

Leigh Creek Energy Limited

Corporate Governance Statement 2021



Our Annual Report 2021

The Annual Report 2021 is a summary of Leigh Creek Energy Limited's operations, activities and financial position as at 30 June 2021 and is available from the Company's website.

Additional information

In this report, we have indicated where additional information is available online like this:

Further information at www.lcke.com.au



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1 Introduction

Leigh Creek Energy Limited (**LCK, Leigh Creek Energy or the Company**) is committed to a high level of corporate governance and the Company believes that this is essential for long term performance and value creation.

The Board is responsible for the overall corporate governance of the Company. The Company, as a listed entity must comply with the Corporations Act 2001 (Cth), the ASX Listing Rules and other Australian and international laws.

The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Recommendations contained in the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations.

A checklist cross-referencing the recommendations to the relevant sections of this statement is provided at the end of this document.

The website contains copies of Board and committee charters and many of the policies and documents mentioned in this statement.



2 Board of directors

2.1 Role and responsibilities of the Board and senior executives

The Company Constitution (**Constitution**) provides that the business of the Company is to be managed by the Directors of the Company (**Board**). The Board has approved a formal Board Charter which details the Board's roles and responsibilities.

Other than as specifically reserved to the Board in the Board Charter, responsibility for management of the Company's business activities is delegated to the Managing Director who is accountable to the Board.

The Board Charter and the delegation of Board authority to the Managing Director are reviewed regularly.

The Board Charter is available in the **ESG – Governance** section of the Company's website.

The primary role of the Board is to set the Company's strategic and financial objectives, to select and appoint the Managing Director (or Chief Executive Officer) and to oversee the management of the Company against the Company's objectives.

In addition to matters required by law to be approved by the Board, the following powers are reserved to the Board:

- Approving and monitoring business plans and budgets;
- Monitoring management's implementation of strategies, business plans, budgets and objectives, corporate policies;
- Protecting the Company's financial position and its ability to meet its debts and other obligations as they fall due;

- Approving and monitoring the progress of major capital expenditure, capital management and material acquisitions and divestments;
- Delegating an appropriate level of authority to management;
- Approving and monitoring financial and other reporting;
- Ensuring and monitoring the Company's reporting systems and internal controls, codes of conduct and legal compliance systems;
- Ensuring that systems are in place to facilitate the effective management of the principal risks to the Company;
- Appointing, reviewing and removing executive management and other officers, determining their terms and conditions of engagements including remuneration framework;
- Overseeing the continuous disclosure process to ensure timely and balanced disclosures and ensuring that the Company has an effective process for communicating with stakeholders;
- Assessing the independence of Directors;
- Monitoring the effectiveness of governance practices generally; and
- Approving the issue of shares or other securities in the Company.

The Managing Director and senior executives:

- Recommend the Company's corporate strategy to the Board for approval and once it is approved, implement the corporate strategy;
- Develop business plans and budgets for consideration by the Board and once approved implement these plans and budgets;
- Develop, implement and manage the Company's risk management and internal controls framework;
- Develop, implement and update the Company's policies, procedures and systems;

- Assume day to day responsibility for the Company's conformance within relevant laws and regulations and its compliance framework;
- Provide accurate, timely and clear information to the Board to enable the Board to effectively perform its responsibilities; and
- Operate the business within the parameters set by the Board.

The Company Secretary is accountable to the Board through the Chairman on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for carrying out the administrative and statutory requirements of the Board as set out in the Board Charter.



2.2 Board composition

At the date of this report the Board has 5 directors. The Constitution provides that the Company is not to have more than 12 or less than 3 directors. The Directors Report in the 2021 Annual Report summarises the following:

- Skills, experience and qualifications of each director;
- Date of appointment and length of service; and
- Any special responsibilities.

The Company conducts regular Board reviews. The skills, knowledge, size and composition of the Board is also reviewed to ensure that the Company has the right combination of Directors to oversee the Company's business activities.

Table 1 is the Board's own assessment against what it considers to be desirable skills and experience. Directors rated their capabilities based on whether they have a clear strength based on tertiary qualification or extensive organisational experience in all or part of the relevant area.

The Board considers that collectively the directors have the skills, knowledge and experience required to direct the Company. The Board supplements its expertise with subject matter experts as appropriate (for example, regular attendance at Board meetings by relevant executives). The Board recognises that opportunities exist to consider diversity upon future Board appointments.

Table 1 – Board skills matrix

Skills and experience	Directors
Leadership and management • Outside directorships • Senior management positions • Governance, legal and regulatory experience • Experience in developing and delivering successful strategies	5
Industry and operational experience • Oil & gas or UCG experience • Infrastructure • Engineering or science qualification • Experience related to managing HS&E issues in an organisation	3
Finance and accounting • Financial literacy • Accounting or finance qualification	3
Culture and remuneration • Experience in remuneration policy and implementation • Ability to develop talent, culture and diversity.	4
Global expertise • Experience in a global organisation • Experience with international assets, business partners, cultures and communities	5
Risk • Experience in risk management and oversight	4

2.3 Director independence

The Board consists of a majority of non-executive directors, with one of those non-executive directors also being independent directors.

The Company has determined which directors are considered independent in accordance with the ASXCG Recommendations noting that an independent director is one that is:

- Not aligned with the interests of management or a substantial holder;
- Can bring independent judgement to bear on issues before the board;
- Free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole.

The only exception the Company applies is where it is clear that the interest, position or relationship in question is not material and will not interfere with the directors capacity to bring an independent judgement.

Non-executive director Murray Chatfield is the Company's independent director.

Executive Directors Justyn Peters and Phillip Staveley are not independent due to their executive positions. Mr Zheng Xiaojang also has a consultancy contract with the Company and is therefore not independent. Mr Zhe Wang was appointed to the Board as a nominee of the Company's largest shareholder China New Energy Limited and is therefore not independent.

The Board reviews the independence of directors before they are appointed and on a regular basis and at any other time where the circumstances of a director change and therefore require assessment.

2.4 Appointment and re-election of directors and board renewal

The Board carries out the process of determining the need for, screening and appointing new directors. The Board assesses candidates against general criteria, considering the Board skills matrix, and the candidates ability to meet the Company's specific needs. Appropriate checks are made of the candidates character and skills to undertake the role of a director.

The Company has a program for the induction of new directors, including policy inductions and meeting with management as required.

The Company has a written agreement with each director (and senior executive) setting out the terms of their appointment.

In accordance with the ASX Listing Rules and the Constitution, at each annual general meeting, one third of the directors (excluding the Managing Director) along with any director appointed since the last annual general meeting to fill a casual vacancy must submit themselves for re-election.

The Board reviews the performance of a retiring director before accepting their offer to stand for re-election. The Company gives shareholders all information that is relevant to their decision whether to elect or re-elect a director.

2.5 Board and senior executive performance evaluation

The Board conducts a review of its effectiveness, against the Board Charter, on an annual basis, which involves:

- evaluating the performance of each Director against appropriate measures (including if warranted by considering the use of external advisers to conduct this performance review);
- for the non-executive Directors, evaluating the performance of the Chairman;

- comparing its performance with the requirements of its Charter;
- setting out its future goals and objectives; and
- reviewing and recommending any changes to its Charter deemed necessary or desirable.

The review of the Board's performance also addresses the ability for directors to access continuing education to update and enhance their skills and knowledge as they relate to the Company's strategy and objectives.

The Managing Director and Executive Chairman take part in annual performance reviews, with the Company measuring their performance against key performance indicators.

Board and senior executive reviews were undertaken in the financial year ended 30 June 2021.

2.6 Board access to information and independent advice

Directors have the right to obtain independent legal, accounting or other professional advice in relation to their role as a director at the Company. This will be at the Company's expense provided the costs are incurred with the Chairman's prior approval.

Directors have access to Company information, records and employees, subject to privacy and confidentiality obligations. Directors may ask management, through the Board or Managing Director, for reports or information to help make informed decisions.

2.7 Director's remuneration

Details of remuneration paid to directors are set out in the remuneration report of the 2021 Annual Report. The report also sets out the policies and practices for determining the nature and amount of remuneration for directors and senior executives.

Shareholders will be invited to consider and approve the 2021 Remuneration Report at the 2021 AGM.

3 Committees of the Board

3.1 Board committees, membership and charters

The Board has the ability under the Constitution to delegate its powers and responsibilities to committees of the Board. This allows the directors to spend additional time on specific issues. The Board has the Audit and Risk Committee to assist with its responsibilities as detailed in section 3.2.

The Company does not have a separate nomination committee. Due to the size and resources available to the Company, it is not considered appropriate to have a separate nomination committee. The Board carries out the process of determining the need for, screening and appointing new directors. The Board assesses candidates against general criteria, considering the Board skills matrix, and the candidates ability to meet the Company's specific needs. The Company is aware of the benefits of diversity and is committed to ensuring diversity at all levels of the organization.

The Company does not have a separate remuneration committee. The Board as a whole has responsibility for setting the level and composition of remuneration for directors and senior executives and ensuring that remuneration is appropriate.

The Board considers and recommends remuneration policies and practices, compensation arrangements for the Executive Directors, company share schemes and other incentive schemes, company superannuation arrangements and remuneration arrangements for members of the Board.

In view of the size and resources available to the Company, it is not considered that a formal remuneration committee would add any further value to the process. Further details of remuneration policies and practices are in the remuneration report of the 2021 Annual Report.

3.2 Audit and Risk Committee

The role of the Audit and Risk Committee is to ensure that adequate controls, systems, processes and procedures are in place and adhered to and includes assisting the Board in relation to:

- The integrity of the Company's financial reporting;
- The independence of the external auditor and reporting to the Board on this;
- Internal financial controls and financial risk management;
- Risk management and internal controls;
- Company systems and processes.

The committees role is to review and make recommendations to the Board. The Committee meets at least three times per year with full details of meetings and attendances and qualifications of the members of the Committee in the 2021 Annual Report.

The Audit and Risk Committee members are Mr Chatfield (chair) and Mr Peters. Mr Peters is an executive director and is considered an appropriate member due to his significant industry knowledge and experience. The Board recognizes that opportunities exist to enhance the composition of the Committee.

Together the committee members have financial acumen, industry knowledge and experience in risk management that are relevant to the committee.

The **Audit and Risk Committee's charter**, which sets out further details on the role and duties of the committee is available in the **ESG – Governance** section of the Company's website.

The Audit and Risk Committee Charter was reviewed and updated during the reporting year

4 Communication with shareholders

4.1 Continuous disclosure and market communications

The Company operates under ASX's continuous disclosure regime. The Company is committed to ensuring that shareholders and the market are provided with accurate, full and timely information. Information that may affect the price or value of securities in the Company is immediately disclosed to ASX. The release is also placed on the Company's website.

The Company's process for meeting its continuous disclosure obligations is in the Continuous Disclosure Policy.

The Company's **Continuous Disclosure Policy** is in the **ESG-Governance** section of the Company's website.

Any new and substantial investor presentations are also released on ASX ahead of the presentation and posted on the Company's website.

The Board receives copies of all material market announcements promptly after they have been made.

4.2 Communication with shareholders

The Board understands that shareholders, as the ultimate owners of the Company, are entitled to receive timely and quality information about the Company and the Company's Continuous Disclosure Policy is the primary method of ensuring effective communication with shareholders.

The Company's website is available for all shareholders and other stakeholders to access.

The Company's website is www.lcke.com.au

All ASX releases will be posted on the website, along with other relevant news and updates.

In addition to the Company's annual report, other periodic reports published on the website include half yearly reports and quarterly reports.

Shareholders can elect to receive communications via post or email. The Company regularly undertakes campaigns through its share registry to encourage shareholders to receive communications electronically.

The Company also has an electronic 'Contact us' address which can be accessed by shareholders through the Company's website.

www.lcke.com.au/Contact

The Company has a dedicated investor relations team to assist in responding to shareholder enquiries.

The Company encourages shareholders to attend its annual general meetings and to ask questions of the Board and management. The notice of annual general meeting invites shareholders to submit questions ahead of the meeting. All resolutions at a meeting of shareholders are decided by a poll rather than a show of hands.

Representatives of the external auditor attend the meeting and are available to answer questions from shareholders concerning the conduct of the audit and preparation of the audit report.

The Company has an investor relations program designed to facilitate two-way communications between the Company and shareholders. The Company gives a range of updates to investors through presentations and webcasts throughout the year.

4.3 Verification of periodic corporate reports

The Company is committed to providing clear, concise and effective disclosure in its periodic corporate reports by ensuring that periodic corporate reports are accurate and provide investors with appropriate information to make informed decisions.

The Company's process for verifying unaudited periodic corporate reports is as follows:

- Reports are prepared by, or under the supervision of subject matter experts;
- Material statements are reviewed for accuracy and material requirements;
- Information about the Company's petroleum reserves is only included in a report if the information complies with the ASX Listing Rules;
- Information in a report that relates to financial projections, statements as to future financial performance or changes to the policy or strategy of the Company must be approved by the Board.

Before the Company approves its financial statements for a financial period, the Board receives from the MD 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.

5 Promoting responsible and ethical behaviour

5.1 Code of conduct

The Company has a Code of Conduct Policy which sets out standards for appropriate behaviour based on the Company's core values.

The Company's values can be found on the **Careers - Our Culture** section of the Company's website.

The Company's Code of Conduct Policy can be found on the **ESG – Governance** section of the Company's website.

The Code of Conduct Policy outlines that each employee is expected to:

- Put safety first;
- Always act in the best interests of the Company;
- Maintain and promote high levels of acceptable behaviour; and
- Help to build and maintain a culture that is just, fair and equitable to all.

The board or a committee of the board is informed of any material breaches of the Code of Conduct.

5.2 Antibribery Policy and Whistleblower Policy

To complement the Code of Conduct, the Company also has a Whistleblower Policy and an Anti-Bribery and Corruption Policy.

Both policies are designed to foster an environment that encourages ethical behaviour and to help detect and address unacceptable conduct.

The Whistleblower Policy and Anti-Bribery Policy can be found on the ESG-Governance section of the Company's website.

The board or a committee of the board is informed of any material breaches of the Whistleblower Policy or the Anti-Bribery and Corruption Policy.

5.3 Securities ownership and dealing

The Company's Securities Trading Policy provides a summary on the law on insider trading and other relevant laws, sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy is aligned with the ASX Listing Rules.

The **Securities Trading Policy** can be found on the **ESG-Governance** section of the Company's website.

Under the policy, employees are restricted from dealing in Company securities during precluded periods and outside of these periods, prior notice is required to be given to the Company.

The policy also prohibits employees from hedging or transferring the risk of any fluctuation in the value of any unvested securities or securities that are subject to a holding lock.

5.4 Inclusion and diversity

The Company is committed to creating an inclusive and diverse workplace. The Company's commitment to inclusion and diversity is reflected in the values, Code of Conduct and the Company's Inclusion and Diversity Policy.

The Company's **Inclusion and Diversity Policy** can be found on the **ESG – Governance** section of the Company's website.

Key principles to implement this policy include:

- Creating an inclusive work environment where people feel respected, valued and supported to perform at their best;

- Actively drive improvement and monitor against a plan; and
- Full consideration of the impacts of diversity across every talent (hiring, promoting, developing etc) decision made and actively building diversity into the various teams.

6 Risk management and internal control

6.1 Risk management framework

Risk management is a key element of good corporate governance and managing risk is essential for the Company to achieve its purpose.

The Company's Risk Management Policy and underlying framework set out to:

- Provide a consistent and systematic approach to identify, analyse, treat, monitor and report on the portfolio of risks.
- Ensure management and the Board are presented with the best available information on which to base their decisions.
- Ensure decisions are aligned with the Company's appetite for risk and are undertaken within approved risk tolerances and are executed with sufficient independent oversight.
- Provide assurance through the Audit and Risk Committee that controls are in place and are operating effectively and efficiently.

The **Risk Management Policy** is available in the **ESG – Governance** section of the Company's website.

The Board recognizes that whilst risks are inherent in every business, that effectively managing risks is essential to the Company's success.

Primary responsibility for managing risk rests with the Company's management, while the Board, through the Audit and Risk Committee, retain ultimate responsibility for risk management.

The Audit and Risk Committee meets regularly and reports to and keeps the Board updated and is accountable to the Board on material risks and processes in place to manage risk.

It is the role of the Committee includes ensuring that:

- Controls are in place to identify risk and develop risk mitigation and monitoring strategies as part of the risk management policy.
- Risks are managed in a strategic and systematic manner.
- Management promote an awareness of risk management and risk minimization through the Company.
- Policies and internal processes for risk management are appropriate.
- Insurance coverage is adequate.
- The Company is compliant with policies, plans, procedures, laws, standards and regulations that apply to the activities of the Company.

The Company's risk management framework is consistent with the Australia/New Zealand Standard ISO 31000. The Audit and Risk Committee review the entity's risk management framework 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 have reviewed the framework in the past year.

6.2 Management assurance

The Board receives regular reports on the Company's financial and operational results.

Before adoption of the 2021 half year and full year financial statements, the Board received written declarations from the Managing Director and Chief Financial Officer that the financial records of the company have been properly maintained in accordance with section 286 of the Corporations Act and the company's financial statements and notes comply with accounting standards and give a true and fair view of the entity's financial position for the financial period.

The Managing Director and Chief Financial Officer also state to the Board that the statements relating to the integrity of the financial statements are

founded on a sound system of risk management and internal compliance and control.

6.3 Business and sustainability risks

Given the nature of the Company's operations there are many factors that could impact the Company's activities and results.

The material business risks that could have an adverse impact on the Company include economic risks, health, safety, environmental and social risk. A description of the nature of the risk and how such risks are managed is set out in the Operating and Financial Review in the 2021 Annual Report.

The Company is committed to identifying and mitigating material climate risks affecting the Company. The Board is regularly updated on how climate change risk is considered in project decision making.

6.4 Internal audit

The Company is committed to managing risk and achieves this through its risk management framework as outlined in 6.1. The Company does not have a formal internal audit function due to its size.

6.5 External audit

The Company's external auditor is Grant Thornton. The Audit and Risk Committee is responsible for making recommendations to the Board on the selection, appointment, reappointment or replacement, remuneration, monitoring and independence of the external auditors.

The lead audit partner and review partner of the external auditor must rotate every five years.

The external auditor is not engaged to perform any non-audit services that may impair judgment of the external auditor or independence regarding the Company.

The Chief Financial Officer must seek approval of the Audit and Risk Committee before the external auditor can be engaged to provide non-audit services.

7 ASX Corporate Governance Council Recommendations Checklist

ASX Corporate Governance Council Recommendations		Reference	Comply
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.	2.1	✓
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.	2.4	✓
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	2.4	✓
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	2.1	✓
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:	5.4	×

ASX Corporate Governance Council Recommendations		Reference	Comply
(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.			
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.	2.5	✓
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.	2.5	✓
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	3.1	✓

ASX Corporate Governance Council Recommendations		Reference	Comply
	(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.		
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	2.2	✓
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 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.	2.2 2.3	✓
2.4	A majority of the board of a listed entity should be independent directors	2.3	×
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	2.3	×
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.	2.4 2.5	✓
Principle 3: Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values	5.1	✓
3.2	A listed entity should:	5.1	✓

ASX Corporate Governance Council Recommendations		Reference	Comply
(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			
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.	5.2	✓
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.	5.2	✓
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.	3.2	x

ASX Corporate Governance Council Recommendations		Reference	Comply
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.	4.3	✓
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	4.3	✓
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.	4.1	✓
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	4.1	✓
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.	4.1	✓
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.	4.2	✓
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	4.2	✓
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders	4.2	✓
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	4.2	✓

ASX Corporate Governance Council Recommendations		Reference	Comply
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.	4.2	✓
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.	3.2 6.1	✓
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.	6.1	✓
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	6.4	✓

ASX Corporate Governance Council Recommendations		Reference	Comply
	(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.		
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.	6.3	✓
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.	3.2	✓
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	2.7	✓
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.	5.3	✓



Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Leigh Creek Energy Limited

ABN/ARN

31 107 531 822

Financial year ended:

30 June 2021

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website:
www.lcke.com.au/ESG/Governance

The Corporate Governance Statement is accurate and up to date as at 5 October 2021 and has been approved by the board.

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

Date: 5 October 2021

Jordan Mehrtens

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 <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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: www.lcke.com.au/ESG/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.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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: [insert location] and we have disclosed the information referred to in paragraph (c) at: [insert location] 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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.	☒ [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: [insert location] and the information referred to in paragraphs (4) and (5) at: [insert location] [If the entity complies with paragraph (b):] 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance and, where applicable, the information referred to in paragraph (b) at: [insert location] and the length of service of each director at: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement
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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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: Our Website on the ESG – Governance section www.lcke.com.au/ESG/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: Our Website on the ESG – Governance section www.lcke.com.au/ESG/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: Our Website on the ESG – Governance section www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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.	☐ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: and the information referred to in paragraphs (4) and (5) at: <i>[If the entity complies with paragraph (b):]</i> and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at: <i>[insert location]</i>	☒ 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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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: Our Corporate Governance Statement www.lcke.com.au/ESG/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: Our Corporate Governance Statement www.lcke.com.au/ESG/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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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
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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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 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.	☒ [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: [insert location] and the information referred to in paragraphs (4) and (5) at: [insert location] [If the entity complies with paragraph (b):] and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs at: <i>[insert location]</i> <i>[If the entity complies with paragraph (b):]</i> 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance and, if we do, how we manage or intend to manage those risks at: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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.	☒ [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: [insert location] and the information referred to in paragraphs (4) and (5) at: [insert location] [If the entity complies with paragraph (b):] and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: Our Corporate Governance Statement www.lcke.com.au/ESG/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 at: Our Corporate Governance Statement www.lcke.com.au/ESG/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: Our Corporate Governance Statement www.lcke.com.au/ESG/Governance	☐ 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

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: 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			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> 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

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> 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: <i>[insert location]</i>	☐ set out in our Corporate Governance Statement