



veris

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**Veris**  
**Corporate Governance Statement**  
**2019**



The Board of Veris Limited is committed to conducting its business in accordance with the highest standards of corporate governance to create and deliver value for Veris' Shareholders. The Board has established a corporate governance framework, including corporate governance policies, procedures and charters to support this commitment. The framework is reviewed regularly and revised in response to changes in laws, developments in corporate governance and changes to Veris' business. A copy of these charters, procedures and policies is available on the Investors page under the header, "Corporate Governance" at Veris' website, [www.veris.com.au](http://www.veris.com.au).

This Statement is current as at 28 August, 2019 and has been approved by the Veris Board.

As required by the ASX Listing Rules, this Statement discloses the extent to which Veris has followed the third edition of the ASX Corporate Governance Council's Principles and Recommendations (ASX Principles). Except where otherwise explained, Veris followed the ASX Principles during the period. This Statement should be read in conjunction with the material on our website ([www.veris.com.au](http://www.veris.com.au)), including the 2019 Annual Report.

The eight ASX Principles and Veris' position in respect of each of them, are set out below:

#### **PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT**

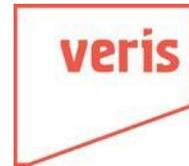
##### **Roles & Responsibilities**

The Board is responsible for the overall management and strategic direction of the Company and for delivering accountable corporate performance in accordance with the Company's goals and objectives.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations and is available on our website under Investors in our [Corporate Governance Charter](#).

The Board Charter sets out the matters expressly reserved to the Board and those delegated to management.

The Board delegates responsibility for the day-to-day management of Veris to the Managing Director (or equivalent), but retains responsibility for the overall strategy, performance and governance of Veris. The Managing Director, under a 'delegations of authority' then delegates authority to the appropriate senior managers across the organisation.



## **Appointment, Induction and Training**

The Nomination and Remuneration Committee is responsible for the selection and recommendation of new appointments of Directors. Appropriate checks are undertaken prior to appointing a new Director including criminal and bankruptcy history. Information about a candidate standing for election or re-election as a Director is provided to security holders via the Notice of Meeting and the information contained in the Annual Report.

Upon appointment, each Director receives a letter of appointment which sets out the terms of their appointment; along with a deed of indemnity, insurance and access and an induction pack containing information on the Company's vision, values, strategy, governance and risk management frameworks.

Directors are provided with the opportunity to participate in professional development, to develop and maintain the skills and knowledge needed to effectively perform their role as Directors.

## **Company Secretary**

The Company Secretary plays an important role in supporting the effectiveness of the Board and its committees. The Company Secretary is accountable to the Board through the Chairman on all matters regarding the proper function of the Board. This includes assisting the board and its committees on governance matters, monitoring compliance with policies and procedures, coordinating board and committee meetings and papers and acting as the interface between the Board and senior executives. Details regarding the Company Secretary, including experience and qualifications are set out in the Director's Report in our 2019 Annual Report.

## **Diversity**

The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has developed a diversity policy which is available on the company's website under Investors in our [Corporate Governance Charter](#).

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The diversity policy outlines requirements for the Board to develop measurable objectives for achieving diversity. The objectives and the progress in achieving those objectives over time, as Director and senior management positions become vacant and appropriately qualified candidates become available, require annual assessment.

The Company is currently not of a size that justifies the establishment of measurable diversity objectives. The Board will seek to develop a reporting framework in the future, as the Company grows, to report the Company's progress against the objectives and strategies for achieving a diverse workplace; which can be used as a guide to be used by the Company to identify new Directors, senior executives and employees.



As part of our commitment to diversity in our industry, and to supporting students to become professionals, Veris created the Women in Engineering scholarship in conjunction with the University of New South Wales, in 2017. With females representing less than three per cent of registered surveyors in New South Wales (NSW) the scholarship is to encourage female high school leavers to undertake a degree in Surveying and/or Geospatial Engineering.

The respective proportion of men and women employees across the whole organisation is 78% and 22%. Currently, the Board comprises five members including the Managing Director, all of whom are men. The respective proportions of men and women in senior executive positions is 75% and 25%.

### Performance Evaluation

The Nomination and Remuneration Committee is charged in the terms of a Charter with periodic review of the job description and performance of the Managing Director, according to agreed performance parameters and with board and board committee membership, succession planning and performance evaluation, as well as board member induction, education and development. The Group has adopted policies and procedures concerning the evaluation and development of its Directors, executives and Board Committee. Procedures include an induction protocol and a performance management system for the Board and its Directors. Each Board Committee also formally reports to the Board annually on its operations in the context of its remit. A performance evaluation of the Board in respect of the year ended 30 June 2019 has taken place during the period.

The Nomination and Remuneration Committee conducts an annual review of the performance of the Managing Director (or equivalent) with oversight reviews of the senior executives reporting directly to the Managing Director. The performance of the Managing Director (or equivalent) and other senior executives is measured against pre-defined financial, safety and personal based KPI's. The performance evaluation of the Managing Director and other senior executives in respect of the year ended 30 June 2019 has taken place. The Nomination and Remuneration Committee will set his KPIs for FY2020 and conduct a performance review in FY2019.

### PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

#### Nomination and Remuneration Committee

The Board has a Nomination and Remuneration Committee comprised of the following members throughout the year. Further details of the committee members' experience and qualifications are contained in the Director's Report in Veris' 2019 Annual Report.

Name	Position
Karl Paganin	Chairman of Committee & Independent Non-Executive Director, appointed 19 October 2015
Derek La Ferla	Independent Chairman, appointed 2 November 2011
Tom Lawrence	Independent Non-Executive Director, appointed 13 October 2011



The number of meetings and meetings attended by each of the Committee members during the financial year are:

Name	Attended	Meetings Held <sup>(A)</sup>
Derek La Ferla	3	3
Tom Lawrence	3	3
Karl Paganin	3	3

(A) Number of meetings held during the time the director held office during the year

A summary of the Group's Nomination and Remuneration Committee charter is publicly available on the Group's website under Investors in our [Corporate Governance Charter](#).

### Board Skills and Experience

Veris' objective is to have an appropriate mix of skills, expertise, and experience on our Board to effectively discharge the duties of the Board and its Committees. This mix is outlined in the skills matrix below. Each of these areas is currently well represented by the Board. Details of the skills, experiences and expertise of each Director are set out in the Director's Report in the 2019 Annual Report.

Expertise	Industries	Markets
• Leadership	• Property	• Surveying
• Professional Services	• Infrastructure	• Planning and Design
• Commercial & Legal	• Construction	• Development and Investment
• Financial Knowledge	• Mining	• Renewable Energy
• Governance & Compliance	• Oil & Gas	• Operations and Maintenance
• Strategy	• Government	• Government
• Risk Management	• Utilities	• Land Development
• Health and Safety	• Not-for-Profit	• Infrastructure
• Government Relations		• Urban renewal & policy
• Sustainability		
• Investment Banking		
• Transaction Structuring		
• Mergers & Acquisitions		
• Geospatial		
• Technology		
• Strategic Communications & Engagement		



## Independence

The Board has considered the guidance to Principle 2.3 of the ASX Principles and in particular the relationships affecting the independent status of Directors. In its assessment of independence, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when evaluating independence are whether a Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another Company member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another Company member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other Company member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has a material contractual relationship with the Company or another Company member other than as a Director;
- has close family ties with any person who falls within any of the categories described above; or
- has been a Director of the entity for such a period that his or her independence may have been compromised.

The assessment of whether a Board member is independent is a matter of judgement for the Board as a whole and includes concepts of materiality. In the context of independence, materiality is considered from both a quantitative and qualitative perspective. An item is presumed to be quantitatively immaterial if it is equal to or less than 5% of an appropriate base amount. Qualitative factors considered include the nature of the relationship or contractual arrangement and factors that could materially interfere with the independent exercise of the director's judgement. In accordance with the definition of independence above and the materiality thresholds, the following Directors of Veris are considered to be independent.

Name	Position
Derek La Ferla	Non-Executive Chairman
Tom Lawrence	Non-Executive Director
Karl Paganin	Non-Executive Director



The Board recognises the ASX Recommendations that the majority of the Board should be comprised of independent Directors and the chair should be an independent Director and the Company complies with this recommendation. Furthermore, the Board intends to appoint additional independent non-executive Directors, as appropriate, with relevant corporate and industry experience to further strengthen its Board and guide its corporate and development strategy.

### **PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY**

#### **Ethical Standards**

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment.

#### **Conflict of Interest**

Directors must keep the board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist Directors to disclose potential conflicts of interest. This matter is a standing agenda item at each Board meeting.

Where the board believes that a significant conflict exists for a director on a board matter, the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Each director is required by the Company to declare, on an annual basis, the details of any financial or other relevant interest they may have in the Company. There are procedures in place to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense. Details of director related entity transactions with the Group are set out in note 23 of the 2019 Annual Report.

#### **Code of Conduct**

The Group has developed a code of conduct which states the commitment of the Group and its employees to the conduct of its business with employees, customers, funders, retailers and other external parties.

The Code of Conduct is directed at maintaining high ethical standards and integrity. Employees are expected to adhere to the Group's policies, perform their duties diligently, properly use Group resources, protect confidential information and avoid conflicts of interest. During the period the Group expanded its Code of Conduct to include a Whistleblower Policy and an Anti-bribery and Corruption Policy.

The Code is acknowledged by all employees and is publicly available on the Group's website under Investors in our [Corporate Governance Charter](#).



## PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

### Audit & Risk Committee

While the Board has overall responsibility for the establishment and oversight of the risk management framework, the Board has established the Audit & Risk Committee, which is responsible for approving and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

A summary of the Group's Audit & Risk Committee charter is publicly available on the Group's website under Investors in our [Corporate Governance Charter](#).

The Committee comprises three members all of whom are Non-Executive Directors.

Full details of the committee member's qualifications and experience are contained the Directors' Report in the 2019 Annual Report. The members of the Audit & Risk Committee throughout the year were as follows.

Name	Position
Tom Lawrence	Chairman of Committee & Independent Non-Executive Director of Company, appointed 13 October 2011
Derek La Ferla	Independent Chairman of Company, appointed 2 November 2011
Karl Paganin	Independent Non-Executive Director of the Company, appointed 19 October 2015

The number of meetings and meetings attended by each of the committee members during the financial year are:

Name	Attended	Meetings Held <sup>(A)</sup>
Tom Lawrence	2	2
Derek La Ferla	2	2
Karl Paganin	2	2

<sup>(A)</sup> Number of meetings held during the time the director held office during the year

### MD & CFO Declaration

The Managing Director and the Chief Financial Officer have provided assurance, in writing to the board, that financial records of the Group have been properly maintained in accordance with the Corporations Act; that the financial statements and the notes for the financial year present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards and is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.



## External Auditor

Veris' external auditor, KPMG, is invited to Audit & Risk Committee meetings and attends the AGM where they are available, to answer questions from security holders relevant to the audit.

### PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

The board provides shareholders with information using a comprehensive Release of Price Sensitive Information Policy which includes identifying matters that may have a material effect on the price of the Group's securities, notifying them to the ASX, posting them on the Group's website, and issuing media releases. More details of the policy are available on the Group's website under Investors in our [Corporate Governance Charter](#).

### PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Veris communicates with shareholders in a transparent, regular and timely manner to ensure the market has sufficient information to make informed investment decisions. Veris' investor relations programme includes:

- Actively engaging security holders at the AGM, promoting two-way interaction with shareholders, by encouraging security holder articulation during the AGM, including encouraging questions
- Issuing regular Company Updates
- Sending and receiving security holder communications electronically both from Veris and via Veris' Share Registry
- Maintaining the Veris website, including posting all announcements, reports, notice of meetings and governance information
- Engaging in scheduled interactions with institutional investors and analysts.
- Meeting with security holders upon request
- Response to direct queries from time to time
- Ensuring continuous disclosure obligations are understood across the Veris Group

### PRINCIPLE 7: RECOGNISE AND MANAGE RISK

## Audit & Risk Committee

A summary of the Group's Audit & Risk Committee charter is publicly available on the Group's website under Investors in our [Corporate Governance Charter](#).



The Committee oversees the effectiveness of the Company's risk management and internal framework on behalf of the Board. It has three members and is chaired by an Independent Director. Details of the member's qualifications and experience are contained the Directors' Report in the 2019 Annual Report. The members of the Audit & Risk Committee throughout the year were as follows.

Name	Position
Tom Lawrence	Chairman of Committee & Independent Non-Exec Director of Company, appointed 13 October 2011
Derek La Ferla	Independent Chairman of Company, appointed 2 November 2011
Karl Paganin	Independent Non-Executive Director of Company, appointed 19 October 2015

The number of meetings held and the number of meetings attended by each of the committee members during the financial year are:

Name	Attended	Meetings Held <sup>(A)</sup>
Tom Lawrence	2	2
Derek La Ferla	2	2
Karl Paganin	2	2

(A) Number of meetings held during the time the director held office during the year

## Risk management and internal control

Veris has established a risk management and internal control system that describes the structure and activity requirements to give effect to the Company's risk management and internal control policy. Veris is focused on incorporating risk management into its decision making and business planning processes to ensure timely identification and management of material risks. The risk management and internal control system and material risks are reviewed annually by senior management and the Audit & Risk Committee to confirm it is both sound and effective. This review is ongoing and a review of the updated system will be undertaken by the Board and the Audit & Risk Committee in FY2020.

## Internal Audit

The Board has determined that, consistent with the size of the Company and its activities, an internal audit function is not currently required. The Board has adopted a Risk Management and Internal Control Policy and processes appropriate to the size of Veris Group to manage the Company's material business risks including a control monitoring and assurance process that provides reasonable assurance to the Board that material risks are being managed effectively.

## Economic, Environmental and Social Risks

Veris' key economic, environmental and social sustainability risks, together with our approach to managing those risks are outlined in the Operating and Financial Review section of the 2019 Annual Report.



## PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

### Nomination and Remuneration Committee

The Board has a Nomination and Remuneration Committee comprised of the following three members throughout the year. Details of their experience and qualifications are contained in the Director's Report in Veris' 2019 Annual Report.

Name	Position
Karl Paganin	Chairman of Committee & Independent Non-Executive Director, appointed 19 October 2015
Derek La Ferla	Independent Chairman, appointed 2 November 2011
Tom Lawrence	Independent Non-Executive Director, appointed 13 October 2011

The number of meetings and meetings attended by each of the Committee members during the financial year are:

Name	Attended	Meetings Held <sup>(A)</sup>
Karl Paganin	3	3
Derek La Ferla	3	3
Tom Lawrence	3	3

<sup>(A)</sup> Number of meetings held during the time the director held office during the year

A summary of the Group's Nomination and Remuneration Committee charter is publicly available on the Group's website under Investors in our [Corporate Governance Charter](#).

### Remuneration Policies

The remuneration details of Non-Executive Directors, Executive Directors and senior executives is set out in the Remuneration Report that forms part of the Director's report in the 2019 Annual Report.

### Trading in Securities by Directors and Employees

The Group's Policy on Trading of the Company's Shares explains and reinforces the Corporations Act 2001 requirements relating to insider trading.

The policy applies to all Directors, officers, key management personnel and employees of the Group, and their associates and closely related parties ("Relevant Persons").

The policy is compliant with the ASX Listing Rules and expressly prohibits Relevant Persons buying or selling Veris securities where the Relevant Person or Veris is in possession of price sensitive or 'inside' information and in any event without the prior approval of the Chairman or Managing Director. The policy also restricts participants in an equity-based incentive plan from entering into any transaction which would have the effect of limiting the economic risk of participating in any equity-based remuneration scheme. More details of the policy are available on the Group's website under Investors in our [Corporate Governance Charter](#).