

# CORPORATE GOVERNANCE STATEMENT

## Bisalloy Steel Group Limited

The Directors and management of Bisalloy Steel Group Limited (**Bisalloy** or **Company**) are committed to conducting the business of Bisalloy and its controlled entities (the **Group**) in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the *ASX Corporate Governance Principles and Recommendations (Fourth Edition)* (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared this statement which sets out its corporate governance practices during the financial year ended 30 June 2022. This statement identifies any Recommendations that have not been followed and provides reasons for not following such Recommendations. This statement is current as of 16 September 2022 and has been approved by the Board of Bisalloy.

The Company's corporate governance policies and charters and policies are all available under the Corporate Governance section of the Company's website (<https://www.bisalloy.com.au/investor-centre/corporate-governance>) (**Website**).

ASX Recommendation	Status	Reference / Comment
<b>Principle 1 – Lay solid foundations for management and oversight</b> <i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.</i>		
1.1	<b>A listed entity should have and disclose:</b>  <b>(a) the respective roles and responsibilities of its board and management; and</b>  <b>(b) those matters expressly reserved to the board and those delegated to management.</b>	<b>Complying</b>  <p>The Board has adopted a formal Corporate Governance Code which establishes the role of the Board and its relationship with management. The Code clearly articulates the division of responsibilities between the Board and management, to manage expectations and avoid misunderstandings about their respective roles and accountabilities.</p> <p>As detailed in the Code, the Board is responsible for the overall governance of Bisalloy and its strategic direction. This includes the setting of goals, monitoring performance and ensuring Bisalloy's internal control and reporting procedures are adequate, effective, and ethical and that Bisalloy's strategic direction provides value for its shareholders.</p> <p>The Board regularly monitors the effectiveness of management policies and decisions, including the execution of its strategies.</p> <p>Bisalloy's Board committees (<b>Committees</b>) have specific charters which provide further details on the matters reserved for the Board or its Committees.</p> <p>A copy of the Corporate Governance Code and Board Committee Charters are available on the Website.</p>
1.2	<b>A listed entity should:</b>  <b>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as director; and</b>  <b>(b) provide security holders with all material information in its possession relevant to a decision on whether to elect or re-elect a director.</b>	<b>Complying</b>  <p>The Corporate Governance Code sets out Bisalloy's procedures for the selection, appointment, and re-appointment of directors. The Nominations and Remuneration Committee, constituted pursuant to the Nominations and Remuneration Committee Charter established by the Board, is also responsible for developing and implementing procedures and processes for the selection and appointment of directors.</p> <p>The responsibilities of the Nominations and Remuneration Committee, in performing its role in accordance with its Charter, include the following:</p> <ul style="list-style-type: none"> <li>▪ assessing the skills required on the Board.</li> <li>▪ from time to time, assessing the extent to which the required skills are represented on the Board.</li> <li>▪ establishing processes for the identification of suitable candidates for appointment to the Board.</li> </ul> <p>The Company provides information to shareholders about Directors seeking re-election at general meeting to enable them to make an informed decision on whether to re-elect the Director, including their relevant qualifications and experience and the skills they bring to the Board, whether they are considered by the Board to be an independent Director, as well as a recommendation by the Board with respect to the re-election of the Director.</p> <p>The Company will, in the case of a candidate standing for election as a Director for the first time, provide information to shareholders about the candidate to enable them to make an informed decision on whether or not to elect the candidate, including material adverse information revealed by any checks the Board has</p>

ASX Recommendation		Status	Reference / Comment
			performed on the candidate; details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect the candidate's capacity to exercise independent judgement on Board matters or to act in the best interests of the Company and its shareholders generally; the Board's view on whether the candidate will be considered to be an independent Director; and a recommendation by the Board in respect of the election of the candidate.
1.3	<b>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</b>	<b>Complying</b>	<p>All Directors and senior executives have entered into written agreements with the Company.</p> <p>Specifically, each Non-Executive Director has been given a letter of appointment which outlines terms including the Director's duties, obligations, remuneration, expected time commitments and notification of the Company's policies.</p> <p>Similarly, senior executives have formal job descriptions and services agreements with the Company describing their term of office, duties, rights and responsibilities, and entitlements on termination.</p>
1.4	<b>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.</b>	<b>Complying</b>	<p>The Company Secretary is responsible for the day-to-day operations of the company secretary's office, including the administration of Board and committee meetings, overseeing relationship with its share registrar and lodgements with the ASX and other regulators.</p> <p>The Company Secretary is also responsible for communications with the ASX about listing rule matters, including making disclosures to the ASX in accordance with Bisalloy's Continuous Disclosure Policy.</p> <p>The Company Secretary supports the effectiveness of the Board by monitoring compliance with Board policies and procedures, and co-ordinating the completion and despatch of Board agendas and briefing papers.</p> <p>The Company Secretary is accountable to the Board, and all Directors have access to the Company Secretary.</p> <p>The decision to appoint or remove the Company Secretary is made or approved by the Board.</p>
1.5	<b>A listed entity should:</b> <b>(a) have and disclose a diversity policy.</b> <b>(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</b>	<b>Part Complying</b>	<p>The Company has a Diversity Policy and an Equal Employment Opportunity Policy under which it commits to ensuring applicants for employment are drawn from a full cross section of the community and that the merit principle forms the basis of recruitment and promotion.</p> <p>In light of the total number of employees and low turnover levels in all management levels of the Group, the Board believes that little effective benefit would be achieved from the setting of measurable objectives for achieving gender diversity and that the interests of the Group are best served in this case by rigorous application of the merit principle in all recruitment and promotion decisions.</p> <p>As at 30 June 2022, the Company had 126.5 Full Time Equivalent (FTE) employees, including 18.5 FTE female employees. Of the female employees, none hold a senior executive role. A senior executive is defined as a direct report of the CEO and Managing Director.</p>

ASX Recommendation	Status	Reference / Comment
<p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity.</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes; or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined and published under that Act.</p>		<p>There are no female directors on the Board.</p>

ASX Recommendation		Status	Reference / Comment
1.6	<p><b>A listed entity should:</b></p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees, and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Complying	<p>The Corporate Governance Code provides that the Board should periodically undertake an evaluation of the performance of the Board, each Board Committee, and individual Directors. This involves comparing their performance with the requirements of the Charter, relevant Board Committee charters and the reasonable expectations of such functions, including undertaking a periodic review of whether there is a need for existing Directors to undertake professional development to acquire or maintain the skills and knowledge needed to perform their role effectively.</p> <p>The Nominations and Remuneration Committee is responsible for reviewing and making recommendations to the Board in relation to the process for evaluating the performance of the Board, each Board Committee and individual.</p> <p>A formal performance evaluation was not undertaken in respect of the last reporting period.</p>
1.7	<p><b>A listed entity should:</b></p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.</p>	Complying	<p>A formal structured review is undertaken each year for each senior executive. Senior executives are reviewed by the Managing Director and CEO with input provided by the Chair.</p> <p>The Board undertakes an annual review of the performance of the Managing Director and CEO, using where necessary an external consultant, against appropriate measures.</p> <p>A performance evaluation was undertaken by the Board in respect of the last reporting period.</p>
<p style="text-align: center;"><b>Principle 2 – Structure the Board to add value</b>  <i>A listed entity should have a board of an appropriate size, composition, skills, and commitment to enable it to discharge its duties effectively.</i></p>			
2.1	<p><b>The board of a listed entity should:</b></p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom</p>	Part-complying	<p>The Company's Nominations and Remuneration Committee Charter provides for the creation of a Nominations and Remuneration Committee. A copy of the Charter is available on the Website.</p> <p>The Board has established a Nominations and Remuneration Committee, which consists of four (4) members, three (3) of whom are independent Directors. The Committee is chaired by Mr Balkin AM who is a non-independent Director according to ASX</p>

ASX Recommendation		Status	Reference / Comment
	<p>are independent directors: and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee.</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence, and diversity to enable it to discharge its duties and responsibilities effectively.</p>		<p>guidelines, with members Mr Gundy, Mr Greenyer and Mr Landy all considered independent Directors.</p> <p>The Board considers that non-Executive Directors' independence from management is the primary determinant of a Director's ability to act in the best interests of shareholders.</p> <p>The Nominations and Remuneration Committee Charter includes the following:</p> <ul style="list-style-type: none"> <li>▪ helping and advising the Board on matters relating to the appointment and remuneration of the directors, Managing Director and other senior executives and employees of the Group.</li> <li>▪ reviewing and making recommendations to the Board on the proposed remuneration strategy and package for the Managing Director, the Managing Director's direct reports and other senior executives.</li> <li>▪ reviewing and making recommendations to the Board regarding the appointment and remuneration of the Directors.</li> <li>▪ advising the Board of its recommendations.</li> </ul> <p>Where necessary, the Nominations and Remuneration Committee seeks advice of external advisers to assist in fulfilling its role.</p> <p>The number of times the Nominations and Remuneration Committee met throughout the period, as well as the individual attendances of the members at those meetings, is disclosed in the Company's 2022 Annual Report.</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Non-Complying	<p>The Board aims to be comprised of Directors which have, at all times, the appropriate mix of skills, experience, and other qualities relevant to Bisalloy's businesses and the Board's responsibilities.</p> <p>The Board regularly evaluates the mix of skills, experience, and diversity at the Board level. It is intended that the mix of skills will be reviewed at least annually by the Board to ensure that ongoing needs in relation to supervising the Company and its operations are being met, and to take into account any changes in the Company's circumstances and strategic priorities. Mr. Landy's appointment to the Board was a direct consequence of this assessment</p> <p>The objectives of the mix of skills adopted by the Board are to :</p> <ul style="list-style-type: none"> <li>▪ Identify the skills, knowledge, experience, and capabilities that are considered to be desired of the Board as a whole, in order</li> </ul>

ASX Recommendation		Status	Reference / Comment
			<p>for the Board to fulfil its role and in light of Bisalloy's strategic direction.</p> <ul style="list-style-type: none"> <li>▪ Ascertain the current skills, knowledge, experience, and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and</li> <li>▪ Identify any gaps in skills or competencies that can be addressed in future Director appointments.</li> </ul>
2.3	<p><b>A listed entity should disclose:</b></p> <p>(a) the names of the directors considered by the board to be independent directors.</p> <p>(b) if a director has an interest, position, association, 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, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Complying	<p>As at the date of this Statement, there are five Directors on the Board of the Company.</p> <p>The Board has considered the circumstances of each Director and determined that Mr Gundy, Mr Greenyer and Mr Landy are independent Directors, on the basis that they are free from any interest, position, association, or relationship that might influence, or reasonably be perceived to influence the independent exercise of their judgement.</p> <p>The Board has also assessed the circumstances of Directors Mr Melrose and Mr Balkin AM and considers them to be non-independent Directors, on the basis that Mr Melrose, as Managing Director and CEO is an executive of the Group and Mr Balkin AM through his Interest in Balron Nominees Pty Limited, is a Substantial Shareholder.</p> <p>In reaching the conclusions set out above, the Board considered the guidelines of factors and materiality for the purpose of determining Director independence as set out in Box 2.3 of the Recommendations.</p> <p>The Board will continually assess 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 the Company and its security holders generally.</p> <p>The Corporations Act and monthly Board meeting processes require Directors to advise the Board of any interest they have that has the potential to conflict with the interests of the Group, including any development that may impact their perceived or actual independence.</p> <p>If the Board determines that a director's status as an independent Director has changed, that determination will be disclosed and explained in a timely manner to the market.</p> <p>The length of service of each Director is set out in the Company's 2022 Annual Report.</p>
2.4	<b>A majority of the board of a listed entity should be independent directors.</b>	Complying	<p>The Board currently comprises five (5) Directors. Three (3) of the Directors (60% of the Board) are independent Directors.</p>
2.5	<b>The chair of the board of a listed entity should be an independent director and, in particular, should not</b>	Part-complying	<p>The Chairman of the Board is Mr David Balkin AM, who, under ASX guidelines, is not considered to be independent.</p> <p>The Chairman of the Board is not a member of management and is not the same person as the CEO of the Company.</p>



ASX Recommendation		Status	Reference / Comment
	be the same person as the CEO of the entity.		The Board believes that while the Chairman is not independent, the current composition of the Board with its combined skills and capability, and the transparency and manner in which potential conflicts are managed, best serves the interests of the shareholders.
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.	Complying	<p>The Board is tasked with ensuring that an effective induction process is in place for newly appointed Directors, and the review of those induction procedures. In addition, incumbent Directors are provided with appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as a director effectively.</p> <p>As Directors join the Board, they undertake a comprehensive induction program, which includes the provision of information on the Company's core values, key strategies, objectives, as well as its governance framework and operations.</p> <p>The Board receives ongoing governance updates from external advisers as required, including in relation to recent legislative and regulatory changes and developments in corporate governance. All Directors have ongoing access to information on the Company's operations and to the Group's senior management.</p> <p>Each Director, at any time, is able to seek reasonable independent professional advice on any business-related matter at the expense of the Company.</p> <p>Directors also have access to adequate internal resources to seek any information from any officer or employee of the Group, or to require the attendance of management at meetings to enable them as Directors to fulfil their duties.</p>

### Principle 3 – Act ethically and responsibly

*A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically, and responsibly*

3.1	A listed entity should articulate and disclose its values.	Complying	The Company's core values are disclosed on the Website. Bisalloy's management is responsible for instilling these values across the organisation.
3.2	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives, and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	Complying	<p>The Board is committed to observing the highest standards of corporate governance and business conduct.</p> <p>Accordingly, the Board has adopted a Code of Business Conduct, a copy of which is available on the Website, and which sets out the way in which Bisalloy seeks to conduct business. The Code of Business Conduct has four key principles as follows:</p> <ol style="list-style-type: none"> <li>1. We respect each other and treat all people fairly</li> <li>2. We respect the law and act accordingly</li> <li>3. We act honestly and fairly in all our business activities and relationships</li> <li>4. We use Bisalloy's property responsibly and in the best interests of Bisalloy</li> </ol>



			<p>The Group also has a number of other policies and standards which underpin the Code of Business Conduct including policies on Appropriate Workplace Behaviour, Equal Employment Opportunity, Safety, Fitness for Work, Workplace Harassment and Discrimination. Together these form a framework for ethical and responsible decision making and proscribe how the individuals of the Group behave internally and externally.</p> <p>The Code of Business Conduct articulates acceptable practices for Directors, senior executives, and employees, to guide their behaviour and to demonstrate the commitment of the Company to ethical practices. The Company also seeks to ensure that advisers, consultants, and contractors are aware of the Company's expectations as set out in its Code of Business Conduct.</p>
3.3	<p><b>A listed entity should:</b></p> <p>(a) <b>have and disclose a whistle-blower policy; and</b></p> <p>(b) <b>ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</b></p>	Complying	<p>The Whistle-blower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistle-blowers.</p> <p>Any material breach of the Company's Whistle-blower Policy is raised and reviewed at Board Meetings.</p> <p>The Whistle-blower Policy is available on the Website.</p>
3.4	<p><b>A listed entity should:</b></p> <p>(a) <b>have and disclose an anti-bribery and corruption policy; and</b></p> <p>(b) <b>ensure that the board or a committee of the board is informed of any material breaches of that policy.</b></p>	Complying	<p>The Group has an established Anti-Bribery Policy and a Code of Business Conduct which applies to all employees, officers, and Directors of the Group. Anti-Bribery Policy and The Code of Business Conduct demonstrates that the Company is committed to maintain high standards of integrity and accountability in conducting its business. This Policy is aimed at establishing controls to ensure compliance with all applicable anti-bribery and corruption regulations and to ensure that the Company's business is conducted in a socially responsible manner. The Policy provides information and guidance to employees on how to recognise and deal with bribery and corruption issues.</p> <p>Any material breach of the Company's policies, including any breach of the Anti-Bribery Policy and Code of Business Conduct, is reported at Board meetings.</p> <p>The Anti-Bribery Policy and Code of Business Conduct are available on the Website.</p>
<p style="text-align: center;"><b>Principle 4 – Safeguard integrity in corporate reporting</b>  <i>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</i></p>			
4.1	<p><b>The board of a listed entity should:</b></p> <p>(a) <b>have an audit committee which:</b></p> <p style="padding-left: 40px;"><b>(1) has at least three members, all of</b></p>	Complying	<p>The Company's Audit and Risk Committee Charter provides for the creation of an Audit and Risk Committee. A copy of the Audit and Risk Committee Charter is available on the Website.</p> <p>The Board has established an Audit and Risk Committee, which consists of four (4) members, three (3) of whom are independent Directors. The Committee is chaired by Mr Greenyer (independent), with members Mr Gundy (Independent), Mr Balkin</p>

	<p><b>whom are non-executive directors and a majority of whom are independent directors: and</b></p> <p><b>(2) is chaired by an independent director, who is not the chair of the board,</b></p> <p><b>and disclose:</b></p> <p><b>(3) the charter of the committee.</b></p> <p><b>(4) the relevant qualifications and experience of the members of the committee; and</b></p> <p><b>(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></p> <p><b>(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.</b></p>		<p>AM (non-Independent) and Mr Bernard Landy (Independent). The relevant qualifications and experience of the Committee members is set out in the Company's 2022 Annual Report.</p> <p>The Audit and Risk Committee is responsible for ensuring that an effective internal control framework exists within the Company and the Group. This includes:</p> <ul style="list-style-type: none"> <li>▪ internal controls for effective reporting of financial information.</li> <li>▪ the appropriate application and amendment of accounting policies; and</li> <li>▪ the identification of management and risk.</li> </ul> <p>The number of times the Committee met throughout the period, as well as the individual attendances of the members at those meetings, is disclosed in the Company's 2022 Annual Report.</p>
4.2	<p><b>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</b></p>	Complying	<p>The Directors are committed to the preparation of financial statements that present a balanced and clear assessment of the Group's financial position and prospects.</p> <p>The Board reviews the Group's half yearly and annual financial statements.</p> <p>The Board has a process to receive written assurances from the CEO and the CFO that the Group's financial reports present a true and fair view, in all material respects, of the Group's financial condition and operational results, and are in accordance with relevant accounting standards, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>

	<b>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.</b>		The Board will continue to seek these assurances prior to approving the annual financial statements for all half year and full year results.
<b>4.3</b>	<b>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.</b>	<b>Complying</b>	The Audit and Risk Committee reviews and makes recommendations to the Board regarding approval of all financial reports. Where a periodic corporate report is not required to be audited or reviewed by an external auditor, senior management conducts a comprehensive internal verification process. This process includes layers of preparation, peer review, and board approval where appropriate. This is to ensure the report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions.

### **Principle 5 – Make timely and balanced disclosure**

*A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.*

<b>5.1</b>	<b>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</b>	<b>Complying</b>	<p>The Group has a formal Continuous Disclosure Policy. The policy aims to ensure that once management becomes aware of any information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Company's shares (subject to the relevant exceptions), that such information is released to the market.</p> <p>The Board is committed to ensuring all investors have equal and timely access to material information concerning the Group and that the Group's announcements are factual and presented in a clear and balanced way.</p> <p>The Company Secretary is the person responsible for continuous disclosure and communicating with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements under the ASX Listing Rules and overseeing and co-ordinating information disclosed to the ASX, market participants and the public.</p> <p>A copy of the Continuous Disclosure Policy is available on the Website.</p>
<b>5.2</b>	<b>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made</b>	<b>Complying</b>	The Company Secretary circulates all material market announcements to the Board via email promptly after they have been made. This ensures that the Board has timely visibility of all information being disclosed to the market.

5.3	<b>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.</b>	<b>Complying</b>	<p>The Board is committed to facilitating effective communication with its shareholders, investors, and stakeholders.</p> <p>In the event that a new and substantive investor or analyst presentation is given by the Company, the Company ensures that it is released on the ASX Market Announcements Platform ahead of time.</p>
<p style="text-align: center;"><b>Principle 6 – Respect the rights of security holders</b></p> <p style="text-align: center;"><i>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.</i></p>			
6.1	<b>A listed entity should provide information about itself and its governance to investors via its website.</b>	<b>Complying</b>	<p>The ‘Investor Centre’ section of Bisalloy’s Website is the primary medium of providing information to all shareholders and stakeholders. It has been designed to enable information to be accessed in a clear and readily accessible manner.</p> <p>The Investor Centre section of the Website contains information relevant to shareholders and stakeholders including:</p> <ul style="list-style-type: none"> <li>▪ all relevant announcements made to the market, including annual and half yearly reports;</li> <li>▪ information provided to analysts or media during briefings; and</li> <li>▪ the full text of notices of meeting and explanatory material.</li> </ul> <p>All corporate governance policies and charters adopted by the Board are available in the ‘Corporate Governance’ section of the Website.</p>
6.2	<b>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</b>	<b>Complying</b>	<p>The Board informs shareholders of all major developments affecting the Company’s state of affairs, as follows:</p> <ul style="list-style-type: none"> <li>▪ The annual report is distributed to all shareholders, including relevant information about the operations of the Company during the year and changes in the state of affairs.</li> <li>▪ The half-yearly report to the ASX contains summarised financial information and a review of the operations of the Company during the period.</li> <li>▪ All major announcements are lodged with the ASX and posted on the Company’s website.</li> <li>▪ Proposed major changes in the Company which may impact on share ownership rights are submitted to a vote of shareholders.</li> <li>▪ The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the consolidated entity’s strategy and goals.</li> <li>▪ The Company’s auditor attends the Annual General Meeting.</li> </ul>
6.3	<b>A listed entity should disclose the policies and processes it has in place to facilitate</b>	<b>Complying</b>	<p>Shareholders are encouraged to attend the Company’s general meetings and notice of such meetings will be given in accordance with the Company’s Constitution, the Corporations Act, and the ASX Listing Rules.</p>

	and encourage participation at meetings of security holders.		<p>The Company's Annual General Meeting in particular is an opportunity for shareholders to receive updates from the Chairman on Group performance, ask questions of the Board and vote on the various resolutions affecting the Company's business. Shareholders are also given an opportunity at Annual General Meetings to ask questions of the Company's auditors regarding the conduct of the audit and preparation and content of the auditor's report.</p> <p>The date, time and location of the Company's general meetings will be provided in the notices of meetings, and on the Website. Whilst shareholders are encouraged to attend meetings in person (or virtually, in the event that the meeting is conducted using virtual technology), in the event that they are unable to do so, they are encouraged to participate in the meeting by appointing a proxy, attorney or representative to vote on their behalf.</p>
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.	Complying	<p>In order to ascertain the true will of the Company's security holders attending and voting at its security holder meetings, whether attendance is in person, electronically or by proxy or other representative, the Company will conduct the voting procedure by a poll.</p> <p>Voting at the Company's 2021 Annual General Meeting was conducted by way of poll, and the Company intends to continue this practice at future general meetings.</p>
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.	Complying	<p>Investors are able to communicate with the Company electronically by emailing the Company Secretary.</p> <p>Investors are also able to communicate with the Company's registry electronically by emailing the registry or via the registry's website.</p> <p>Bisalloy encourages its shareholders to receive company information electronically by registering their email addresses online with Bisalloy's share registry.</p>
<p style="text-align: center;"><b>Principle 7 – Recognise and manage risk</b>  <i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework</i></p>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors: and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p>	Complying	<p>The Company's Audit and Risk Committee Charter provides for the creation of an Audit and Risk Committee. A copy of the Charter is available on the Website.</p> <p>The Board has established an Audit and Risk Committee, which consists of four (4) of members, three (3) of whom are independent Directors. The Committee is chaired by Mr Greenyer (independent), with members Mr Gundy (Independent), Mr Balkin AM (non-Independent) and Mr Landy (Independent). The relevant qualifications and experience of the Committee members is set out in the Company's 2022 Annual Report.</p> <p>The responsibilities of the Audit and Risk Committee include overseeing the Company's internal control structure and risk management systems, and reporting on the status and management of the risks to the Company. The purpose of the Board's risk management process is to ensure that risks are identified, assessed, and appropriately managed.</p>

	<p><b>(3) the charter of the committee.</b></p> <p><b>(4) the members of the committee; and</b></p> <p><b>(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></p> <p><b>(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.</b></p>		<p>The Committee reviews and approves policies pertaining to material business risks to ensure they are current and adequately address the necessary aspects of risk management.</p> <p>The number of times the Committee met throughout the period, as well as the individual attendances of the members at those meetings, is disclosed in the Company's 2022 Annual Report.</p>
7.2	<p><b>The board or a committee of the board should:</b></p> <p><b>(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></p> <p><b>(b) disclose, in relation to each reporting period, whether such a review has taken place.</b></p>	Complying	<p>The Group has established policies and procedures to identify, assess and manage all material business and operational risks.</p> <p>The Audit and Risk Committee and the Board have responsibility for monitoring risk oversight and ensuring that the persons performing the role of CEO and CFO report on the status of business risks, through risk management programs aimed at ensuring risks are identified, assessed, and appropriately managed, and that the Company continues to operate within its risk appetite.</p> <p>The Board and the Audit and Risk Committee oversee policies on risk assessment and management. In addition, they review the risk management framework and policies of the Group on a regular basis.</p> <p>The Audit and Risk Committee has undertaken such a review in respect of the reporting period and is satisfied that management has developed and implemented a sound system of risk management and internal control.</p>

7.3	<p><b>A listed entity should disclose:</b></p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Complying	<p>The Company does not at this time, have an internal audit function. The Board has responsibility to ensure that the Company has appropriate internal systems and controls in place, and for overseeing the effectiveness of these internal controls. The Board is also responsible for conducting investigations of breaches or potential breaches of these internal controls.</p> <p>The Company's external auditors also provide recommendations to the Board where internal control weaknesses have been identified.</p> <p>The Board is responsible for overseeing the implementation of recommendations to improve internal control weaknesses made by the Company's auditors, as well as to generally oversee reviews and improvements to risk management and internal control processes.</p>
7.4	<p><b>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.</b></p>	Complying	<p>The Group's operations are not subject to any significant environmental regulations under the Commonwealth or State legislation.</p> <p>Whilst the Company has exposure to elements of risks relevant to the industry in which it operates, the Company does not consider, given the nature of its business, that it has any specific extraordinary exposure to environmental and social risks.</p>
<p style="text-align: center;"><b>Principle 8 – Remunerate fairly and responsibly</b></p> <p style="text-align: center;"><i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.</i></p>			
8.1	<p><b>The board of a listed entity should:</b></p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee.</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the</p>	Part-complying	<p>The Company's Nominations and Remuneration Committee Charter provides for the creation of a Nominations and Remuneration Committee. A copy of the Charter is available on the Website.</p> <p>The Board has established a Nominations and Remuneration Committee, which consists of four (4) members, three (3) of whom are independent Directors. The Board believes that this Committee should be chaired by the Company Chairman. The Committee is chaired by Mr Balkin AM (non-independent), with members Mr Gundy (Independent), Mr Greenyer (Independent) and Mr Landy (Independent). The relevant qualifications and experience of the Committee members is set out in the Company's 2022 Annual Report.</p> <p>The responsibilities of the Nominations and Remuneration Committee are governed by a Charter approved by the Board and is sufficiently autonomous to be able to discharge its duties and responsibilities including the authority to select, retain and terminate external advisers as the Committee considers necessary without seeking approval of the Board or management</p> <p>The number of times the Committee met throughout the period, as well as the individual attendances of the members at those meetings, is disclosed in the Company's 2022 Annual Report.</p>



	<p>individual attendances of the members at those meetings; or</p> <p>(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.</p>		
8.2	<p><b>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.</b></p>	Complying	<p>Details of the Directors' and key senior executives' remuneration are set out in the Remuneration Report section of the Company's 2022 Annual Report.</p> <p>The structure of Non-Executive Directors' remuneration is further detailed in the Remuneration Report section of the Company's 2022 Annual Report.</p>
8.3	<p><b>A listed entity which has an equity-based remuneration scheme should:</b></p> <p>(a) <b>have a policy on whether participants are permitted to enter transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</b></p> <p>(b) <b>disclose that policy or a summary of it.</b></p>	Complying	<p>The Company has adopted a Long-Term Incentive Plan (LTIP) to assist in the motivation, retention, and reward of certain senior executives.</p> <p>The LTIP rules stipulate that without the prior approval of the Board, a Participant must not grant any Security Interest in or over or otherwise dispose of or deal with any Rights or any interest in Rights (including by way of hedging activities) until the relevant Shares are either issued or transferred to that Participant, and any such Security Interest or disposal or dealing will not be recognised in any manner by Bisalloy. Participants are also required to abide by the Policy for Dealing in Securities. A Right dealt with in breach of these rule lapses immediately.</p> <p>A copy of the LTIP Rules and Policy for Dealing in Securities are available on the Website.</p>