

# CORPORATE GOVERNANCE STATEMENT

## CLEANSPACE HOLDINGS LIMITED

ACN 150 214 636

Adopted by the Board on 29 October 2021.

### 1. BACKGROUND

CleanSpace Holdings Limited ("CleanSpace") is committed to adopting best practice in corporate governance where these practices are appropriate for the business.

The corporate governance arrangements for CleanSpace Holdings Limited are set by the Board having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), the governance standards adopted generally by companies of a similar size to CleanSpace and in the best interests of CleanSpace and its shareholders. The principal features of CleanSpace's governance framework are set out in this Corporate Governance Statement together with the extent to which CleanSpace follows the recommendations set by the ASX Corporate Governance Council.

### 2. ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

The ASX Corporate Governance Council has developed and released its fourth edition of the corporate governance recommendations for Australian listed entities (ASX Recommendations) in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptions, but guidelines. However, under the Listing Rules, CleanSpace is required to provide a statement annually disclosing the extent to which it has followed the ASX Recommendations in the relevant reporting period. Where CleanSpace does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it and must also disclose what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

The Company's current departures from the ASX Recommendations are included in Section 18 below.

The key aspects of the Board's governance practices are summarised below. These charters and policies referred to in this statement are available on CleanSpace's website at: <https://cleanspacetechnology.com/governance>.

### 3. BOARD OF DIRECTORS

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience. Each Director has confirmed to the Company that they anticipate being able to perform their duties as a Non-Executive Director or Executive Director, as the case may be, without constraint having regard to their other commitments.

#### 3.1 Independence

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of CleanSpace. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board will consider whether there are any factors or considerations which may mean that a Director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of CleanSpace and its securityholders generally.

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## 3. BOARD OF DIRECTORS (CONT.)

### 3.1 Independence (Cont.)

The Board considers that each of Messrs Ronald Weinberger, Craig Lawn and Bruce Rathie are free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Dr Alexandra Birrell is currently considered by the Board not to be independent on the basis that she is the CEO of CleanSpace.

Mr Dan Kao is currently considered by the board not to be independent on the basis that he is an executive of CleanSpace.

Mr William Highland is currently considered by the Board not to be independent on the basis that he was appointed (in 2015) to the Board as a representative of institutional investors CVC and Acorn.

### 3.2 Directors

CleanSpace undertakes appropriate checks before appointing a director or senior executive or putting someone forward for election as a director. CleanSpace provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

CleanSpace has a written agreement with each director and senior executive setting out the terms of their appointment. It also has a program for inducting new directors and 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.

Details of current directors are listed below:

#### **Dr Ronald Weinberger**

##### *Independent Chairman and Non-Executive Director*

*BSc (Hons), PhD*

Appointed: July 2018; age 61

Dr Weinberger is the former Executive Director and Chief Executive Officer of Nanosonics (ASX:NAN) where he co-developed Nanosonics' platform technology, launched the company's breakthrough product globally and created a North American sales team alongside GE Healthcare. Dr Weinberger joined CleanSpace in July 2018, and became the Chairperson of the Board in December 2019. He has over 20 years' experience commercialising medical

devices. He has been Chief Executive Officer of EMVision Ltd (ASX:EMV) since December 2018 and managing director from May 2020. Dr Weinberger has also been a non-executive director and the chairperson of HeraMED Ltd (ASX:HMD) since August 2018.

Dr Weinberger is a member of the Audit and Risk Management Committee and Chairman of the Remuneration and Nomination Committee.

#### **Dr Alexandra Birrell**

##### *Executive Director and Chief Executive Officer*

*B.Vet. Med. PhD & MBA*

Appointed: 2014; age 53

Dr Birrell joined CleanSpace in 2010 and has been the Chief Executive Officer of CleanSpace since 2014 and a director since 2015. Dr Birrell has worked in senior management roles in the healthcare and technology sector for over 20 years. Her previous roles include PricewaterhouseCoopers where she worked in the healthcare advisory practice and financial services (Technology); and Royal Prince Alfred Hospital. Dr Birrell was a member of the Board of Trustees of Museum of Applied Arts & Sciences, NSW from 2016 – 2019. Dr Birrell is a previous winner of AFR Women of Influence Awards and Chief Executive Women Scholarship.

#### **Mr Dan Kao**

##### *Executive Director and Director of Operations*

*B.Mech. Eng (Hons) & M. Biomedical Eng.*

Appointed: August 2011; age 43

Mr Kao, a former senior designer for ResMed Inc (Australia) (ASX:RMD), founded the business of CleanSpace in 2009 and has been a director of CleanSpace since April 2011. Mr Kao worked in the medical and healthcare industry for over 20 years, and has extensive experience in manufacturing, supply chain optimisation, quality management systems and in securing patents for innovative technologies in healthcare. Mr Kao is a previous winner of the Australian Design Award.

#### **Mr Craig Lawn**

##### *Independent Non-Executive Director*

*B.Ec, LLB & GAICD*

Appointed: 2015; age 61

Mr Lawn joined CleanSpace as a Non-Executive Director in August 2015 and specialises in structuring growth companies. He was a partner for PricewaterhouseCoopers for over 20 years, where he provided income tax and commercial advice to a variety of businesses, including biotechnology, venture

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capital and research-based organisations. Further, between January 2017 and December 2019, Mr Lawn was a Non-Executive Director of Tubi Limited which listed on 14 June 2019 (ASX:2BE).

In addition to CleanSpace, Mr Lawn is currently on the boards of Key Assets Pty Ltd as the Chairperson and The Red Room Company Ltd as treasurer. Mr Lawn is also a consultant advisor providing business and strategic advice to charities, private company groups, public bodies and not for profit organisations.

Mr Lawn is Chairman of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committee.

## **Mr William Highland**

### **Non-Executive Director (Not Independent)**

*BE (Civil)*

Appointed: August 2015; age 70

Mr Highland was a senior executive and investment manager with 30 years' senior management experience in developing and building companies in Australia, USA, Asia and Europe whilst working with OPSM Protector, BTR Nylex, Boral and CVC Limited. Mr Highland has global experience in the production and marketing of respiratory systems for industrial workplaces; resuscitation products for the first response markets; emergency life support systems for the mining and oil and gas markets and breathing apparatus for the fire and rescue services.

Mr Highland holds a degree in Civil Engineering from the University of New South Wales, has participated in the Executive Management Program AGSM and was a certified mine manager. Additionally, Mr Highland has served as a director and chief executive officer for The Environmental Group Limited and as a director for SMC Gold Limited and Blue Energy Limited, which are both ASX listed companies, and also as a director and chairman of private companies, and joint venture boards.

Mr Highland was appointed to the Company's board in August 2015 as a representative of institutional investors CVC and Acorn. Mr Highland was Chairperson of the Board from November 2016 until December 2019.

Mr Highland is a member of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committee.

Mr Highland will retire as a CleanSpace Director on 31 October 2021.

## **Mr Bruce Rathie**

### **Independent Non-Executive Director**

*B.Comm, LLB, MBA, FIML, FAICD, FGIA, Grad Dip CSP, SA Fin*

Appointed: October 2021, Age 65

Mr Rathie is an experienced Company Director having completed successful prior careers in law and investment banking. He practised as a partner in a large legal firm and acted as Senior Corporate Counsel to Bell Resources Limited in the early to mid-1980s. He studied for his MBA in Geneva and embarked on his investment banking career on his return to Sydney.

Mr Rathie was Head of the Industrial Franchise Group at Salomon Smith Barney in the late 1990s and led Salomon's roles in the Federal Government's privatisations of Qantas, Commonwealth Bank and Telstra. He has over 20 years' experience as a professional Non Executive Company Director and is currently Chair of 4DMedical Limited (ASX:4DX) and Non-Executive Director of Cettire Limited (ASX:CTT) and PolyNovo Limited (ASX:PNV). In the medical device space, Mr Rathie was previously Chairman of Anteo Diagnostics Limited and a Director of Compumedics Limited and USCOM Limited.

## **3.3 Company Secretary**

Ms Elizabeth Harvey is Chief Financial Officer and joint Company Secretary. Ms Elissa Hansen is joint Company Secretary. Ms Harvey and Ms Hansen are accountable directly to the Board, through the Chair, on all matters to do with the proper function of the Board.

The role of the Company Secretary is set out in more detail in the Board Charter.

## **3.4 Board Skills Matrix**

The Board believed that its membership should comprise directors with an appropriate mix of diversity of skills, professional experience, knowledge and expertise that all directors individually and the Board collectively to:

- Discharge their responsibilities and duties;
- Understand the Company's business and the industry and markets in which the Company operates so as to set the strategic direction of the Company to maximise shareholder value; and
- Assess the performance of management in implementing those strategic objectives.

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## 3. BOARD OF DIRECTORS (CONT.)

### 3.4 Board Skills Matrix (Cont.)

The Remuneration and Nomination Committee reviews the balance of skills, experience, independence, knowledge and diversity of the Board and is committed to ensuring that the directors collectively have the appropriate skills mix. In selecting new directors, the Remuneration and Nomination Committee considers the Board's current composition to ensure there is a range of skills and experience required to enable the Board to fulfil its responsibilities.

CleanSpaces' Board Skills Matrix is set out below:

Skills	Criteria	No. of Directors
<b>Strategy</b> The ability to develop and implement successful strategies	<ul style="list-style-type: none"> <li>Director, senior executive or equivalent experience in developing and implementing organisational strategy.</li> <li>Experience with setting strategic direction, driving growth, execution against a clear strategy and overseeing management to ensure the strategic objectives are delivered.</li> </ul>	5
<b>Financial Acumen</b> The ability to understand and analyse financial statements to assess the financial performance and test adequacies of internal risk controls	<ul style="list-style-type: none"> <li>Qualifications in accounting and finance and/or equivalent experience in financial accounting, corporate finance, capital markets and financial risk management and internal financial controls.</li> <li>Experience implementing or overseeing financial accounting, reporting and internal controls.</li> </ul>	5
<b>Risk Management, Governance and Compliance</b> Ability to identify and manage key risks to the Company and committed to the highest standards of governance	<ul style="list-style-type: none"> <li>Senior executive or equivalent experience identifying and managing risk and monitoring the effectiveness of risk management frameworks and internal controls.</li> <li>Experience in working in a listed organisation with rigorous governance standards and experience overseeing those frameworks, policies and processes.</li> <li>Knowledge and understanding of key governance issues and reputational risk for a listed organisation.</li> </ul>	5
<b>Personal Protective Equipment Industry</b> Competency in the personal protection industry	<ul style="list-style-type: none"> <li>Professional, senior executive or equivalent experience in the personal protection or healthcare services industry including experience managing product design, manufacturing operations, quality systems and knowledge of markets, customers, competition and regulatory environment.</li> </ul>	3
<b>Research &amp; Development</b> Ability to develop product innovation and drive long-term growth through strategic investment in research and development activities	<ul style="list-style-type: none"> <li>Experience in leading and/or overseeing the research and development function of an entity.</li> <li>Experience overseeing capital investment in product research and development activities.</li> </ul>	4

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Skills	Criteria	No. of Directors
<b>Technology</b> Ability to leverage new technologies, innovation processes and digital services to drive innovation and grow the business	<ul style="list-style-type: none"> <li>▪ Experience working in a company with a major focus on technology and innovation.</li> <li>▪ Experience overseeing the development and commercialisation of technology, innovation processes and/or digital services to drive innovation and grow a business.</li> <li>▪ Experience in the use and governance of critical information technology infrastructure and applications.</li> </ul>	4
<b>Global Experience</b> Ability to manage and oversee an organisation's business and strategic objectives from an international perspective	<ul style="list-style-type: none"> <li>▪ Senior executive or equivalent experience working in different countries in large organisations with significant international operations.</li> <li>▪ Experience in entering new markets.</li> <li>▪ Senior executive exposure to a range of political, cultural, regulatory and business environments.</li> </ul>	5

## 3.5 Board Performance

The Board Charter sets out the process for evaluating the performance of the Board, its committees and individual directors.

A performance evaluation was not undertaken this year given the Company's recent listing on ASX and the volatility in the market.

## 4. BOARD CHARTER

The Board Charter sets out the respective roles and responsibilities of the Board and management, including matters expressly reserved to the Board and those delegated to management.

It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

## 5. BOARD COMMITTEES

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established an Audit and Risk Management Committee and a Remuneration and Nomination Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements, and the skills and experience of individual Directors.

## 6. AUDIT AND RISK MANAGEMENT COMMITTEE

The role of the Audit and Risk Management Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions. This includes confirming the quality and reliability of the financial information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

The Audit and Risk Management Committee provides advice to the Board and reports on the status and management of the risks to the Company. The purpose of the Committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and ensure that risks are identified, assessed and appropriately managed.

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## 6. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT.)

The Company complies with the recommendations set by the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee comprises of Mr Craig Lawn (Chair), Dr Ron Weinberger, and Mr William Highland. Their qualifications and experience are detailed in 3.2 above and the number of times the Committee met and individual attendance at meetings is set out in the Company's Annual Report.

### 6.1 Risk

The Board, through the Audit and Risk Committee reviews CleanSpace's risk management framework at least annually to satisfy itself that it continues to be sound and that CleanSpace is operating with due regard to the risk appetite set by the Board. A review was undertaken in 2021.

### 6.2 Internal Audit

CleanSpace does not have an internal audit function at this time however it employs processes for evaluating and continually improving the effectiveness of its governance, risk management and internal controls.

### 6.3 Environmental and Social Risks

CleanSpace does not have any material exposure to environmental or social risks although its products provide benefits for sustainability and people's health and safety. CleanSpace respirators are the world's only smart respirators (personal protective equipment), providing the highest level of protection, comfort and performance. CleanSpace products are a reusable system that significantly reduced waste in industrial and healthcare settings.

## 7. REMUNERATION AND NOMINATION COMMITTEE

The role of the Remuneration and Nomination Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's Remuneration and Nomination policies and practices.

This includes reviewing and making recommendations to the Board on remuneration packages and policies related to the Directors and senior executives. The Remuneration and Nomination Committee is also responsible for administering short-term and long-

term incentive plans (including any equity plans). In addition, the Committee is responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice is sought where appropriate.

The Company complies with the recommendations set by the ASX Listing Rules and the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee comprises of Dr Ron Weinberger (Chair), Mr Craig Lawn, and Mr William Highland.

The number of times the committee met and the individual attendances of members at those meetings is set out in the Company's Annual Report, available on the website.

### 7.1 Remuneration Policies

CleanSpace's remuneration policies and practices are set out in the Company's Remuneration Report found in the Annual Report.

The Company granted options to key executives and directors under the Equity Incentive Plan as part of the Company's Initial Public Offer and admittance to ASX. Holders must comply with the Company's Security Trading Policy with respect to their options (or other awards). The Company's Security Trading Policy restricts speculative trading and entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk associated with those options (awards).

## 8. CODE OF CONDUCT

The Company is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how it expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards.

The Code of Conduct is designed to provide a benchmark for professional behaviour throughout the Company's business, support its business reputation and corporate image within the community and make the Company's Directors and employees aware of the consequences if they breach this policy.

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The Board is required to be informed of any material breaches to the Company's Code of Conduct.

## 9. VALUES

The Company's values are:

- Innovation;
- Integrity;
- Challenger;
- Lean; and
- Sense of Urgency.

## 10. CORPORATE REPORTING

### 10.1 CEO and CFO Declaration

The Board received a declaration from both the CEO and CFO, 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 before the Board approved the Company's financial statements for the 2021 financial period and will continue to ensure such declarations are received in the future.

### 10.2 Verification of Periodic reports

CleanSpace periodically releases reports that are not audited or reviewed by an external auditor. The Company has embedded processes to ensure the accuracy of these reports and to ensure they are balanced and provide investors with appropriate information to make informed investment decisions.

### 10.3 Website

Information about CleanSpace Holding Limited and its governance policies and practices is available on the Company's website at <https://cleanspacetechnology.com>.

## 11. CONTINUOUS DISCLOSURE POLICY

CleanSpace is required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company is

required to immediately advise ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company has adopted a Disclosure Policy which reinforces the Company's commitment to its continuous disclosure obligations and describes the processes in place that enable the Company to provide Shareholders with timely disclosure in accordance with those obligations. Information is communicated to Shareholders through the lodgement of all relevant financial and other information with ASX, and copies of the Company's announcements to ASX are available on the Company's website. Any new and substantive investor or analyst presentation is released on ASX ahead of the presentation.

The Board receives a copy of all material market announcements promptly after they have been made from the Company Secretary.

## 12. COMMUNICATIONS WITH SHAREHOLDERS

The Company aims to keep Shareholders informed of major developments affecting the Company. The Company recognises investors and other interested stakeholders may wish to obtain information about the Company from time to time and it facilitates effective two-way communication with investors. To achieve this, the Company communicates and receives information regularly through a range of forums and publications, including the Company's website, investor briefings, at the Company's Annual General Meeting (AGM) and through the Company's Annual Report and ASX announcements.

The AGM is an important occasion for updating shareholders on the Company's performance. The AGM provides the opportunity for shareholders to ask questions of and hear from the Board. CleanSpace encourages shareholder participation at its AGM as an opportunity to allow the Board to listen and respond to shareholder feedback.

The Company ensures that its external auditor attends all AGMs and is available to answer queries from shareholders relevant to the audit and any substantive resolutions are decided by a poll rather than a show of hands.

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## 12. COMMUNICATIONS WITH SHAREHOLDERS (CONT.)

CleanSpace gives its shareholders the option to send and receive all communications to the Company and its share registry electronically. Shareholders are encouraged to update their communication preferences and elect to receive all communication electronically with the Company's share registry, Boardroom Pty Limited, at <https://www.investorserve.com.au>.

## 13. DIVERSITY POLICY

The Board has adopted a Diversity Policy, which sets out the Company's commitment to an inclusive and diverse workforce. The Board has not set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally to date. Given the Company's recent listing and its current proportions of men and women across the business, the Board believes this is appropriate at this time however it will look at setting measurable objectives in the future.

The Company's current proportions of men and women on the board, senior executives and workforce generally are:

	Male	Female
Board	83%	17%
Senior Executives	50%	50%
Workforce	46%	54%

## 14. SECURITIES TRADING POLICY

The Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited by law and establish procedures for the buying and selling of securities to ensure that public confidence is maintained in the reputation of the Company and the Company's Directors and employees, and in the trading of the Company's securities.

The Securities Trading Policy provides that Directors, employees and contractors must not deal in the Company's securities when they are aware of 'inside' information. Directors and certain restricted employees must not deal in the Company's securities during any of the following blackout periods:

- from the close of the ASX trading day on 30 November each year, until 10:00 am Australian Eastern Daylight Time (AEDT) on the ASX trading day following the day on which the Company's half yearly results are released to the ASX;
- from the close of the ASX trading day on 31 May each year, until 10:00 am (AEST) on the ASX trading day following the day on which the Company's full year results are released to the ASX;
- from the close of the ASX trading day two weeks prior to the date of the Company's AGM until 10:00 am (AEST) on the ASX trading day following the date of the Company's AGM; and
- any other period that the Board specifies from time to time.

If 31 May or 30 November are not ASX trading days, then the blackout period begins on the preceding ASX trading day.

Directors and restricted employees must confirm they are not in possession of any inside information and receive prior approval for any proposed dealing in the Company's securities outside of the above blackout periods (including any proposed dealing by one of their connected persons).

## 15. WHISTLE-BLOWER PROTECTION POLICY

The Company is committed to the highest standards of conduct and ethical behaviour in all of its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. The Company's Whistle-blower Protection Policy has been adopted to provide a safe and confidential environment where concerns can be raised by whistle blowers without fear of reprisal or detrimental treatment.

The Board is to be informed of any material incidents reported under that policy.

## 16. ANTI-BRIBERY AND CORRUPTION POLICY

The Company is committed to complying with all laws of the jurisdictions in which it operates, including those relating to bribery and corruption. The Company's Anti-bribery and Corruption Policy sets out the responsibilities of the Company's personnel, including



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in their dealings with, and through, third parties. It addresses protection of the Company's personnel in seeking to comply with this policy, investigations, consequences for breach, examples of improper conduct, contact with government officials, in-kind gifts and corporate hospitality, political and charitable contributions and secret commissions.

Any material breaches of the Anti-bribery and Corruption Policy are required to be notified to the Board.

## 17. SENIOR EXECUTIVE PERFORMANCE REVIEW

Senior executives manage the day to day tasks of the Company under the guidance and direction of the CEO. CleanSpace recognises the importance of its senior executives to the Company's growth and performance. Accordingly, the Company undertakes regular evaluations of its senior executives to review their effectiveness and performance on an ongoing basis.

The CEO reviews the performance of senior executives annually. These evaluations assess the completeness and effectiveness of each senior executive in meeting their KPIs, whether the executive has the appropriate mix of skills and experience to allow the Company to meet its corporate goals and whether the executive provides a safe, secure, productive, harmonious and inclusive environment for their employees to perform at their best.

A performance review of senior executives was undertaken by the CEO this year.

## 18. DEPARTURE FROM ASX RECOMMENDATIONS

Through the corporate governance framework adopted by the Board (and summarised above), the Company is compliant with each of the ASX Recommendations, other than the following:

- while the Board has adopted a Diversity Policy, it has not set measurable objectives to achieve gender diversity in the composition of its board, senior executives and workforce generally. This is not consistent with Recommendation 1.5 of the ASX Recommendations. Given the Company's recent listing, market volatility and current diversity

levels within the business, the Board is comfortable with this position. It is the Board's intention to develop measurable objectives for gender diversity across the Company in the future; and

- the Board currently consists of three independent Directors and three non-independent Directors. This is not consistent with Recommendation 2.4 of the ASX Recommendations however, the Directors believe that they are able to objectively analyse the issues before them in the best interests of all Shareholders and in accordance with their duties as Directors. The independent non-executive directors may confer periodically without the non-independent directors present. Following the resignation of Mr William Highland the majority of the Board will be independent directors from 1 November 2021.