualify as an independent Non-executive Director and the Director's qualifications and experience.

1.3 Director and Senior Executive Agreements

Newly appointed Non-executive Directors receive formal letters of appointment setting out the key terms, conditions, responsibilities and expectations of their appointment. Additionally, Eclipx enters into employment contracts with

each newly employed senior executive, setting out in further detail the responsibilities specifically delegated to them and undertakes appropriate checks on potential candidates before appointing them to senior executive roles.

Each of the Non-executive Directors have entered into appointment letters with Eclipx.

1.4 Company Secretary

The Company Secretary of Eclipx reports to and is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board and Board Committees.

1.5 Diversity Policy

Eclipx has implemented a Diversity Policy which is overseen by the Remuneration and Nomination Committee and which aligns Eclipx's management systems with the commitment to develop a business model that values and achieves diversity in its workforce and on its Board.

The Remuneration and Nomination Committee (with the assistance of Management), is responsible for:

- developing measurable objectives to achieve gender diversity;
- monitoring, reviewing and reporting to the Board on Eclipx's performance in respect of gender diversity in accordance with the policy;
- reviewing the policy at least annually to assess the effectiveness of the policy and to make recommendations to the Board as to any strategies to address Board diversity;
- reviewing and reporting to the Board at least annually on the relative proportion of women and men at all levels of the business; and
- reviewing and making recommendations to the Board on remuneration by gender.

Eclix has adopted the following measurable objectives for achieving gender diversity. Eclix will continue to report on its progress in achieving these objectives in its 2019 Corporate Governance Statement.

Objectives	Measurement	Progress since 30 September 2017
Establish a diversity implementation plan and reporting framework Ensure the diversity strategy is supported by a detailed implementation plan and robust metrics.	Create a Diversity Plan that supports the existing Diversity Policy. The Diversity Plan is to include diversity metrics and targets.	The Diversity Plan, including diversity metrics, was approved by the Remuneration and Nomination Committee at the July 2018 meeting. Eclix reported 31% women in management for its core businesses to the Workplace Gender Equality Agency (“WGEA”) for the 2017-2018 reporting period, an improvement of 1% over the prior year. Following the integration of GraysOnline, Eclix reported 17% women in management for adjacent businesses. Eclix maintains the target of 30%+ women in management for the Group for the 2018-2019 reporting period. The appointment of Linda Jenkinson in January 2018 as a Non-executive Director to the Board of Eclix is a further positive step towards our commitment to gender diversity across Eclix. The appointment of Ms Jenkinson takes the female representation on the Board to 28.5%.
Build and maintain a diverse talent pipeline Ensure all employees actively participate and are considered in the development planning, talent review and succession planning processes. Ensure fair fixed and variable remuneration is paid for equivalent roles. Ensure knowledge transfer opportunities are established for employees	Examples of talent review metrics: • Number of women identified as high potential and/or successors • Number of women in critical roles • Age profile of identified high potential employees and/ or successors Additional metrics and ability to report on remuneration comparisons and ratios to be scoped and agreed.	A number of initiatives have been launched during the year to ensure diversity within the workforce. These include a diversity hiring program focused on sourcing from underrepresented groups; launch of a professional networking group for women; sponsorship of development programs for women; and the introduction of a Graduate program designed to build an entry level talent. pipeline. A gender pay equity review was also completed focusing on employees in equivalent roles. Recommendations arising from that review were actioned during the Annual Remuneration Review and these completely closed a minor gap. During the period females represented 38% of new

who are transitioning to retirement.		hires/promotions across Eclipx and 30% of new hires/promotions at a management level.
Promote an inclusive culture Promote and develop a diverse and inclusive culture, recognising that diversity not only includes gender diversity but may also include matters of age, disability, ethnicity, marital or family status, religious or cultural background, sexual orientation and gender identity.	Complete qualitative analysis against diversity implementation plan deliverables.	In 2018, Eclipx conducted an Employee Engagement Survey to obtain qualitative data relevant to the Diversity Plan deliverables. Through the Employee Engagement Survey, our people told us that the things we do best are: <u>Diversity & Inclusion</u> We value differences in age, gender, nationality, language, educational backgrounds, ideas and perspectives. <u>Manager Support</u> Managers actively look for ways to develop the team and grow people in their roles; clarify expectations, while encouraging empowerment and autonomy; and seek to support flexible working arrangements. <u>Workplace Health & Safety</u> We really believe that keeping our people safe and secure is important; and always address safety issues quickly and effectively. The following activities were run across all Business Units: • Development programs designed to build management and leadership skills; • Diversity and equality training; and • Corporate Social Responsibility such as the Volunteer Leave Policy.

Eclipx's most recent "Gender Equality Indicators" (as defined in the Workplace Gender Equality Act) can be found in Eclipx's Workplace Gender Equality Report, located on the Company's website at www.eclipx.com under "Investors" then "Corporate Governance".

1.6 Performance Evaluations

Board, Board Committee and Directors

The Board and Board Committees will be evaluated annually by comparing their performance with the requirements set out in the Board Charter, relevant Board Committee Charters and the reasonable expectations of individual Directors. The Remuneration and Nomination Committee is responsible for assisting the Board in developing procedures for the annual performance evaluations. During the reporting period, an assessment was conducted in line with this process.

Every three years, it is the Board's policy that an external facilitator will be engaged to undertake an assessment of the performance of the Board and each Board Committee, their respective Chairs and the individual Directors, comparing their performance with the requirements set out in the Board Charter, relevant Board Committee Charters and the reasonable expectations of Directors. This external review was last conducted during the 2016 - 2017 reporting period.

Senior Executives

The Board conducts an annual performance evaluation of the CEO via a roundtable discussion to review performance against KPIs set in the previous year, and to establish KPIs for the forthcoming year.

The CEO conducts a performance evaluation of the Senior Executives by meeting individually with each Senior Executive on a bi-annual basis to review performance against the Senior Executive's responsibilities as outlined in his or her contract with Eclipx.

During the reporting period, performance evaluations were conducted for the CEO and Senior Executives in accordance with the processes outlined above. The outcome of the performance evaluations were reported to the Remuneration and Nomination Committee and were taken into account by the Committee in

considering remuneration changes based on Senior Executive performance and external benchmarking recommendations. Further details on remuneration outcomes for 2018 are disclosed in the Remuneration Report of the Eclipx Annual Report.

2. Structure the board to add value

2.1 Remuneration and Nomination Committee

The Board has established a Remuneration and Nomination Committee governed by its Charter that sets out the roles, responsibilities, composition, structure and membership requirements of the Committee.

Under the Remuneration and Nomination Charter, the Committee must have at least three members, a majority of whom (including the Chair) must be independent Directors and all of whom must be Non-executive Directors.

The current members of the Remuneration and Nomination Committee are Ms Gail Pemberton (Chair), Mr Kerry Roxburgh, Mr Trevor Allen and Ms Linda Jenkinson.

The main function of the Committee is to assist the Board to ensure that Eclipx has policies to evaluate the performance of the Board, individual Directors and Senior Executives on an annual basis. The Committee also seeks to establish a Board of effective composition, size, diversity and expertise, committed to adequately discharge its responsibilities and duties.

The Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least two months prior to each annual general meeting.

Profiles of each of the Remuneration and Nomination Committee members are set out in the Eclipx Annual Report and their attendance at Committee meetings during the reporting period are set out in the Directors' Report of the Eclipx Annual Report.

2.2 Board Skills Matrix

The Remuneration and Nomination Committee has developed a Board skills matrix to identify and assess necessary and desirable Director skills and competencies, and provide advice to the Board on the skills and competency levels of Directors with a view to enhancing the Board composition.

The matrix is used to:

- identify opportunities to enhance the skills of the Board;
- assist in identifying Board professional development requirements; and
- inform Board succession and renewal.

The following table summarises the key skills and experience of the Directors:

Skills and Experience	Number of Directors
Industry Knowledge	6
Financial Acumen	6
Technology	5
People	7
Governance and Regulatory	7
Strategy and Risk Management	7

Details of Board gender diversity are included in the section “Diversity Policy” above.

The Board considers that collectively, the Directors have the range of skills, knowledge and experience appropriate for Eclix.

2.3 Independence of Directors

The independence of Directors is measured having regard to the relationships listed in Box 2.3 of the 3rd edition ASX Principles and as contained in the Board Charter.

The Chairman of the Board, Mr Kerry Roxburgh, is an independent Non-executive Director, and the Board also considers that each of Ms Gail Pemberton, Mr Trevor Allen, Mr Russell Shields

and Ms Linda Jenkinson are independent Non-executive Directors. The Board has a majority of independent Non-Executive Directors (at the date of this report and at all times during the reporting period).

Mr Doc Klotz and Mr Garry McLennan are Executive Directors (CEO and Deputy CEO/CFO, respectively) and Eclix is a party to a contract with Logbook Me Pty Ltd, a company in which Mr Klotz and Mr McLennan hold equity and debt interests.

The length of service of each of the Directors is as follows:

- Mr Kerry Roxburgh: 3 years and 7 months
- Mr Doc Klotz: 4 years and 4 months
- Mr Garry McLennan: 4 years and 4 months
- Ms Gail Pemberton: 3 years and 7 months
- Mr Trevor Allen: 3 years and 7 months
- Mr Russell Shields: 3 years and 7 months
- Ms Linda Jenkinson: 9 months

The Chairman of the Board, Mr Kerry Roxburgh is not the same person as the CEO of Eclix.

2.4 Director Induction and Development

The Remuneration and Nomination Committee is responsible for assisting the Board in developing or arranging a program for inducting new Directors and providing appropriate professional opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

New Directors will undergo a formal induction program in which they are given a full briefing on Eclix, its operations and the industry in which it operates. This includes meeting members of the existing Board, the Company Secretary and Senior Management for new Directors to familiarise themselves with Eclix and Board practices and procedures.

To achieve continuing improvement in Board performance and to enhance the skills of Board

members, all Directors have access to ongoing education and professional development. On a periodic rotational basis, different parts of the business are required to present to the Board and Committees on key developments in Eclix and in the industry and environment in which it operates.

2.5 Independent Advice

Directors may obtain independent professional advice at the expense of Eclix in carrying out their responsibilities. Directors also have access to members of Senior Management to request relevant information necessary to support informed decision-making.

3. Act ethically and responsibly

3.1 Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a formal Code of Conduct that applies to all Directors, employees, consultants, secondees and contractors. The key aspects of the Code are to:

- act with honesty, integrity and fairness and in the best interests of Eclix;
- act in accordance with all applicable laws, regulations, policies and procedures; and
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices.

The Code of Conduct sets out Eclix's policies on various matters including ethical conduct, business and personal conduct, compliance, privacy, security of information, financial integrity and conflicts of interest.

All suspected breaches of the Code will be thoroughly investigated by Eclix. If the investigations reveal breaches of the Code, appropriate disciplinary and remedial action will be taken, depending on the nature of the breach,

which may include training, coaching, and counselling through to formal warnings and/or formal termination.

3.2 Conflicts of Interests

From time to time a Director may have a conflict of interest. To help Directors manage any such conflicts, the Board has developed protocols contained in Annexure A of the Board Charter.

3.3 Whistleblowers Policy

Eclix has a Whistleblowers Policy and the aim of the policy is:

- to ensure that all employees raise any concerns and report instances of reportable conduct where there are reasonable grounds to support such action, without fear of intimidation, disadvantage or reprisal; and
- provide employees effective protection from victimisation or dismissal for reporting under this policy by implementing systems for confidentiality and report handling.

Employees can make a report under the Whistleblowers Policy to the Company Secretary or Chief Risk Officer (each a nominated Whistleblowers Protection Officer) or call the Eclix Ethics Hotline.

3.4 Securities Trading Policy

The Securities Trading Policy applies to all Directors and employees (Personnel). The Securities Trading Policy prohibits Personnel from dealing in Eclix's securities while in possession of price-sensitive or inside information and sets out the process that must be followed prior to trading in Eclix securities.

The policy outlines the types of transactions Personnel are prohibited from entering into, including any arrangement that may grant a charge over Eclix's securities, or the use of any derivatives or other products which operate to limit the economic risk of unvested Eclix securities.

3.5 Directors' Shareholdings

To demonstrate the Directors' commitment to the long term success of Eclix, it is the Board's policy that each Director will, within 12 months of their appointment to the Board, acquire and hold for the term of their appointment, ordinary shares in Eclix with a cost approximately equivalent to their annual base Director's fee (excluding Committee fees) at the time of their appointment. Details of the Directors' shareholdings in Eclix are set out in the Directors' Report of the Eclix Annual Report.

4. Safeguard integrity in corporate reporting

4.1 Audit and Risk Committee

The Board has established an Audit and Risk Committee governed by its Charter that sets out the roles, responsibilities, composition, structure and membership requirements of the Committee.

Under the Audit and Risk Committee Charter, the Committee must have at least three members, a majority of whom (including the Chair) must be independent and all of whom must be Non-executive Directors. In addition, the Chair of the Committee must not be the Chairman of the Board. All members of the Committee are required to be financially literate and there should be at least one member who has accounting and/or related financial management expertise and some members who have an understanding of the industries in which Eclix operates.

The current members of the Audit and Risk Committee are Mr Trevor Allen (Chair), Mr Kerry Roxburgh, Mr Russell Shields and Ms Gail Pemberton.

The primary role of the Committee includes:

- overseeing the process of financial reporting, internal control, continuous disclosure, financial and non-financial risk management and compliance and external audit;

- monitoring Eclix's compliance with laws and regulations and Eclix's own codes of conduct and ethics;
- encouraging effective relationships with, and communication between, the Board, Management and Eclix's external auditor;
- evaluating the adequacy of processes and controls established to identify and manage areas of potential risk; and
- seeking to safeguard the assets of Eclix.

The Committee will meet often enough to undertake its role effectively, being at least three times each calendar year. The Committee will meet in private session at least annually to assess Management's effectiveness.

Profile of each of the Audit and Risk Committee members are set out in the Eclix Annual Report and their attendance at Committee meetings during the reporting period are set out in the Directors' Report of the Eclix Annual Report.

4.2 Financial Statements

Prior to Board approval of the half-year and annual financial statements, the CEO and CFO must provide a declaration to the Board in accordance with section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles.

For both the half-year ended 31 March 2018 and the financial year ended 30 September 2018, the CEO and CFO provided the Board with declarations that, in their opinion, the financial records of Eclix and its controlled entities 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 Eclix and its controlled entities and that the opinion has been formed on the basis of a sound system of risk management and internal controls which are operating effectively.

4.3 Auditor Attendance at AGM

Eclipx's external auditor is required to attend each AGM and is available to answer shareholder questions about the conduct of the audit, the preparation and content of the Independent Auditor's Report, the accounting policies adopted by Eclipx in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit. Eclipx believes this is important in both promoting and encouraging shareholder participation in the meeting and providing balanced and understandable information. Eclipx also considers that this reflects and underlines the role of the auditor and the auditor's accountability to shareholders.

5. Make timely and balanced disclosure

5.1 Continuous Disclosure and Communications Policy

Eclipx has adopted a Continuous Disclosure and Communications Policy, which contains procedures to ensure that Eclipx complies with the Corporations Act and the ASX Listing Rule disclosure requirements, and that Directors and Management are aware of, and fulfil their obligations in relation to, Eclipx's disclosure requirements. The policy outlines the procedures that apply to the identification, control, assessment and if required, release to ASX, of material information.

Under the Continuous Disclosure and Communications Policy, Eclipx's authorised spokespersons are the Chairman, CEO, CFO and Company Secretary. They are the only representatives who may speak to the media or other external parties in relation to matters subject to the policy.

6. Respect the rights of security holders

The Board is committed to providing shareholders with sufficient information to enable them to assess the performance of Eclipx, and to inform shareholders of major developments affecting the state of affairs of Eclipx. Eclipx's Continuous Disclosure and Communications Policy promotes effective, timely and accurate communication with its shareholders, employees, customers and other stakeholders.

Eclipx's website (www.eclipx.com) is the primary means to provide information to all shareholders and stakeholders, in addition to the lodgement of all relevant financial and other information with the ASX.

6.1 Investor Relations

Eclipx recognises that meetings of shareholders represent an excellent opportunity for it to provide information to its shareholders and encourages attendance at, and participation in, general meetings. The Chairman, CEO and CFO engage with proxy advisors, institutional and retail shareholders in advance of the AGM, as appropriate, to gather a wide range of shareholder views regarding the Company.

As outlined in the Continuous Disclosure and Communications Policy, Eclipx recognises the importance of the relationship between Eclipx and its institutional investors, brokers and analysts. Eclipx may from time to time conduct briefings to these groups.

To encourage shareholder engagement and participation at the AGM, shareholders will have the opportunity to attend the AGM, ask questions on the floor, participate in voting and meet the Board and Management in person.

Shareholders who are unable to attend the AGM are encouraged to vote on the proposed motions by appointing a proxy via the proxy form accompanying the Notice of Meeting.

Shareholders will have the opportunity to submit written questions to Eclix and the external auditor, or make comments on the management of Eclix and access AGM presentations and speeches made by the Chairman and CEO (lodged with ASX and available on the website prior to the commencement of the meeting). Eclix will publish results of the meeting to the ASX and on its website following the conclusion of the AGM. Eclix recognises that it is often efficient to communicate electronically and accordingly, shareholders have the option to receive communications from, and send communications to, Eclix and its share registry electronically. Shareholders can receive all their communications (including notification that the Annual Report is available to view, Notices of Meeting and dividend payment statements) by email and can elect to subscribe to Eclix's news and updates via the website.

Eclix and its Share Registry's contact details are available on the Eclix website under "Investors" then "Investor Contacts".

7. Recognise and manage risk

Eclix has in place a Risk Management Policy to ensure that:

- appropriate systems are in place to identify to the extent reasonably practicable all material risks that may impact on Eclix's business;
- the financial and non-financial impact of identified risks is understood, and appropriate internal control systems are in place to limit Eclix's exposure to such risks; and
- appropriate responsibilities are delegated to control the identified risks effectively.

The Board has the ultimate responsibility for risk oversight. At a minimum, the Board is required to oversee the establishment and implementation of the risk management framework and review the effectiveness of Eclix's risk management system, in relation to the processes, structures and culture

established to identify, assess, treat and monitor risk to support the achievement of Eclix's objectives.

The Audit and Risk Committee is required to have a thorough understanding of Eclix's activities and be conversant with Eclix's business plans, objectives and values to ensure that Eclix has in place appropriate systems and processes to detect risks and that provide the necessary framework to enable the risk to be managed. The Committee's main risk function is to review and make recommendations to the Board in relation to the adequacy of Eclix's processes for managing risk and any incident involving breakdown of Eclix's internal controls.

The Audit and Risk Committee reviews and assesses the entity's risk management framework at least annually to satisfy itself that it continues to be sound. Such a review was conducted during the reporting period.

Eclix employs appropriate processes for evaluating and continually improving the effectiveness of its risk management and internal control processes as set out in the Audit and Risk Committee Charter. During the reporting period, the Audit and Risk Committee was responsible for oversight of Eclix's internal processes and practices and assessing the effectiveness of its risk management and internal control processes.

Eclix has an Internal Audit Charter that governs internal audit activities undertaken within the Group. Internal audits are carried out by Deloitte Touche Tohmatsu according to a risk based internal audit program.

The Board recognises that the material risks facing Eclix are the more significant areas of uncertainty or exposure to Eclix that could adversely affect the achievement of its objectives and successful implementation of its business strategies.

The material risks facing Eclix are recorded in the corporate risk register and reviewed by the Audit

and Risk Committee periodically. The major risks that could adversely affect the achievement of Eclipx's objectives and strategies include those in the following categories:

- industry and market;
- competition;
- foreign exchange and funding market conditions;
- credit and residual asset value risks;
- technology;
- changes in fringe benefits tax legislation in Australia;
- changes in accounting treatment for operating leases;
- social sustainability risks, which in particular for Eclipx are relevant to brand and reputational damage; and
- brand and reputational damage.

The Board will continue to consider material risks as part of its periodic risk management review, on an as required basis upon advice from Audit and Risk Committee and/or Senior Management, including the CEO and CFO. Further details about Eclipx's material risks and how it manages them are set out in the "Business strategies, prospects and risk for future financial years" and "Key risks" sections of the Directors' Report.

8. Remunerate fairly and responsibly

8.1 Remuneration and Nomination Committee

Refer to commentary under "Remuneration and Nomination Committee" as set out in the Eclipx Annual Report for information about this Committee. Mr Kerry Roxburgh, Ms Gail Pemberton, Mr Trevor Allen and Ms Linda Jenkinson are members of this Committee based on each of their expertise in remuneration.

The main remuneration functions of the Committee are to assist the Board with a view to discharging its responsibilities to shareholders and other stakeholders to seek to ensure that Eclipx:

- has coherent remuneration policies and practices which enable Eclipx to attract and retain executives and Directors, including succession planning for the Board and executives;
- fairly and responsibly remunerates Directors and executives, having regard to the performance of Eclipx, the performance of the executives and the general remuneration environment; and
- has effective policies and procedures to attract, motivate and retain appropriately skilled and diverse persons to meet Eclipx's needs.

Eclipx has a Remuneration Policy in place which sets out its policies and practices regarding the remuneration of Non-executive Directors, Executive Directors and senior executives. Details of FY2018 remuneration, including Eclipx's policy on remuneration, are contained in the Remuneration Report which forms part of the Directors' Report as set out in the Eclipx Annual Report.

The Remuneration Policy also sets out Eclipx's policy in relation to the ability of persons participating in an equity based remuneration scheme to limit the economic risk of participating in that scheme.

