Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

ReadCloud Limited

ABN/ARBN

44 136 815 891

Financial year ended:

30 September 2026

Our corporate governance statement[1] for the period above can be found at:[2]

☐ These pages of our annual report:

☒ This URL on our website: https://readcloud.com/investor-information#governance

The Corporate Governance Statement is accurate and up to date as at 26 November 2026 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.[3]

Date:	26 November 2026
Name of authorised officer authorising lodgement:	Luke Murphy – Company Secretary

[1] "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.

[2] 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.

[3] 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,[4] we have followed the recommendation in full for the whole 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:[5]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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.	☒ and we have disclosed a copy of our board charter at: https://readcloud.com/investor-information#governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a 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.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

[4] 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/").

[5] 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.

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]**
1.5	A listed entity should: (a) have and disclose a diversity policy; (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 (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (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 (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. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☐ and we have disclosed a copy of our diversity policy at: https://readcloud.com/investor-information#governance and we have disclosed the information referred to in paragraph (c) at: https://readcloud.com/investor-information#governance and if we were included in the S&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.	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: **Pages 2 and 3 of our Corporate Governance Statement** and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: **Pages 2 and 3 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]**
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (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.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: **Page 3 of our Corporate Governance Statement** and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: **Page 3 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☐ and we have disclosed a copy of the charter of the committee at: https://readcloud.com/investor-information#governance and the information referred to in paragraphs (4) and (5) at: **Page 3 of our Corporate Governance Statement** 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: …… [*insert location*]	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix at: **Page 4 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	☒ and we have disclosed the names of the directors considered by the board to be independent directors at: **Page 4 of our Corporate Governance Statement** and, where applicable, the information referred to in paragraph (b) at: **Page 4 of our Corporate Governance Statement** and the length of service of each director at: **Page 4 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
2.4	A majority of the board of a listed entity should be independent directors.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ 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.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ 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.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values at: **Page 5 of our Corporate Governance Statement**	☐ 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.	☒ and we have disclosed our code of conduct at: https://readcloud.com/investor-information#governance	☐ 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.	☒ and we have disclosed our whistleblower policy at: https://readcloud.com/investor-information#governance	☐ 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.	☒ and we have disclosed our anti-bribery and corruption policy at: https://readcloud.com/investor-information#governance	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ and we have disclosed a copy of the charter of the committee at: https://readcloud.com/investor-information#governance and the information referred to in paragraphs (4) and (5) at: **Pages 6 and 7 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy at: https://readcloud.com/investor-information#governance	☐ 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.	☒	☐ 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.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance on our website at: https://readcloud.com/investor-information#governance	☐ 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.	☒	☐ 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.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders at: **Page 9 of our Corporate Governance Statement**	☐ 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.	☒	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
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.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ and we have disclosed a copy of the charter of the committee at: https://readcloud.com/investor-information#governance and the information referred to in paragraphs (4) and (5) at: **Page 9 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: **Pages 9 and 10 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]**
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☐ and we have disclosed how our internal audit function is structured and what role it performs at: ☒ and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: **Page 10 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks at: **Page 10 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☐ and we have disclosed a copy of the charter of the committee at: https://readcloud.com/investor-information#governance/ and the information referred to in paragraph (4) at: **Pages 10 and 11 of our Corporate Governance Statement** and the information referred to in paragraph (5): **in the Directors' report within our 2026 Annual Report at** https://readcloud.com/investor-information#governance/	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ 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: **in the Remuneration report within our 2026 Annual Report at** https://readcloud.com/investor-information#governance/	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our policy on this issue or a summary of it at: **Page 11 of our Corporate Governance Statement**	☐ set out in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]**
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
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.	☐ and we have disclosed information about the processes in place at: …… [*insert location*]	☐ set out in our Corporate Governance Statement **OR** ☒ we do not have a director in this position and this recommendation is therefore not applicable **OR** ☐ 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.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and this recommendation is therefore not applicable **OR** ☐ 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.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole 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:[5]**
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ and we have disclosed the terms governing our remuneration as manager of the entity at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

2026 Corporate Governance Statement

The Board of ReadCloud Limited (the **Company** or **Group**) is responsible for the overall corporate governance of the Group. The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (**Recommendations**) during the reporting period. The Recommendations are not prescriptive, such that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and provide reasons for not following them.

This Corporate Governance Statement (**Statement**) discloses the extent to which ReadCloud Limited has followed the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation. This Statement should be read in conjunction with the material on our website www.readcloud.com, including the 2026 Annual Report.

This Statement is current as at 26 November 2026 and has been approved by the Board of Directors of ReadCloud Limited.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT
Recommendation 1.1 - Role of the Board and Management

The role of the Board is to approve the strategic direction of the Group, guide and monitor the management of the Company and its businesses and oversee the implementation of appropriate corporate governance with respect to the Group's affairs. The Board aims to protect and enhance the interests of its shareholders, while considering the interests of other stakeholders, including employees, customers, suppliers and the wider community.

The Board has a formal Board Charter which is available on our website at https://readcloud.com/investor-information#reports that clearly sets out those matters expressly reserved for the Board's determination and those matters delegated to management.

The Board delegates responsibility for the day-to-day management of the Company and its businesses to the Chief Executive Officer (**CEO**). The CEO is supported by the senior executive team and delegates authority to appropriate senior executives for specific activities and transactions via a formal 'delegation of authority'. The Board maintains ultimate responsibility for strategy, control and risk profile of the Group.

Recommendation 1.2: Appointment of Directors

The Remuneration and Nomination Committee facilitates the selection and appointment of Directors. Before the Board appoints a new Director or puts forward a candidate for election, the Remuneration and Nomination Committee will ensure that appropriate background checks are undertaken. We provide our shareholders with all material information in our possession that is relevant to their decision on whether or not to elect or re-elect a Director through a number of channels, including via the notice of meeting and other information contained in the 2026 Annual Report.

Recommendation 1.3: Appointment Terms

Upon appointment, each Director receives a letter of appointment which sets out the formal terms of their appointment. Directors also receive a deed of indemnity, insurance and access.

Each senior executive has a written contract with the Company, setting out the terms of his or her appointment, including remuneration entitlements and performance requirements.

Recommendation 1.4: Company Secretary

The Board is supported by its Company Secretary, whose role includes supporting the Board on governance matters, assisting the Board with meetings and directors' duties, and acting as an interface between the Board and senior executives across the Group. The Board and individual Directors have access to its Company Secretary.

Under the Company's governance framework, the Company Secretary is accountable to the Board, through the Chair, on all matters regarding the proper functioning of the Board. The Board is responsible for the appointment of the Company Secretary.

Details regarding our Company Secretary, including experience and qualifications, is set out in the Directors' Report in our 2026 Annual Report.

Recommendation 1.5: Diversity Policy

The workforce of the Company comprises individuals with diverse skills, backgrounds, perspectives and experiences and this diversity is valued and respected. To demonstrate the Company's commitment to developing measurable objectives to achieve diversity and inclusion in its workplace, the Company has implemented a Diversity Policy which can be viewed at https://readcloud.com/investor-information#reports. The Company's policy has meritocracy as a guiding principle and seeks to align the Company's management systems with its commitment to continue to develop a culture that values and achieves diversity in its workforce and on its Board.

The Board and management considers building a diverse and inclusive workforce as paramount to gaining the best insight into the needs of our customers and stakeholders. A diversity of perspectives and backgrounds also strengthens creativity and innovation in teams. Particular focus is paid to achieving a balance of men and women in senior management positions across the Group.

The proportion of women on the Board, in senior executive positions and women across the entire organisation as at 30 September 2026 was as follows:

- Women on the Board – 0.0%
- Women in senior executive positions – 66.7%
- Women across the entire organisation – 64.9%

The Company has not developed measurable objectives at this time. However, the Company is committed to cultivating an inclusive workplace of fairness and equality which fosters the unique skills and talents of a diverse range of people and to encourage diversity in skill set, experience, qualifications and age of our workforce. With a diverse mix of professionals, we will continue to encourage diversity in the hiring of candidates.

Recommendation 1.6: Board and Committee Performance Assessment

The Board is committed to formally evaluating its performance, the performance of its committees and individual Directors, as well as the governance processes supporting the Board. The Board does this through an annual assessment process.

The review process involves:

- completion of a questionnaire/survey by each Director, facilitated by the Company Secretary;
- the preparation and provision of a report to each Director with feedback on the performance of the Board based on the survey results; and
- The Board meeting to discuss any areas and actions for improvement.

An internal Board assessment took place in September 2026. An analysis of the data collected indicated that the Board is functioning effectively against the majority of its criteria. It was also noted that there were some opportunities identified to improve Board effectiveness.

Recommendation 1.7: Senior Executive Performance Assessment

Senior Executives are appointed by the CEO and their Key Performance Indicators (**KPI's**) contain specific financial and non-financial objectives.

These KPI's are reviewed annually by the CEO. The performance of each Senior Executive against these objectives is evaluated annually.

In the case of the CEO, this review is conducted by the Chair and the results are reported to the Board.

Performance evaluations were undertaken during the reporting period by the Company in accordance with the process.

PRINCIPLE 2 – BOARD STRUCTURE
Recommendation 2.1: Nomination Committee

The Company's Remuneration and Nomination Committee Charter provides for the creation of a committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. The Remuneration and Nomination Committee Charter is available on our website at https://readcloud.com/investor-information#governance.

The Board has established a Remuneration and Nomination Committee which as at the date of this Statement consists of two members, being Mr Paul Collins (Committee Chair) and Mr Jonathan Isaacs who are independent Directors. Both Directors have relevant experience as shown in their biographies in the Directors' Report.

Details of meetings held by the Committee during the year and member attendance are set out in the 2026 Directors' Report.

In accordance with the Company's Remuneration and Nomination Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review director competence standards;
- review Board succession plans;
- evaluate the Board's performance;
- make recommendations for the appointment and removal of directors to the Board; and
- make recommendations to the Board on recruitment, retention and termination policies for senior management.

With a current membership of less than three Directors, the Company does not meet this Recommendation in its entirety. On the basis that:

- the current members of the Remuneration and Nomination Committee are independent Directors and fully capable of exercising objective judgment and providing oversight over remuneration and nominations matters; and
- the Committee membership currently comprises half of the Board,

the Committee doesn't consider it necessary to have a larger Committee membership.

Recommendation 2.2: Board Skills Matrix

Our objective is to have an appropriate mix of expertise and experience on our Board so that it can effectively discharge its corporate governance and oversight responsibilities. It is the Board's view that it's current directors possess an appropriate mix of relevant skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and deliver the Company's strategic objectives. This mix is subject to review on a regular basis as part of the Board's performance review process.

The skills and experience represented in the Board and relevant to the Company's business are set out in the matrix below. Following the Board's annual performance and skills review, the Board is satisfied that it meets expectations in all of these categories:

Skills and experience	
Software, Cloud, Online and Operating Platforms	Stakeholder communication and engagement
Policy Development	Project Management
Corporate Governance	Operational Leadership
Financial analysis & capital markets expertise	Global Experience
Risk and compliance oversight	Information Technology & Digital Skills
People management	Critical and Innovative thinking
Commercial Experience	Negotiation and Influence
Legal and Regulatory approval	Enabling Innovation and Technology
Health, Safety, Social and Environmental responsibility	Strategy and business acumen
Digital product management and marketing	Strategy and development
Market experience and relationships	Go-to-market and customer experience

To the extent that any skills are not directly represented on the Board, they are augmented through management and external advisors. Full details of each Directors' relevant skills and experience are set out in the Company's 2026 Annual Report.

Recommendation 2.3: Independent Directors

An independent director is a Non-Executive Director who is not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.

The Board regularly assesses the independence of each Non-Executive Director in light of the information which each Director is required to disclose in relation to any material contract or other relationship with the Company in accordance with the Director's terms of appointment, the Corporations Act 2001 and the Board Charter.

When appointing an independent director or reviewing the independence of its Directors, the Board has regard to the definition of independent director and the factors set out in the Recommendations, in particular the factors relevant to assessing the independence of a director set out in Recommendation 2.3.

The Board's assessment of each current Director is set out below.

Name	**Position**	**Appointment Date**	**Status**
Cristiano Nicolli	Non-Executive Chair	1 September 2020	Independent
Paul Collins	Non-Executive Director	2 August 2017	Independent
Lars Lindstrom	Non-Executive Director	28 April 2009	Non-Independent
Jonathan Isaacs	Non-Executive Director	13 February 2023	Independent

The Board considers that Mr Nicolli, Mr Collins and Mr Isaacs are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of their unfettered

and independent judgement and is able to fulfil the role of independent director for the purpose of the Recommendations.

Mr Lindstrom is considered by the Board not to be independent as he was employed in an executive capacity by the Company until 29 July 2025.

Recommendation 2.4: Majority Independence

As at the date of this Statement, one of our four Directors is deemed non-independent. The current Board composition reflects an appropriate balance of skills, expertise and experience to fulfil its obligations to act in the best interests of the Company and all stakeholders. The Board also considers that there are appropriate safeguards in place including policies and protocols to ensure independent thought and decision making.

It is noted that the composition of the Board will be reassessed in the future in line with changes in the Group's operations and will be adjusted as deemed appropriate. The Board will consider the Recommendations in assessing any future changes in board composition.

Further information regarding our Directors, including their experience and qualifications, is set out in the Directors' Report of our 2026 Annual Report.

Recommendation 2.5: Board Chair

The Chair, Mr Cris Nicolli, was appointed to the position on 1 January 2021 and is considered an independent Director.

The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities under the Board Charter. The role is set out in more detail in the Board Charter.

The roles of Chair and CEO are exercised by different individuals, being Mr Cris Nicolli and Mr Luke Murphy, respectively.

Recommendation 2.6: Induction, Education and Training

New Directors are provided with copies of all relevant documents and policies governing the Company's business, operations and management, at the time of joining the Board. All Directors are provided with ongoing professional development and training opportunities to enable them to develop and maintain their skills and knowledge. Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Company.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY
Recommendation 3.1: Statement of Values

ReadCloud's values are the guiding principles and norms that define what type of organisation it aspires to be and what it requires from its directors.

CORE VALUES
Entrepreneurship
Drive
Authenticity
Relationship Building
Don't Let People Down

ReadCloud's Executive Team are responsible for instilling these values across the organisation.

Recommendation 3.2: Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct (**Code**) designed to:

- provide a benchmark for professional behaviour throughout the Group;
- support the Company's business reputation and corporate image; and
- make Directors and employees aware of the consequences if they breach the Code.

The Code can be found on our website at https://readcloud.com/investor-information#governance. The key aspects of this Code are to:

- act fairly with honesty and integrity in the best interests of the Company and in the reasonable expectations of shareholders;
- act in accordance with all applicable laws, regulations, and the Company policies and procedures;
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices; and
- use the Company's resources and property properly.

The Code sets out the Company's policies on various matters including ethical conduct, business conduct, compliance, privacy and security of information.

Recommendation 3.3: Whistleblower Policy

The Whistleblower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all of its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistleblowers.

Any material breach of the Company's policies, including any breach of the Whistleblower Policy, is raised and reviewed at each Board Meeting.

The Whistleblower Policy is available on the Company's website https://readcloud.com/investor-information#governance.

Recommendation 3.4: Anti-bribery and Corruption Policy

The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintaining high standards of integrity and accountability in conducting its business. The policy provides a framework of guidelines and principles to encourage ethical behaviour in the conduct of business.

Any material breach of the Company's policies, including any breach of the Anti-Bribery and Corruption Policy, is raised at the Audit and Risk Committee level, with the latter reporting on them at the next Board meeting.

The Anti-Bribery and Corruption Policy is available on the Company's website https://readcloud.com/investor-information#governance.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING
Recommendation 4.1: Audit Committee

The Company's Audit and Risk Committee Charter provides for the creation of an Audit and Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit and Risk Committee Charter is available on our

website at https://readcloud.com/investor-information#governance.

The Board has established an Audit and Risk Committee which consists of three members, all of whom are independent Directors, being Mr Jonathan Isaacs (Committee Chair), Mr Cris Nicolli and Mr Paul Collins. All Directors have relevant experience as shown in their biographies in the Directors' Report.

Details of meetings held by the Committee during the year and member attendance are set out in the 2026 Directors' Report.

In accordance with the Company's Audit and Risk Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review and monitor the integrity of the Company's financial reports and statements;
- monitor the performance and independence of the external auditor; and
- reviewing the consolidated accounts of the company.

It also has risk management and internal control functions as set out under Recommendation 7.1.

Recommendation 4.2: Assurances

The CEO and Chief Financial Officer (**CFO**) provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results. This process was followed for the 2026 full year financial results, where the CEO and CFO provided a declaration to the Board that, in their opinion, the financial records 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 Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. On this basis, the 2026 full year financial results were approved by the Board.

Recommendation 4.3: Verification of integrity of periodic corporate reports

Our external auditor is PKF Melbourne Audit & Assurance Pty Ltd (**PKF**). PKF attends our AGM and a representative is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

PKF's independence declaration is contained in the Directors' Report in our 2026 Annual Report.

Any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor is reviewed and approved by the Board so that it is satisfied the report in question is materially correct, balanced and provides investors with appropriate information to make an informed investment decision.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE
Recommendation 5.1: Continuous Disclosure Policy

We are committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act.

To comply with these obligations, the Board has adopted a Continuous Disclosure Policy, which is available on our website at https://readcloud.com/investor-information#governance. This Continuous Disclosure Policy sets out the key obligations of directors and employees in relation to the Company's continuous disclosure requirements.

The Board has overarching responsibility for compliance with continuous disclosure obligations and Board approval is required for certain key matters (as set out in the Continuous Disclosure Policy) and matters may be referred to the Board for approval by the CEO or the Company Secretary.

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market and in compliance with our Securities Trading Policy (as applicable). In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management and disclosed to the ASX in a timely manner. The Company website includes a link to all information disclosed to the ASX.

Recommendation 5.2: Provide Board with copies of all material market announcements

The Company ensures that its Board receives copies of all material market announcements prior to release to the market followed by immediate notification including announcement following each release to the market.

Recommendation 5.3: Investor Presentations

In accordance with the recommendation, the Company ensures that all substantive presentations are released to the market ahead of such presentations.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS
Recommendation 6.1: Information and Governance

Information about the Company and its corporate governance policies is available on our website at https://readcloud.com/investor-information#governance.

The Company also maintains a separate investor page on our website to provide shareholders with links to annual and interim reports, ASX announcements, presentations and other key information.

Recommendation 6.2: Investor Relations

We endeavour to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions.

Through its shareholder communications, we aim to provide information that will allow existing shareholders, potential shareholders and financial analysts to make informed decisions about the Group's intrinsic value and meet its obligations under the ASX's continuous disclosure regime.

Our investor relations program includes:

- issuing regular written shareholder communications such as quarterly financial reporting and an Annual Report to address the Company's strategy and performance;
- sending and receiving shareholder communications electronically;
- maintaining the Board and corporate governance and investor sections on our website including posting all announcements after they have been disclosed to the market;
- promoting two-way interaction with shareholders, by supporting shareholder participation at general meetings including encouraging shareholders to send their questions to the Company prior to the annual general meeting and responding to their questions and feedback; and
- ensuring that continuous disclosure obligations are understood and complied with throughout the Group.

Shareholder queries should be referred to the Company Secretary in the first instance.

Our Shareholder Communications Policy is available on our website at https://readcloud.com/investor-information#governance.

Recommendation 6.3: Shareholder Meeting Participation

Shareholders are forwarded the Company's Annual Report, if requested (it is otherwise made available on the Company's website and the ASX platform), and documents relating to each general meeting, being the notice of meeting, any explanatory memorandum and a proxy form and shareholders are invited to attend these meetings.

The Board regards each general meeting as an important opportunity to communicate with shareholders and it provides a key forum for shareholders to ask questions about the Company, its strategy and performance. At shareholder meetings, the Company will provide an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, management and if applicable our external auditor.

Recommendation 6.4: All substantive resolutions at a security holder meeting are decided by poll

In order to ascertain the true intentions of ReadCloud's security holders attending and voting at its security holder meetings, whether they attend in person, electronically or by proxy or other representative, in most situations where this can be achieved the Company will conduct the voting procedure by a poll.

Recommendation 6.5: Electronic Communication with Shareholders

Shareholders are encouraged to take advantage of the benefits of electronic communications by electing to receive communication from the Company and its share registry electronically.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK
Recommendation 7.1: Risk Committee

The Company's Audit and Risk Committee Charter provides for the creation of an Audit and Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit and Risk Committee Charter is available on our website at https://readcloud.com/investor-information#governance.

The Board has established an Audit and Risk Committee which consists of three members, all of whom are independent Directors, being Mr Jonathan Isaacs (Committee Chair), Mr Cris Nicolli and Mr Paul Collins. All Directors have relevant experience as shown in their biographies in the Directors' Report.

Details of meetings held by the Committee during the year and member attendance are set out in the 2026 Directors' Report.

In accordance with the Company's Audit and Risk Committee Charter the Committee also has delegated responsibilities in relation to risk management which includes assisting the Board to:

- review and make recommendations regarding the adequacy and integrity of the Company's risk management framework and system of internal controls; and
- reviewing compliance with relevant laws and regulations.

Recommendation 7.2: Risk Management Framework

The Group's risk management framework is supported by the Board of Directors, management and the Audit and Risk Committee. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Management are responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. Management are responsible for monitoring compliance with and the effectiveness of risk management systems and controls at a divisional level including financial and non-financial risks. Senior management regularly reports to the Board on the adequacy of its risk management systems, processes and key matters for consideration.

The Board has adopted a risk management framework which sets out the Company's system of risk oversight,

management of material business risks and internal control. The Company's risk management framework including risk profile and risk registers are reviewed on a periodic basis, and a review was undertaken by the Audit and Risk Committee during this past financial year.

Recommendation 7.3: Internal Audit

The Company does not currently have an internal audit function as, in light of cost/benefit considerations, the size and scope of the Company's operations does not currently warrant the operation of such a function.

During the past financial year, the Company employed the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:

- the Audit and Risk Committee monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations;
- senior management facilitate the periodic review of financial and non-financial systems and processes and present to the Board the objectives and scope, proposed outcomes and any recommendations arising from the review;
- the Board reviews risk management and internal compliance procedures at each Board meeting and any risk matters raised for consideration by Senior Management.

Recommendation 7.4: Economic, Environmental and Social Sustainability Risk

The Company is not subject to any particular or significant single economic, environmental and social sustainability risk. The Company is subject to a range of general economic risks, including macro-economic risks, government policy (including policy regarding the regulation and funding of Vocational Education and Training, technology and research and development), general business conditions, changes in technology and many other factors.

The Board does not believe the Company has any material exposure to economic and social sustainability risks at the present time.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBILITY
Recommendation 8.1: Remuneration Committee

The Company's Remuneration and Nomination Committee Charter provides for the creation of a committee to assist the Board in establishing remuneration and nomination policies and practices which:

- enable the Company and its subsidiaries ("Group") to attract and retain executives and directors (executive and non-executive) who will create sustainable value for shareholders and other stakeholders;

- fairly and responsibility reward executives and directors having regard to the performance of the Group, the performance of the executives and the external compensation environment; and

- comply with all relevant legislation and regulations including the ASX Listing Rules and Corporations Act 2001 (Cth).

The Remuneration and Nomination Committee Charter is available on our website at https://readcloud.com/investor-information#governance.

As at the date of this Statement the Remuneration and Nomination Committee consists of two members, being Mr Paul Collins (Committee Chair) and Mr Jonathan Isaacs, who are independent Directors. Both Directors have relevant experience as shown in their biographies in the 2026 Directors' Report.

Details of meetings held by the Committee during the year and member attendance are set out in the 2026

Directors' Report.

In accordance with the Company's Remuneration and Nomination Committee Charter the Committee has delegated responsibilities in relation to remuneration matters which includes assisting the Board to:

- make recommendations to the Board on:
    - executive remuneration and incentive policies;
    - the remuneration packages of senior management;
    - incentive schemes;
    - superannuation arrangements; and
    - the remuneration framework for directors.

With a current membership of less than three Directors, the Company does not meet this Recommendation in its entirety. On the basis that:

- the current members of the Remuneration and Nomination Committee are independent Directors and fully capable of exercising objective judgment and providing oversight over remuneration and nominations matters; and
- the Committee membership currently comprises half of the Board,

the Committee doesn't consider it necessary to have a larger Committee membership.

Recommendation 8.2: Remuneration Policies and Practices

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration policies for the directors and senior executives. If necessary, it obtains independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Company.

Details of the Company's remuneration practices for its Directors and senior executives are disclosed in the Remuneration Report in the Company's 2026 Annual Report. The Remuneration Report highlights the balance between fixed pay, short term incentives and long-term incentives, and includes details of the remuneration paid and the relationship to the Company's performance.

Recommendation 8.3: Equity Based Remuneration Scheme

The Company's Employee Incentive Plan prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

The Company also has a Securities Trading Policy, as displayed on the Company's website, which provides that participants must not, without prior approval of the CEO (or in the case of the CEO, the Chair), enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.