

# CANDY CLUB HOLDINGS LIMITED

ACN 629 598 778

(Company)

## CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 17 January 2024 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations – 4<sup>th</sup> Edition (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that have not been followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company has adopted Corporate Governance Policies which provide the written terms of reference for the Company's corporate governance duties.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

The Company's Corporate Governance Plan is available on the Company's website at [www.candyclublimited.com.au](http://www.candyclublimited.com.au)

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLY | EXPLANATION   |
|---|--------|---|
| <b>Principle 1: Lay solid foundations for management and oversight</b>  |        |   |
| <b>Recommendation 1.1</b><br>(a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management. | YES    | The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. |

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)  | COMPLY     | EXPLANATION   |
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|  |            | <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.</p>  |
| <p><b>Recommendation 1.2</b><br/>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(a) 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.</p> | <p>YES</p> | <p>(a) The Company has guidelines for the appointment and selection of the Board and senior executives in the Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. In the event of an unsatisfactory check, a Director is required to submit their resignation.</p> <p>(b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p> |
| <p><b>Recommendation 1.3</b><br/>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>   | <p>No</p>  | <p>The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is personally a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. A senior executive is a member of key management personnel (as defined in the <i>Corporations Act 2001</i> (Cth)), other than a Director.</p>  |

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|   |           | However, given the current status of the Company it does not currently have written agreements with each of its Directors.  |
| <p><b>Recommendation 1.4</b></p> <p>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.</p>   | YES       | The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.  |
| <p><b>Recommendation 1.5</b></p> <p>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>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) 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 the Workplace Gender Equality Act.</p> | PARTIALLY | <p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p> <p>(b) The Company has not yet developed specific measurable objectives in relation to the diversity policy. It is the Board's intention to develop measurable objectives at a time when the size of the Company and its activities warrants such a structure. The Board is currently comprised of three men. The Company currently has only one employee who is also male. The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for each financial year will be disclosed in the Company's Annual Corporate Governance Statement on the Company's website.</p> |

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| <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><b>Recommendation 1.6</b><br/>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> | NO     | <p>(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Nomination and Remuneration Policy, which is available on the Company's website.</p> <p>(b) The Company's Nomination and Remuneration Policy requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each full financial year in accordance with the above process.</p> <p>As the Company only came out of administration in early 2023 an evaluation has not been done for the 2022 financial year.</p> |
| <p><b>Recommendation 1.7</b><br/>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>      | YES    | <p>(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director.</p>  |

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|   |           | <p>The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Nomination and Remuneration Policy requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the senior executives (if any) for each financial year in accordance with the applicable processes.</p>  |
| <b>Principle 2: Structure the Board to be effective and add value</b>   |           |   |
| <p><b>Recommendation 2.1</b><br/>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) 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</li> </ul> <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> | PARTIALLY | <p>(a) The Company does not have a Nomination Committee. The Company's Nomination and Remuneration Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director</p> <p>(b) The Company does not have a Nomination Committee as the Board considers that the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including devoting the appropriate amount of time to discuss Board succession issues and updating the Company's Board skills matrix.</p> |

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| <p><b>Recommendation 2.2</b></p> <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>  | NO        | <p>Under the Nomination and Remuneration Committee Charter, the Nomination and Remuneration Committee (or, in its absence, the Board) is required to prepare a Board skills matrix setting out the mix of skills that the Board currently has (or is looking to achieve) and to review this at least annually to ensure the Board has appropriate mix of skills to discharge its obligations effectively and to add value and to ensure the Board has the ability to deal with new and emerging business and governance issues.</p> <p>The Company Does not currently have a Board skill matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership. The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director's relevant skills and experience are available in the Company's Annual Report and on the Company's website.</p>  |
| <p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), 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</p> <p>(c) the length of service of each Director</p> | PARTIALLY | <p>(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on the Company's website.</p> <p>(b) During the financial year under review, and based on documents filed with ASX, Mr Baillieu was an Independent Director and Chairman during the financial year ending 31 December 2022. Mr Cohn was the Managing Director of the Company of the Company during the financial year ending 31 December 2022 and was not considered to be an independent Director.</p> <p>Mr Tang and Mr Clark were both non-executive Directors during the financial year ending 31 December 2022.</p> <p>Mr Simonite, Mr Gray and Mr Dickie were all appointed in May 2023. Mr Simonite is a related party of the major shareholder and is not considered to be independent. Mr Gray and Mr Dickie are both considered by the Board to be independent.</p> |

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|  |        | (c) The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.   |
| <p><b>Recommendation 2.4</b><br/>A majority of the Board of a listed entity should be independent Directors.</p>   | NO     | <p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>The current Board cannot comment on the independence of the directors during the period under review, however, the Board currently comprises a total of three directors, of whom only Mr Simonite is not considered to be independent. As such, independent directors currently comprise the majority of the Board.</p> <p>The Company considers that each of the Directors possesses the skills and experience suitable for building the Company and that the current composition of the Board is adequate for the Company's current size and operations.</p> |
| <p><b>Recommendation 2.5</b><br/>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.</p>   | YES    | <p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Chair of the Company is an independent Director and is not the CEO/Managing Director.</p>   |
| <p><b>Recommendation 2.6</b><br/>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.</p> | YES    | <p>In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development including receiving briefings on material developments in laws, regulations and accounting standards relevant to the Company.</p>  |

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| <b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>  |        |   |
| <p><b>Recommendation 3.1</b><br/>A listed entity should articulate and disclose its values.</p>   | YES    | <p>(a) The Company is committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board is dedicated to high ethical standards and recognises and supports the Company's commitment to compliance with these standards.</p> <p>(b) The Company's values are set out in its Code of Conduct and are available on the Company's website. Employees (there are currently none) will be given appropriate training on the Company's values and senior executives will continually reference such values.</p> |
| <p><b>Recommendation 3.2</b><br/>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</p> | YES    | <p>(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</p> <p>(b) The Company's Corporate Code of Conduct is available on the Company's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.</p>   |
| <p><b>Recommendation 3.3</b><br/>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(a) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p>                                | YES    | <p>The Company's Whistleblower Protection Policy is available on the Company's website. Any material breaches of the Whistleblower Protection Policy are to be reported to the Board or a committee of the Board.</p>   |
| <p><b>Recommendation 3.4</b><br/>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p>  | YES    | <p>The Company's Anti-Bribery and Anti-Corruption is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.</p>  |



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| (b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.   |           |  |
| <b>Principle 4: Safeguard the integrity of corporate reports</b>   |           |  |
| <p><b>Recommendation 4.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, who is not the Chair of the Board, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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> | PARTIALLY | <p>The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter.</p> <p>External Auditors - The Company requires external auditors to demonstrate quality and independence. The performance of the external auditor is reviewed and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. The Company invites the auditor or representative of the auditor to the AGM.</p> |
| <b>Recommendation 4.2</b>  | YES       | The Company has received the declarations required by Section 295A of the Corporations Act 2001 from each of the CFO and Managing Director for the 2022 financial year end.  |

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| <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 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><b>Recommendation 4.3</b><br/>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>   | YES    | The Board reviews all periodic reports and seeks professional assistance and advice where required to ensure the integrity of those reports. No additional disclosures are made separately on these reports. |
| <b>Principle 5: Make timely and balanced disclosure</b>   |        |  |
| <p><b>Recommendation 5.1</b><br/>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>   | YES    | The Company has a Continuous Disclosure policy which is available on the Company's website.  |
| <p><b>Recommendation 5.2</b><br/>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>  | YES    | Under the Company's Continuous Disclosure Policy, all members of the Board will receive material market announcements promptly after they have been made.  |
| <p><b>Recommendation 5.3</b><br/>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.</p>  | YES    | All substantive investor or analyst presentations will be released on the ASX Markets Announcement Platform ahead of such presentations.   |
| <b>Principle 6: Respect the rights of security holders</b>  |        |  |

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| <p><b>Recommendation 6.1</b><br/>A listed entity should provide information about itself and its governance to investors via its website.</p>   | PARTIALLY | The current Board cannot comment on the period under review (FYE 31 December 2022), however, information about the Company and its governance is now available on the Company's website.  |
| <p><b>Recommendation 6.2</b><br/>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>   | YES       | The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.   |
| <p><b>Recommendation 6.3</b><br/>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>   | YES       | Shareholders are encouraged to participate at all general meetings and AGMs of the Company.   |
| <p><b>Recommendation 6.4</b><br/>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.</p>                    | YES       | All substantive resolutions at securityholder meetings will be decided by a poll rather than a show of hands.   |
| <p><b>Recommendation 6.5</b><br/>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p> | YES       | <p>The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p> |
| <b>Principle 7: Recognise and manage risk</b>   |           |   |
| <p><b>Recommendation 7.1</b><br/>The Board of a listed entity should:<br/>(a) have a committee or committees to oversee risk, each of which:</p>  | Partially | (a) The Company does not have an Audit and Risk Committee.  |

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| <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) 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</li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p> |           | <p>(b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter.</p>   |
| <p><b>Recommendation 7.2</b><br/>The Board or a committee of the Board should:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(b) disclose in relation to each reporting period, whether such a review has taken place.</li> </ul>   | NO        | <ul style="list-style-type: none"> <li>(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.</li> <li>(b) The Company's Audit and Risk Committee Charter requires the Company to disclose at least annually whether such a review of the Company's risk management framework has taken place. The board continually reviews the risk management framework.</li> <li>(c) As the Company only came out of administration in early 2023, the current Board cannot comment on whether the review took place for the period under review (FYE 31 December 2022).</li> </ul> |
| <p><b>Recommendation 7.3</b><br/>A listed entity should disclose:</p>   | Partially | <p>(a) The Company does not have an internal audit function.</p>   |

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLY    | EXPLANATION  |
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| <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>(b) The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of an internal audit function at this time. The Board as a whole regularly evaluates and improves the effectiveness of its risk management (refer above) and internal control processes.</p>  |
| <p><b>Recommendation 7.4</b></p> <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>   | NO        | <p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>As the Company only came out of administration in early 2023, the current Board cannot comment on whether the review took place for the period under review (FYE 31 December 2022).</p> |
| <p><b>Principle 8: Remunerate fairly and responsibly</b></p>  |           |  |
| <p><b>Recommendation 8.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) 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</li> </ul> | Partially | <p>(a) The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter.</p>  |

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| (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.  |        |  |
| <b>Recommendation 8.2</b><br>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.  | YES    | The Board discloses its policies and practices regarding the remuneration of Directors and senior executives in its Annual Report. |
| <b>Recommendation 8.3</b><br>A listed entity which has an equity-based remuneration scheme should: <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>   | NO     | The Company does not have an equity-based remuneration scheme.   |
| <b>Additional recommendations that apply only in certain cases</b>   |        |  |
| <b>Recommendation 9.1</b><br>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. |        | The Company does not have a director in this position and this recommendation is therefore not applicable.                         |
| <b>Recommendation 9.2</b>  |        | The Company is established in Australia and this recommendation is therefore not applicable.                                       |

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|---|--------|--|
| A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.  |        |  |
| <p><b>Recommendation 9.3</b></p> <p>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.</p> |        | The Company is established in Australia and is not an externally managed listed entity and this recommendation is therefore not applicable |