

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

DICKER DATA LIMITED

ABN/ARBN

95 000 969 362

Financial year ended:

31 DECEMBER 2019

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: <https://www.dickerdata.com.au/investor>

The Corporate Governance Statement is accurate and up to date as at *21 February 2019* and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 21 February 2019

Name of Director or Secretary  
authorising lodgement:

Erin McMullen – Company Secretary



<sup>1</sup> “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.

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 Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council’s recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity’s corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> 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.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should have and disclose a board charter setting out: (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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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 director or senior executive or putting someone forward 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> 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	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<p>1.5 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>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) 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&amp;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 not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a></p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>In our Corporate Governance Statement</p> <p>and if we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 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>	<p><input type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>In our Corporate Governance Statement [insert location]</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>In our Corporate Governance Statement [insert location]</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p>The Board has chosen not to undertake this review process for the year ended 31 December 2019. It is the view of the Board that the existing composition of the Board, with the addition of Ms Ralph to the Board, is optimal for the current stage of the business and does not require additional skillsets at this point in time to drive the business and shareholder returns</p>

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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>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>In our Corporate Governance Statement <i>[insert location]</i> and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>in our Corporate Governance Statement <b>AND</b> details of the outcomes of the performance evaluation undertaken during the year for the CEO and senior executives can be found in the Remuneration Report in the Annual Report. Refer <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a> in the Annual Report section.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</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>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: ..... <i>[insert location]</i> and the information referred to in paragraphs (4) and (5) at: ..... <i>[insert location]</i> <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have a nomination committee and the processes we employ 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 at: In our Corporate Governance Statement <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> <p>The Company does not have a Nomination Committee. The responsibilities ordinarily undertaken by a Nominations Committee are included in the Board Charter as a responsibility of the whole Board</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>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix at: in our Corporate Governance Statement <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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, affiliation 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 or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: In our Corporate Governance Statement <i>[insert location]</i> and, where applicable, the information referred to in paragraph (b) at: In our Corporate Governance Statement <i>[insert location]</i> and the length of service of each director at: In our Corporate Governance Statement <i>[insert location]</i>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> 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 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.	<input checked="" type="checkbox"/> In our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: In our Corporate Governance Statement and Code of Conduct <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a> [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code by a director or senior executive; and (2) any other material breaches of that code that call into question the culture of the organisation.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a> [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a> [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: There isn't a separate Anti-Bribery and Corruption Policy, however Dicker Data's Code of Conduct outlines clear guidelines in relation to anti-bribery and corrupt <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>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,</p> <p>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><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a>. <i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>4.1(a)(4) Corporate Governance Statement and Directors Report Section of the Annual Report Refer <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> in the Announcements Section.</p> <p>4.1(a)(5) Corporate Governance Statement and Directors Report Section of the Annual Report Refer <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> in the Announcements Section</p> <p>Note: The Committee is a combined Audit and Risk Committee</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> <p>The fact that we have an Audit and Risk committee that complies, however the majority are not independent, and while the Chair is a Non-Executive Director, is not deemed independent.</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>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>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.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



## Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: In our Corporate Governance Statement and in our Continuous Disclosure Policy <a href="https://www.dickerdata.com.au/investor">https://www.dickerdata.com.au/investor</a> . [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> and <a href="https://www.dickerdata.com.au/AboutUs">https://www.dickerdata.com.au/AboutUs</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: In our Corporate Governance Statement [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</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>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> and the information referred to in paragraphs (4) and (5) at: In our Corporate Governance Statement</p> <p>7.1(a)(5) Corporate Governance Statement and Directors Report Section of the Annual Report Refer <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> in the Announcements Section</p> <p>Note: The Committee is a combined Audit and Risk Committee</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> <p>the fact that we have an Audit and Risk committee that complies, however the majority are not independent, and while the Chair is a Non-Executive Director, is not deemed independent.</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>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Corporate Governance Statement <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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7.3	<p>A listed entity 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>	<p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs at: Corporate Governance Statement <i>[insert location]</i> <i>[If the entity complies with paragraph (b):]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether we have any material exposure to environmental and social risks at: Corporate Governance Statement <i>[insert location]</i> and, if we do, how we manage or intend to manage those risks at: Through the Audit &amp; Risk Committee as outlined in the Corporate Governance Statement <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</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>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>The full Board has the responsibility of matters relating to remuneration. These responsibilities are incorporated into the Board Charter (which is available <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a>)</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></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>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at:</p> <p>in our Corporate Governance Statement <b>AND</b></p> <p>in the Remuneration Report section of the Annual Report at <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> in the Announcements Section</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
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.	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: in our Corporate Governance Statement <b>AND</b> in the Remuneration Report section of the Annual Report at <a href="https://www.dickerdata.com.au/Investor/Investor">https://www.dickerdata.com.au/Investor/Investor</a> in the Announcements Section	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the information referred to in paragraphs (a) and (b) at:</p> <p>.....</p> <p>[insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



## CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement (**Statement**) outlines the main corporate governance practices currently in place for Dicker Data Limited (**Company** or **Dicker Data**) and also addresses the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**). The Board recognises that the Company does not accord with the all of the ASX Recommendations of the ASX Corporate Governance Council, however, believes the governance processes that are in place are appropriate for the Company. Those ASX Recommendations that are complied with and those that are not, and reasons why the Company doesn't comply, at this stage, are outlined in this Statement.

The corporate governance policies and practices described below are those that have been in place for the year ended 31 December 2019, or as at the date of this report where indicated.

All references to the Company's website are to [http:// www.dickerdata.com.au](http://www.dickerdata.com.au)

### **Principle 1: Lay solid foundations for management and oversight**

#### ***Recommendation 1.1 – Roles and Responsibilities of the Board – Adopted***

##### **Role of the Board**

The Board is committed to effectively representing and promoting the Company, and thereby adding long-term value to all shareholders. The Board is accountable to shareholders for the management of the Company's business and affairs, and as such is responsible for the overall strategy, governance and performance of the Company. To clarify the roles and responsibilities of directors and management and to assist the Board in discharging its responsibilities, the Company has established a governance framework, which sets out the functions reserved to the Board and provides for the delegation of functions to Board Committees and to senior management. The Board operates under a formal Board Charter that details the responsibilities of the Board. This Charter can be found on the Company's website.

**Table 1**

The diagram below depicts the operation of the Company's current governance framework.

## **Board**

Formally delegates certain functions to Board Committees and to management via the formal Board and Committee charters.

Directly retains responsibility for a number of matters including:

- Corporate Strategy – Evaluate, approve and monitor the strategic and financial plans for the Company.
- Oversight of Management - guide and monitor management's performance and implementation of strategy. The appointment and replacement of the CEO/MD, executive succession planning, monitor the performance of the CEO/MD and the senior management team and determine their remuneration.
- Oversight of Financial Management – review and approve the annual operating budgets, review and approve all financial reports of the Company, evaluate and approve decisions concerning major capital expenditure of the Company.
- Oversight of Capital Management – approve changes to the Company's capital structure, determine distribution policy and approve dividend payments pursuant to that policy and approve the establishment and issue of any equity rights via incentive plans.
- Board Composition and Structure – review composition of the Board, succession, and carry out annual performance reviews.
- Compliance and Risk Management – monitor strategic risk management systems and the integrity of internal control and reporting systems. Monitor compliance with AFSL and other regulatory obligations.
- Stakeholder Communications – approve all material reporting and other external communications by the Company, review policies and procedures to ensure compliance with ASX continuous disclosure requirements.
- Ethics and Responsible Decision Making – actively promoting ethical and responsible decision making and monitoring compliance with policies governing the operation of the Company.

## **Audit and Risk Committee**

Key function - to oversee, review and make recommendations to the Board on:

- The integrity of the Group's corporate reporting processes and financial statements;
- The appointment, remuneration, independence and competence of Dicker Data's external auditors;
- The effectiveness of Dicker Data's system of risk management and internal controls; and
- Dicker Data's systems and procedures for compliance with applicable legal and regulatory requirements.

## **CEO and Other Senior Executives**



## ***Recommendation 1.2 – Appointment and Re-election of Directors – Adopted***

### **Appointments to the Board**

When considering the appointment of directors to the Board, appropriate reference checks on candidates are carried out. In addition, the Board considers and formally resolves to support the election or re-election of directors to shareholders at general meetings/annual general meeting.

The Board supplies shareholders the relevant notice of meeting, all material information to assist them to make an informed decision on all director's standing for election or re-election. Directors are re-elected in accordance with the Company Constitution and the ASX Listing Rules.

## ***Recommendation 1.3 – Agreements with Directors and Senior Managers – Adopted***

Non-executive directors are appointed pursuant to formal letters of appointment which, among other things, set out the key terms and conditions of the appointment, the Board's expectations in relation to the performance of the director, procedures for dealing with a Director's potential conflict of interest and the disclosure obligations of the director, together with the details of the Director's remuneration.

## ***Recommendation 1.4 – Accountability of the Company Secretary - Adopted***

The Company Secretary acts as secretary of the Board, attending all meetings of the Board and its committees as required. The Company's Board Charter expressly provides that the Company Secretary is accountable to the Board through the Chair on all corporate governance matters and the proper functioning of the Board. All Directors have access to the Company Secretary, who is appointed by, and accountable to, the Board on all governance matters.

## ***Recommendation 1.5 – Diversity Policy - Adopted***

In appointing members to the Board, consideration is given to the relevant skills, business experience and educational backgrounds of candidates. The advantage of having a mix of relevant business, executive and professional experience on the Board; the importance of cultural and ethical values; and the benefits of diversity, including gender diversity, is also recognised. These factors will also be considered in any future appointments to the Board including any identified skills 'gaps'.

The Board oversees the director nomination process and determines who is invited to fill a casual vacancy after one-on-one and collective interviews with candidates and thorough due diligence and reference checking.

The Board currently has three female Directors, an Executive Director, Ms Mary Stojcevski and Non-Executive Directors Ms Fiona Brown and Ms Leanne Ralph.

A formal Diversity Policy has been adopted by the Board that outlines the Company's commitment to inclusions at all levels, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Company's induction, training and other programs are designed to promote the Company's culture of diversity and female participation in the workplace and within leadership positions.

Whilst the Board hasn't established measurable objectives in relation to gender diversity, the Board's aim is to maintain the range of the current female percentages across the organisation.

The Company has always had a policy of actively encouraging gender diversity at all levels in the organisation, and a culture that supports workplace diversity. This is evidenced by:

- The proportion of female directors: 43%
- The proportion of female employees in the whole organisation: 44.76%
- The proportion of female employees in senior positions: 44.59%

The Company's policies and procedures are outlined in the Diversity Policy and ensure promotion of diversity within the workplace and that management teams are made aware of the policies that exist within the organisation to promote diversity within the workplace. For example:

1. For director selection:
  - at least one serious female candidate should be present on every shortlist;
  - at least one female to form part of the interview and selection panel for these appointments; and
  - if, at the end of the selection process, a female candidate is not selected, the Board must be satisfied that there are objective reasons to support its determination.
2. For employee selection:
  - a wider candidate pool can be established by engaging a professional search/recruitment firm(s), and/or by advertising vacancies; and
  - a short-list identifying potential candidates for the appointment should include a mix of both male and female candidates wherever possible.

### ***Recommendation 1.6 – Evaluation of the Performance of the Board, its Committees and Individual Directors – Not Adopted***

#### **Board and Director Performance**

The Board has considered the merits of undertaking a review of its performance and the performance of individual Directors and has determined that the current size and composition of the Board allows for:

- (a) Decisions to be made appropriately and expediently;
- (b) A range of different perspectives to be put forward regarding issues before the Board;
- (c) A range of different skills to be brought to Board deliberations;
- (d) Considerable experience of the Company and the industry in which it operates; and
- (e) Board decisions to be made in the best interests of Dicker Data as a whole rather than of individual shareholders or interests.

As a result of this determination, the Board has chosen not to undertake this review process for the year ended 31 December 2019. It is the view of the Board that the existing composition of the Board, with the addition of Ms Ralph to the Board, is optimal for the current stage of the business and does not require additional skillsets at this point in time to drive the business and shareholder returns.

The Board acknowledges the benefit of establishing a process to review and evaluate the performance of individual Directors and the Board as a whole and, as the business evolves, the Board expects to conduct a review of its performance and composition, to ensure that it has the appropriate mix of expertise and experience, taking into account the size and nature of Dicker Data's activities.

### ***Recommendation 1.7 – Evaluation of the Performance of Senior Executives - Adopted***

#### **Senior Executives**

The Board delegates the responsibility for the day-to-day management of the Company to the Chief Executive Officer (**CEO**), who is assisted by the senior executives who report to him.

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

## Performance of Senior Executives

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

The CEO's performance is assessed on an annual basis by the Board.

An annual assessment of the performance of all other senior executives is undertaken by the Board on the basis of recommendations by the CEO, who conducts performance reviews in relation to each senior executive.

A performance evaluation for all senior executives, including the CEO/MD, was undertaken in the reporting period in accordance with the process disclosed above.

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

## Principle 2: Structure the Board to be Effective Add Value

### Board size and composition

The Constitution of the Company provides there will be a minimum of three directors and not more than ten directors.

### Table 2

At the date of this report, the Board comprises seven directors, including two non-executive Directors:

<b>Name</b>	<b>Position</b>	<b>Appointed</b>
David Dicker	Chairman and Chief Executive Officer	20 January 1972
Fiona Brown	Non-Executive Director	7 May 1983
Mary Stojcevski	Executive Director	31 August 2010
Vladimir Mitnovetski	Executive Director	8 September 2014
Michael Demetre	Executive Director	21 September 2010
Ian Welch	Executive Director	6 August 2015
Leanne Ralph	Non-Executive Director	13 December 2019

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

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

### ***Recommendation 2.1 – Nomination Committee – Not Adopted***

#### **Director Nomination Matters**

The Company does not have a Nomination Committee. The responsibilities ordinarily undertaken by a Nominations Committee are included in the Board Charter as a responsibility of the whole Board.

These responsibilities include the Board reviewing the size and composition of the Board, including assessment of necessary and desirable competencies, skills, experience and expertise of Board members and assessing the extent to which the required skills and experience are represented on the Board, at the appropriate time.

The Board is also responsible for reviewing its membership, including recommendations for the appointment and re-election of directors and where necessary, proposing candidates for consideration. The Board should comprise directors with a broad range of skills, expertise and experience from a diverse range of backgrounds in accordance with the Diversity Policy.

## **Recommendation 2.2 – Board skills matrix - Adopted**

### **Board Skills, Matrix and Diversity**

The Board maintains a Board Skills Matrix that lists out the skills and experience considered by the board to be important for its directors to collectively possess. The Board considers that its directors and senior management have the combined skills and experience to discharge their respective responsibilities in a publicly listed, computer hardware distribution company.

Executive directors Mr David Dicker and Ms Fiona Brown have a deep knowledge and understanding of the operations of the company through their length of service to the Company. This also allows Mr Dicker as CEO to bring to the Board the ability to debate and discuss all issues with his unique knowledge, experience of, and perspective on, all Company services.

Mr Mitnovetski sales and marketing expertise in the technology distribution industry strengthens the collective skills of the Board.

Ms Mary Stojcevski complements and strengthens these skills with her accounting and commerce background. Ms Stojcevski also possesses skills and experience in the areas of risk and financial controls in the technology distribution sector and other industries.

The digital technology skills of the Board are further enhanced with Mr Ian Welch, the Chief Information Officer of the Company. Mr Demetre as an Executive Director brings to the Board his skills and expertise in logistics and warehouse management.

Ms Ralph as an independent Non-Executive brings to the Board strong governance expertise with over 15 years' experience in this field, in addition to her extensive accounting and finance experience.

The table below sets out the skills and experience considered by the Board to be important for its Directors to collectively have.

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

- Honesty and integrity;
- The ability to think strategically;
- The time available to devote to Dicker Data's business;
- A willingness to question and challenge; and
- A commitment to the highest standards of governance.

All directors are expected to use their range of relevant skills, knowledge and experience and to apply their judgement to all matters discussed at Board meetings.

SKILL	DESCRIPTION
Strategy	Ability to think strategically and identify and critically assess opportunities and threats and develop effective strategies in the context of changing market conditions.
Finance	The ability to analyse financial statements and reporting, critically assess the financial performance of the Company, contribute to budget planning and efficient use of capital and resources.

SKILL	DESCRIPTION
Operations	A broad range of commercial and business experience in business systems, practices, improvements, risk and compliance, sales, maintenance, technology and human resources.
Sales and Marketing	Clear understanding of developing and implementing brand strategy, recruiting, running and incentivising sales teams, setting sales budgets and targets and getting brand “cut-through”. These skills must also be applicable to the online and digital space.
Capital markets	Expertise in considering and implementing efficient capital management including alternative capital sources and distributions, yields and markets.
Industry experience	Experience and broad understanding of the technology distribution market, including market drivers, risks and trends including policies, competitors, end users, regulatory policy and framework.
Mergers and Acquisitions	Experience in all aspects of the negotiation, structuring, risk management and assessment of both acquisitions and divestments.
People and performance	Appreciation for the best practices in HR planning and management with familiarity in employment legislation and labour relations, recruitment, compensation, performance reviews and conflict management.
Legal and compliance	Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
ASX governance	Knowledge and experience in best practice ASX and Corps Act Governance structures, policies and processes.
Technology/Digital	Expertise in the analysis of technology/logistics feasibility and assessment, strategies for optimising value and understanding and mitigating risk from of Technology/logistics opportunities.
Industry relations	Expertise in the industry both in terms of policy development, interest Company input and lobbying and legislation. Effective networks.
Corporate History	A good understanding of recent corporate background including organisational structure, litigation, key contracts and relationships, performance and capital structures
Leadership	Successful senior executive positions held

While the current Board composition meets the Company's needs, this skills and experience analysis will assist to identify opportunities for director training and development and to inform skills gaps that may be addressed through future Board appointments.

### ***Recommendations 2.3 and 2.4 – Director Independence – Not Adopted***

#### **Directors' Independence**

On an annual basis, the Board assesses the independence of all directors against the criteria outlined in Box 2.3 of the 4th edition of the ASX Recommendations.

The Board considers an independent Director to be a Non-executive Director who is not a member of the Company's management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the Company. The Board considers the materiality of any given relationship on a case-by-case basis, having regard to both quantitative and qualitative principles.

David Dicker is a substantial shareholder of Dicker Data and holds the position of Executive Chairman/CEO. By virtue of this position, based on the ASX Recommendations criteria, he is not considered to be an independent director.

Four of the directors are employed by Dicker Data and are also not considered to be independent by virtue of their positions.

Fiona Brown, a non-executive director, is a substantial shareholder of Dicker Data and therefore is not considered to be independent based on the criteria outlined in the ASX Recommendations.

Ms Ralph is currently the only independent Non-Executive Director on the Board.

The Company does not have a majority of independent directors on the Board. However, it is the view taken by the Board that the current composition of the Board is appropriate to Dicker Data's size and operational structure. The current Directors expertise, experience and collective knowledge of Dicker Data's operations and assets are integral to the performance of the business.

The length of service of each director is outlined in Table 2 under Principle 2.

#### **Directors' Interests**

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

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

Standing items at each Board meeting include:

- Directors' Securityholding Register; and
- Directors' Conflicts of Interests Register.

## ***Recommendation 2.5 – Chair Independence - Not Adopted***

### **Chair**

The same individual is currently carrying out the roles of Chair and CEO. In addition, David Dicker is not considered an independent director due to his substantial shareholding in the Company. Notwithstanding this non-independence, Mr Dicker is considered by the other Directors to be the most appropriate Director to be Chair of the Board and CEO due to his experience with the Company and the industry.

## ***Recommendation 2.6 – Director Induction - Adopted***

### **Director Induction**

A director induction program has been designed and directors are expected to participate in this induction and orientation program on appointment. In addition, industry updates are regularly provided to the board to ensure they are informed about developments within the company and the industry in which it operates.

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

## **Principle 3: Instil a culture of acting lawfully, ethically and responsibly**

### ***Recommendation 3.1-3.2 -Core Values and Code of Conduct - Adopted***

#### **Code of conduct and Ethical Behaviour**

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

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

The Code of Conduct outlines the Company's core values and commitments, which include being:

- Flexible;
- Accessible;
- Knowledgeable;
- Collaborative; and
- Dedicated.

The Company's Code of Conduct may be viewed on the Company's website.

The Code has been established to ensure that a high standard of ethical business behaviour is observed by all staff members and deals with issues such as:

- Conflicts of interests;
- Insider trading;
- Whistleblowing;
- Gifts, entertainment and anti-bribery; and
- Handling confidential information.

In addition to their obligations under the Corporations Act in relation to inside information, all directors, employees and consultants have a duty of confidentiality to the Company in relation to confidential information they possess.

A report is presented at the Board on any material incidents or breaches to the Code of Conduct.

### **Employee and Director Trading in Dicker Data Securities**

The Company has a Securities Trading Policy that governs the ability of directors, employees and contractors to trade in the Company's securities. Subject to necessary prior written consents being obtained, the Company's directors, executives and employees may trade in the Company's securities at any time outside closed periods, which cover the following.

Directors, employees and contractors may, in exceptional circumstances as defined in the policy, trade during a closed period but only with the prior written consent of the Chairman for directors, another non-executive director for the Chairman and the Company Secretary for employees and contractors. Notwithstanding the closed periods and approval requirements, a person is prohibited from trading at any time if they possess material, price-sensitive information about the Company that is not generally available to the public.

The policy also prohibits engaging in short term trading, margin lending, short selling and hedging of the Company's securities.

The Company's Securities Trading Policy may be viewed on the Company's website.

### ***Recommendation 3.3 -Whistleblower Policy - Adopted***

Dicker Data has adopted a Whistleblower Policy. The policy sets out the principles for making, receiving, investigating and addressing disclosures made by whistleblowers. Dicker Data believes every employee should have the chance to speak up anonymously when they feel we are not adhering to our corporate values or complying with the law. Dicker Data believes everyone should be able to make disclosures anonymously. We protect whistleblowers' identities and they only need to reveal their identity if they choose to. Dicker Data provides Whistleblowers a place to report concerns and, after proper investigation based on the results, we commit to fixing problems and making improvements.

The policy outlines the procedures available for an eligible person to report a disclosure, ensuring there are different channels available that ensures the whistleblower's identity is safeguarded and the whistleblower is protected from retaliation or victimisation.

A report is presented at the Board on any material incidents or breaches to this Policy.

The Whistleblower Policy may be viewed on the Company's website.

### ***Recommendation 3.4 -Anti-Bribery / Corruption - Adopted***

Whilst there isn't a separate Anti-Bribery and Corruption Policy, Dicker Data's Code of Conduct outlines clear guidelines in relation to anti-bribery and corruption which must be complied with so as to uphold all laws against bribery, corruption and related conduct applying to the Company in all the jurisdictions where the Company operates.

No money, opportunity or other benefit which could be interpreted as an inducement, secret commission or bribe can be accepted.

Dicker Data is committed to adopting effective systems to counter bribery and related improper conduct. If a breach is found to have occurred, legal or disciplinary action will be taken against any employee.

A report is presented at the Board on any material incidents or breaches to the Policy.

Further information can be found in the Code of Conduct which may be viewed on the Company's website.



## Principle 4: Safeguard the integrity of corporate reports

### **Recommendation 4.1 – Audit Company - Partially Adopted**

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

The Audit and Risk Committee Charter (available on the Company website) takes into account the roles and responsibilities of the Audit and Risk Committee as well as contemporary governance practices. The Audit and Risk Committee Charter includes details on the appointment and oversight of the external auditor. The Company will ensure the external auditor is available to shareholders at the Annual General Meeting to answer any questions they may have about the Company's external audit.

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

The Audit and Risk Committee Charter states there should be three committee members, all non-executive and the majority to be independent. As noted earlier in this Statement, there are currently four members of this committee, two of whom are executive directors. The Chair is a Non-Executive Director. There is only one member of this Committee who is an independent Non-Executive Director. Three of the members are not considered independent under the ASX Recommendations but all bring an independent mind to all decision making regarding the Committee. It should be noted further that those Directors directly involved with the finance function of the Company are not on the Audit and Risk Committee. The composition of this committee is considered optimal given the size and composition of the existing Board and the appropriate skillsets of these members.

The qualifications and experience of the members of the Audit and Risk Committee are outlined in the Directors Report in the Annual Report.

The ultimate responsibility for the oversight of the operations of the Company rests with the Board. However, the Board may discharge any of its responsibilities through committees of the Board in accordance with the Constitution and the *Corporations Act 2001 (Cth)* (**Corporations Act**)

The Board has established an Audit and Risk Committee (**Committee**), which assists it with the execution of its responsibilities. The composition and effectiveness of the committees are reviewed on an annual basis.

The Committee operates in accordance with an Audit and Risk Committee Charter approved by the Board, which can be found on the Company's website.

The applicable composition requirements and current membership of the Committee is set out below:

<b>Board Committee</b>	<b>Composition Requirements</b>	<b>Membership</b>
Audit and Risk Committee	<p>At least three members, all non-executive and the majority of whom are independent (where possible). The Chair should be a non-executive director. One member must also have financial expertise.</p> <p>The Committee has two Non-Executive Directors being Ms Brown and Ms Ralph, with Ms Brown appointed as the Chair of the Committee. The Company has one independent Director.</p>	Ms Fiona Brown (Chair), Mr David Dicker, Ms Leanne Ralph and Mr Vladimir Mitnovetski.

The number of scheduled Board and Committee meetings held during the year ended 31 December 2019 and the number of meetings attended by each of the directors is set out in the table below:

	Board		Audit & Risk Committee	
	A	B	A	B
Mr David Dicker	8	8	2	1
Ms Fiona Brown	8	8	2	2
Mr Vladimir Mitnovetski	8	7	2	2
Ms Mary Stojcevski	8	8	-	-
Mr Michael Demetre	8	8	-	-
Mr Ian Welch	8	8	-	-
Ms Leanne Ralph	1	1	-	-

A: Meetings eligible to attend B: Meetings attended

#### ***Recommendation 4.2 – CEO and CFO Declaration - Adopted***

In accordance with the Company's legal obligations and Recommendation 4.2 of the ASX Recommendations, the CEO and Chief Financial Officer have made the following certifications to the Board in relation to the Financial Statements for each financial period in 2019:

- The financial statements and associated notes comply in all material respects with the Accounting Standards as required by Section 296 of the Corporations Act, Corporations Regulations, International Reporting Standards and other mandatory professional reporting requirements;
- The financial statements and associated notes give a true and fair view, in all material respects, of the financial position as at 31 December 2019 and performance of the Company for the period ended as required by Section 297 of the Corporations Act;
- The financial records of the company have been properly maintained in accordance with Section 286 of the Corporations Act;
- The integrity of the financial statements are founded on a sound system of risk management and internal compliance and control which, in all material respects, implements the policies adopted by the Board of directors;
- The risk management and internal compliance and control systems of the Company relating to financial reporting objectives are operating effectively, in all material respects; and
- Subsequent to the end of the financial period, no changes or other matters have arisen that would have a material affect on the operation of risk management and internal compliance and control systems of the Company.

#### ***Recommendation 4.3 – Verifying Integrity of Corporate Reports - Adopted***

The Company produces an Interim Financial Report and Annual Financial Report which is audited and reviewed by the Company's external auditor.

The Independent Auditors Report contained in the Annual Financial Report for the Company outlines the process to verify that the Report is materially accurate.

## **Principle 5: Make timely and balance disclosure**

### ***Recommendation 5.1 –Continuous Disclosure - Adopted***

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

The Company has a Disclosure Policy and it incorporates the continuous disclosure framework as set out in the ASX Listing Rules Chapter 3, as well as the revised ASX Listing Rules Guidance Note 8. This policy is available on the Company's website.

The Policy creates a framework for compliance with relevant disclosure obligations and establishes the accountability of the Board for achieving compliance. More specifically, the policy:

- Explains the Company's obligations under ASX Listing Rule 3.1 and the Corporations Act;
- Establishes internal processes for reporting of information considered to be potentially price-sensitive and for consideration of information reported by the Board;
- Establishes processes for the disclosure of price sensitive information, taking into account ASX Guidance Note 8;
- Establishes internal processes for briefing of analysts, investor and media companies, responding to market speculation, leaks and rumours and calling trading halts where appropriate to avoid trading occurring in an uninformed market; and
- Appoints the Company Secretary as the person responsible for communication with the ASX in relation to listing rule matters and also for general administration of the policy.

### ***Recommendation 5.2 – Market Announcements - Adopted***

The Company ensures that all market announcements are distributed promptly to the Board after they have been released to the market.

### ***Recommendation 5.3 – Investor or Analyst Presentations - Adopted***

The Company ensures that all any relevant investor or analyst presentation are released to the market prior to the presentation, so as to ensure the equality of information amongst investors.

## **Principle 6: Respect the rights of security holders**

### ***Recommendation 6.1 – Information to Investor via Website – Adopted***

The Board aims to ensure that its shareholders are kept well-informed of all major developments and business events that are likely to materially affect the Company's operations and financial standing, and the market price of its securities. Information is communicated to shareholders through:

- The Company's website under the Investors and About Us tabs;
- Annual and half-year financial reports lodged with the ASX and made available to all shareholders;
- Announcement of market sensitive and other information, including annual and half-year results announcements and analyst presentations released to the ASX; and
- The Chair/CEO addresses to, and the results of, the annual general meeting.

The Company's website contains information for investors and is all contained in the Investors, and About Us tabs.

- I. The following information for investors is located under the Investors tab:
  - Corporate Governance information – including Charters and Policies;
  - Share price information;
  - ASX Announcements links;
  - Contact information for investors; and
  - Annual Reports;
- II. The following information for investors is located under the About Us tab:
  - General Information about the Company and its activities.

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

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

### ***Recommendation 6.2 – Investor Relation Program – Adopted***

Dicker Data's current investor relation program consist of a series of investor roadshows, presentations to the market and meetings with investors, analysts and brokers on a regular basis / after each reporting period. Presentations to these parties are released to the ASX prior to any meetings being held.

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

### ***Recommendation 6.3 – Meeting Participation for Securityholders – Adopted***

Shareholders have the right, and are encouraged, to attend the Company's annual general meeting, usually held in May each year, and are provided with explanatory notes on the resolutions proposed through the notice of meeting. A copy of the notice of meeting is also posted on the Company's website and lodged with the ASX.

In addition, a document is enclosed with the notice of meeting to invite shareholders to submit questions of the Board, auditors or management, which are addressed at the meeting.

Transcripts of the Chair/CEO and business update reports to shareholders are also released to the ASX upon the commencement of the Annual General Meeting. These transcripts, together with the results of the meeting are also posted on the Company's website and the ASX.

### ***Recommendation 6.4 – Resolutions Decided by Poll – Adopted***

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

The Company has a policy that all resolutions at a General Meeting or an Annual General Meeting are decided by a poll.

### ***Recommendation 6.5 – Receive Communications Electronically – Adopted***

Shareholders are provided with the option to receive communications from, and send communications to, the Company and the security registry electronically.

## **Principle 7: Recognise and manage risk**

### ***Recommendation 7.1 – Risk Committee - Partially Adopted***

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

In addition, the Audit and Risk Committee:

- Identifies and assesses the Company's material business risks;
- Regularly reviews and updates the Company's risk profile; and
- Oversees the risk management policies and systems.

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

### ***Recommendation 7.2 - Risk Management Framework - Adopted***

The Company's risk management framework is integrated with the day-to-day business processes and functional responsibilities. The review of this framework is an ongoing process. However, the Audit and Risk Committee has been charged with reviewing the framework at least annually. This review takes place in August each year.

The Board ensures they are tax risk compliant by review at each board meeting.

### ***Recommendation 7.3 – Internal Audit - Adopted***

The Company does not have an internal audit function as the Board considers the Company is not of the size to warrant such a function.

The Company will review the need for an internal audit function periodically through the Audit and Risk Committee.

The Company's risk management framework is integrated with its day-to-day business processes and functional responsibilities. Risks are monitored and managed by management reporting to the Audit and Risk Management Committee on such matters.

### ***Recommendation 7.4 – Material Exposure to Environmental or Social Risks - Adopted***

In accordance with Recommendation 7.4, the Audit Committee has considered whether the Company has any material exposure to economic, environmental and social sustainability risks and determined that there is no material exposure to these risks.

## **Principle 8: Remunerate fairly and responsibly**

### ***Recommendation 8.1 – Remuneration Committee - Not Adopted***

The full Board has the responsibility of matters relating to remuneration. These responsibilities are incorporated into the Board Charter (which is available on the Company's website).

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

### ***Recommendation 8.2 – Policies and Practices for Remuneration –Adopted***

The Board devotes time at its meetings to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive

The Company distinguishes the structure of non-executive directors' remuneration from that of executive directors and senior executives.

The Company reviews the remuneration policies and practices annually.

### ***Recommendation 8.3 – Equity Based Remuneration Scheme – Adopted***

There is currently no equity-based remuneration scheme in place for the Company.

Whilst there is currently no equity-based remuneration scheme in place for the Company, the Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited under the Corporations Act and establish a best practice procedure for the buying and selling of securities that protects Dicker Data directors, officers, employees and management against the misuse of unpublished information that could materially affect the value of securities.

In all instances, buying or selling of shares is not permitted at any time by any person who possesses price – sensitive information. The Securities Trading Policy is available on the Company website.

The Company's Securities Trading Policy provides that Designated Persons must not enter into any transaction that operate to limit the economic risk associated with holding securities in the Company.

**This Statement was approved by the Company's Board on 21 February 2020 and is current as at that date.**