

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

DGR Global Limited

ABN / ARBN:

67 052 354 837

Financial year ended:

30 June 2020

Our corporate governance statement² for the above period above can be found at:³

✓ This URL on our website: <https://www.dgrglobal.com.au/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 30 September 2020 and has been approved by the board.

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

Date: 30 September 2020

Name of Secretary authorising lodgement:



Karl Schlobohm

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

² "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.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (1.1) ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ✓ in our Board Charter at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (1.2) ✓ in our Notice of AGM at http://www.dgrglobal.com.au/general-meetings (available from 2003 AGM)	☐ an explanation why that is so in our Corporate Governance Statement
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (1.3) ✓ within the Remuneration Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement
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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (1.4) ✓ within Directors' Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports ✓ in the Company Constitution at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) 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.	... the fact that we have a diversity policy that complies with paragraph (a): ✓ in our Corporate Governance Statement (1.5) ✓ a copy of Diversity Policy available at http://www.dgrglobal.com.au/corporate-governance ... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ... and the information referred to in paragraphs (c)(1) or (2): ✓ in Diversity Policy at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ☐ in our Corporate Governance Statement <u>OR</u> ☐ at [insert location] ... and the information referred to in paragraph (b): ☐ in our Corporate Governance Statement <u>OR</u> ☐ at [insert location]	✓ an explanation why that is so in our Corporate Governance Statement (1.6)
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	... the evaluation process referred to in paragraph (a): ✓ in our Corporate Governance Statement <u>OR</u> ☐ at [insert location] ... and the information referred to in paragraph (b): ✓ in our Corporate Governance Statement <u>OR</u> ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement (1.7)

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO 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):] ... the fact that we have a nomination committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement (2.1) ... and a copy of the charter of the committee: ✓ at http://www.dgrglobal.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement (2.1) [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement
2.2	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.	... our board skills matrix: ✓ in our Corporate Governance Statement (2.2) ✓ within Directors' Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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, 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 (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: ✓ in our Corporate Governance Statement (2.3) ✓ in Directors profile at http://www.dgrglobal.com.au/board A copy of Assessing the Independence of Directors Policy at http://www.dgrglobal.com.au/corporate-governance ... and, where applicable, the information referred to in paragraph (b): ☐ in our Corporate Governance Statement OR ☐ at [insert location] ... and the length of service of each director: ✓ within Directors' Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	✓ an explanation why that is so in our Corporate Governance Statement (2.3 & 2.4)
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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (2.5)	an explanation why that is so in our Corporate Governance Statement
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (2.6)	✓ an explanation why that is so in our Corporate Governance Statement (2.6)
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: ✓ in our Corporate Governance Statement (3.1) ✓ a copy of Code of Conduct at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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.	[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement (4.1) ... and a copy of the Audit & Risk Management Charter of the Committee: ✓ at http://www.dgrglobal.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): ✓ and in Directors Profile at http://www.dgrglobal.com.au/board ✓ in Directors' Report contained within the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	✓ an explanation why that is so in our Corporate Governance Statement at 4.1
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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (4.2)	☐ an explanation why that is so in our Corporate Governance Statement
4.3	A 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.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (4.3)	☐ an explanation why that is so in our Corporate Governance Statement OR

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ✓ in our Corporate Governance Statement (5.1) ✓ a copy of Continuous Disclosure Policy at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so 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.	... information about us and our governance on our website: ✓ at http://www.dgrglobal.com.au/	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (6.2)	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ✓ in our Corporate Governance Statement (6.3)	☐ an explanation why that is so in our Corporate Governance Statement OR
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: ✓ in our Corporate Governance Statement (6.4)	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ✓ in our Corporate Governance Statement (7.1) ... and a copy of the charter of the committee at: ✓ http://www.dgrglobal.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement (4.1) ✓ within Directors' Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so 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 (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ✓ in our Corporate Governance Statement (7.2) ... and that such a review has taken place in the reporting period covered by this Appendix 4G: ✓ in our Corporate Governance Statement (7.2) ✓ refer to the Director attendance of the meeting contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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 risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: ☐ in our Corporate Governance Statement OR ☐ at <i>[insert location]</i> [If the entity complies with paragraph (b):] ... 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: ✓ in our Corporate Governance Statement (7.3)	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ✓ in our Corporate Governance Statement (7.4) ✓ within Directors' Report contained in the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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):] ... the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ✓ in our Corporate Governance Statement (8.1) ... and a copy of the charter of the committee: ✓ at http://www.dgrglobal.com.au/corporate-governance ... and the information referred to in paragraphs (4) and (5): ✓ in our Corporate Governance Statement (8.1) ✓ in Directors' Report contained within the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports [If the entity complies with paragraph (b):] ... 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: ☐ in our Corporate Governance Statement OR ☐ at [insert location]	☐ an explanation why that is so in our Corporate Governance Statement
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.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ✓ in our Corporate Governance Statement (8.2) ✓ Refer to Remuneration Report contained within the 2020 Annual Report http://www.dgrglobal.com.au/annual-reports	☐ an explanation why that is so in our Corporate Governance Statement
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.	... our policy on this issue or a summary of it: ✓ in our Corporate Governance Statement (8.3) ✓ a copy of Share Trading Policy at http://www.dgrglobal.com.au/corporate-governance	☐ an explanation why that is so 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

2020 Corporate Governance Statement

DGR Global Limited

Introduction

The Board of Directors of DGR Global Limited (the **Company**) is responsible for the corporate governance of the Company. The Board guides and monitors the business affairs of the Company on behalf of the shareholders, by whom they are elected and to whom they are accountable.

Throughout the financial year ended 30 June 2020, and as at the date of this statement, DGR Global Limited's Corporate Governance Statement has been adopted and structured with reference to the third edition of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (the **ASX Recommendations**).

The Company's practices are largely consistent with the ASX Recommendations, and the Board has made appropriate statements reporting on the adoption of the ASX Recommendations. Where the Company's corporate governance practices do not correlate with the practices recommended by the Corporate Governance Council, the Company is working towards compliance. However, the Company does not consider that all practices are currently appropriate due to the size and scale of its operations. The Board has offered full disclosure and reasons for the adoption of Company practices, in compliance with the "if not, why not" regime, and these are summarised in both the Company's Appendix 4G for the year ended 30 June 2020 and this Corporate Governance Statement.

The Board is of the view that with the exception of the departures noted below it otherwise complies with all of the ASX Recommendations. The Board notes that the fourth edition of the ASX Recommendations was released in February 2019; the Company will measure its governance practices against the fourth edition commencing with the financial year ending 30 June 2021.

The information in this statement is current as at 30 September 2020 and has been approved by the Board.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1 – Role of Board and Management

Generally, the roles and responsibilities of the Board are governed by the Corporations Act and the general law. The Board drives and monitors the business and affairs of the Company on behalf of the shareholders, by whom they are elected and to whom they are accountable. The Board also ensures compliance with all of its contractual, statutory and other legal obligations by any regulatory body.

The Board provides input that assists in identifying and understanding emerging trends and issues, setting the broad framework within which the strategic and business plans will be prepared each year, recommending any significant shifts in the broad strategic direction of the Company, and reviewing, developing, and approving the Company's long-term strategic plan and ensuring the Company develops annual business plans to achieve its strategic objectives.

Recommendation 1.1 – Role of Board and Management (continued)

Without limiting the general role of the Board, the principle functions and responsibilities include the matters set out below, subject to delegation to the Managing Director and senior management as specified elsewhere in this statement or as otherwise appropriate:

- ensuring compliance with the Corporations Act, the ASX Listing Rules (where appropriate), and all relevant laws;
- developing, implementing, and monitoring operational and financial targets for the Company;
- appointing appropriate staff, consultants, and experts to assist in the Company's operations, including selecting and monitoring a Chief Executive Officer;
- ensuring appropriate financial and risk management controls are implemented;
- approving and monitoring financial and other reporting;
- setting, monitoring, and ensuring appropriate accountability for Directors' and executive officers' remuneration;
- establishing and maintaining communications and relations between the Company and third parties, including its shareholders and ASX;
- implementing appropriate strategies to monitor performance of the Board in exercising its functions and powers;
- oversight of the Company including its framework of control and accountability systems to enable risk to be assessed and managed;
- ratifying the appointment of and, where appropriate, removal of the Chief Financial Officer and the Company Secretary;
- giving input into, and the final approval of, management's development of corporate strategy and performance objectives;
- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance;
- monitoring senior management's performance, implementation of strategy, and ensuring appropriate resources are available;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- approving the annual budget;
- monitoring the financial performance of the Company;
- liaising with the Company's external auditors;
- monitoring, and ensuring compliance with, all of the Company's legal obligations;
- approving and monitoring financial and other reporting; and
- appointing and overseeing Committees where appropriate to assist in the above functions and powers.

The Board has delegated to the Managing Director day-to-day responsibility for running the affairs of the Company and to implement the policies and strategies set by the Board. The Board also delegates to senior management the responsibilities for the day-to-day activities leading toward achievement of the Company's strategic direction with agreed boundaries and authority limitations.

Recommendation 1.2 – Information regarding Election and Re-election of Director Candidates

The policies and procedures for the selection and appointment of new Directors is that candidates are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, compatibility with other Board members, and credibility within the Company's scope of activities. Directors are initially appointed by the full Board subject to election by shareholders at the next Annual General Meeting. The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a Director (including whether Directors support the election or re-election) is disclosed in the notice of meeting provided to shareholders.

Recommendation 1.2 – Information regarding Election and Re-election of Director Candidates (continued)

At each AGM, the following Directors automatically retire and are eligible for re-appointment:

- any Director other than the Managing Director who has been elected in the office for a period in excess of three consecutive years or until the third Annual General Meeting following his/her appointment, whichever is longer, without submitting himself or herself for re-election;
- any Director who was appointed by the Directors during the year to fill a casual vacancy or as an addition to the existing Directors;
- one third of the Directors or, if their number is not a multiple of three, then the greatest of one or the number nearest to but not exceeding one third (the Managing Director is exempt from this requirement).

Recommendation 1.3 – Written Contracts of Directors' and Senior Executives' Appointments

New Directors receive a Letter of Appointment and a Deed of Indemnity, Insurance and Access to Documents. Non-Executive Directors are not appointed for fixed terms. Executive Directors have written service contracts which set out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements, and termination rights and entitlements. Each senior executive enters into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements, and termination rights and entitlements. Contract details of senior executives which are key management personnel are summarised within the Remuneration Report which forms part of the Directors' Report contained in the 2020 Annual Report which can be accessed on the Company's website.

Recommendation 1.4 – Company Secretary

The Company Secretary is accountable directly to the Board (through the Chairman) for facilitating the Company's corporate governance processes and proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary. In accordance with the Company's Constitution, the appointment and removal of the Company Secretary is a matter for the Board as a whole. A copy of the Constitution is available on the Company website under *Corporate Governance* and the details and experience of the Company Secretary are set out within the Directors' Report contained in the 2020 Annual Report.

Recommendation 1.5 – Diversity

The Board has adopted a Diversity Policy in accordance with the ASX Recommendations. The Company recognizes and values the potential competitive advantages associated with diversity (including gender, age, ethnicity, and cultural background) and the benefits of its integration throughout the Company. The Company aims to attract, nurture, and develop the collective skills and diverse experience and attributes of personnel within the Company.

When the Board considers that the Company to be of sufficient size, having regard to the nature and scale of its operations, it will seek to develop, measure, and monitor strategies, initiatives, programs, and objectives for the achievement of diversity within its personnel, executives, and Board as appropriate.

Recommendation 1.5 – Diversity (continued)

Notwithstanding its Diversity Policy, the Company will maintain the principal criteria for the selection and promotion of current and prospective employees as their prospect of adding value to the Company and enhancing the probability of the Company achieving its business objectives, having regard to their relative experience, and the nature of the industry in which the Company operates.

During the year ended 30 June 2020 there were up to seven (7) female employees working for the Company (and its controlled, unlisted subsidiaries) including one (1) female at executive level, but no females at Board level. At the time of the publication, there are currently four female employees, including one female at executive level.

The Board believes that the Company is not currently of a sufficient size to warrant the establishment of formal measurable diversity objectives.

Recommendation 1.6 – Board Reviews

The Board did not conduct a performance evaluation during the last twelve (12) months and has not adopted a formal performance evaluation policy.

The Company believes that the small size of the Board and the current scale of the Company's activities make the establishment of a formal performance evaluation procedure unnecessary. Performance evaluation is a discretionary matter for consideration by the entire Board. In the normal course of events the Board reviews performance of the management, Directors, and the Board as a whole. Achievement of goals and business development and compliance issues are evaluated regularly on an informal basis.

The Board is provided with the information it needs to discharge its responsibilities effectively. All Directors have access to corporate governance policies and material contracts entered into by the Company. The Directors also have access to the Company Secretary for all Board and governance-related issues.

Recommendation 1.7 – Management Reviews

The Board has established a separate remuneration committee, which is responsible for the proper oversight and review of the performance of the Company's senior executives. These evaluations take into account criteria such as the achievement and performance towards the Company's objectives and (where appropriate) performance benchmarks and the achievement of individual performance objectives. However, the committee also recognises the need for flexibility in defining performance objectives which must reflect the current status of the Company still being exploration and development stage.

No specific reviews were undertaken during the year.

Principle 2: Structure the Board to add value

Recommendation 2.1 – Nomination Committee

The Board has established a Nomination Committee, which is comprised of two Non-Executive Directors:

- Vincent Mascolo – Independent Non-Executive Director (Chair of the Committee)
- Brian Moller – Non-Executive Director

One (1) of the two (2) members of the Committee is an independent Director, and the Committee is chaired by that independent Director (Mr Vincent Mascolo).

There is no requirement that the Nomination Committee meet a set number of times or intervals during a year. Rather, the Committee meets at such intervals as required to fulfil its obligations. There were no meetings held during the financial year ended 30 June 2020.

The Company has adopted a Nomination Committee Charter, which is available on the Company website under *Corporate Governance*.

Recommendation 2.2 – Board Skills Matrix

The Company seeks to ensure the Board comprises an appropriate and diverse mix of skills and experience to oversee the business of the Company. Details of the current Directors, their skills, experience, qualifications, and a record of attendance at meetings are all included in the Directors' Report inside the Company's 2020 Annual Report, and a matrix of the Board's skills is set out below.

SKILLS	INDUSTRY
Resource project generation and exploration	Mining
Resource project development	Mining
JV, merger, corporate transactions	Mining
Commercial & mining law	Mining
Project selection and investment	Funds Management
Corporate funding and capital raising	Mining, Funds Management
Mergers and acquisitions	Legal
Corporate finance/accounting	Accounting
Corporate strategy and development	Corporate and ASX-listed

Recommendation 2.3 – Disclose Independence and Length of Service

Recognising the importance of the appropriate balance between independent and non-independent representation on the Board, the Company has developed a formal “Assessing the Independence of Directors” Policy, which can be accessed from the Company's website under *Corporate Governance*.

During the financial year ended 30 June 2020, the Board of the Company comprised:

- William (Bill) Stubbs – Non-Executive Chairman (appointed 2009, retired 31 March 2020)
- Nicholas Mather – Managing Director and Chief Executive Officer (appointed 2001)
- Brian Moller – Non-Executive Director (appointed (2002)
- Vincent Mascolo – Non-Executive Director (appointed 2003)
- Ben Cleary – Non-Executive Director (appointed 2017)

In accordance with the definition of independence set out in Box 2.3 of the ASX Recommendations, the Directors set out in the table below are not considered to be independent.

NAME	POSITION	REASON FOR NON-COMPLIANCE
Nicholas Mather	Executive Director	Mr Mather is employed by the Company in an executive capacity.
Brian Moller	Non-Executive Director	Mr Moller is a principal of a material professional advisor to the Company.
Ben Cleary	Non-Executive Director	Mr Cleary is an executive of a substantial securityholder of the Company.

Non-Executive Chairman Mr Bill Stubbs (for the period of his tenure) and Non-Executive Director Mr Vincent Mascolo were considered to be independent Directors during the financial year ended 30 June 2020, considering the “factors relevant to assessing the independence of a director” under Box 2.3 of the ASX Recommendations. The Company is of the view that the Board did not consist of a majority of independent Directors throughout the financial year. DGR Global considers industry experience and specific expertise, as well as general corporate experience, to be important attributes of its Board members. The Directors noted above were appointed to the Board of DGR Global due to their experience in such areas.

The Board will consider appointing further independent Directors in the future, when the Company is of sufficient size. In the meantime, the Company believes that given the size and scale of its operations, non-compliance by the Company with this recommendation will not be detrimental to the Company or its shareholders.

The length of service of each Director can be found inside the Directors' Report in the 2020 Annual Report.

Recommendation 2.4 – Majority of Directors to be Independent

Refer to Recommendation 2.3.

Recommendation 2.5 – Chair Should Be Independent

Until his retirement on 31 March 2020, the Company's Non-Executive Chairman, Mr Bill Stubbs, was considered to be independent in accordance with the ASX Recommendations. Mr Stubbs was not the CEO of the Company.

Currently, the Board has no appointed Chair, and each Director rotationally chairs the Company's Board Meetings. Given the current state of general business conditions and equity markets, compounded by the restrictions on travel and meetings due to the risks associated with COVID-19, the Company will look to make a further appointment to the Board in due course. In the meantime, the current Non-Executive Directors will continue to share the duties associated with chairing the Company's meetings on a rotational basis.

Recommendation 2.6 – Induction and Personal Development

The Company does not have a formal structured induction program, however to familiarise themselves with the Company and its practices and procedures, each new appointee typically spends time with the Managing Director and / or the Company Secretary and CFO to be briefed on the Company's corporate and project history, and the state of its finances and accounting practices.

In addition, new Directors may request from the Company Secretary:

- any past minutes of Directors' meetings of the Company;
- any existing policies or procedures of the Company which are in place;
- any minutes of meeting of shareholders of the Company;
- copies of the audited financial statements of the Company since 2003; and
- any other information, financial or otherwise, about the affairs of the Company that Directors request.

The Company encourages and recommends all Non-Executive Directors to attend relevant external seminars, conferences, and educational programs for expanding their knowledge base and professional skills. Directors also have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense in accordance with the agreed procedure set up by the Board.

For a new Director, the Company Secretary will provide the following documents:

- a Letter of Appointment including appointment terms, the Director's duties and obligations, and the Director's entitlements;
- a Consent to Act, which requires a formal written consent to become a Director, containing the minimum information required by the Company and the Corporations Act; and
- a Deed of Indemnity, Insurance and Access.

Principle 3: Act ethically and responsibly

Recommendation 3.1 – Code of Conduct

The Company has established a Code of Conduct for the Board, management, and employees of the Company. The Code of Conduct requires that Directors, management, and employees maintain high standards of integrity by ensuring that all business activities are conducted legally and ethically in compliance with the letter and spirit of both the law and the Company's policies. A copy of the Code of Conduct can be accessed from the Company's website under *Corporate Governance*.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1 – Audit Committee

The Board has established an Audit and Risk Management Committee. The Committee is comprised of:

- Vincent Mascolo – Non-Executive Independent Director (Chairman of the Committee)
- Brian Moller – Non-Executive Director
- William Stubbs (to 31 March 2020)

The Committee is chaired by an independent Non-Executive Director (Mr Vincent Mascolo), who is not the chair of the Board. Due to the retirement of Mr Stubbs as at 31 March 2020 and the COVID-19 pandemic, the Board is yet to reconstitute the membership of the Audit Committee. Currently, Mr Mascolo and Mr Moller are the only members of the Committee. The Board plans to rectify this situation once an additional Non-Executive Director is appointed. The experience and qualifications of members of the Audit and Risk Management Committee are detailed in the Remuneration Report which forms part of the Directors' Report in the 2020 Annual Report. The Audit and Risk Management Committee held two meetings during the year ended 30 June 2020. Details of Committee members' attendance at those meetings can also be accessed within the Directors' Report in the 2020 Annual Report.

The Company has adopted an Audit and Risk Management Charter setting out the Committee as well as reporting requirements. The Charter is reviewed annually to determine whether any changes are necessary. A copy of the Charter can be accessed on the Company's website under *Corporate Governance*.

The Audit and Risk Management Committee is responsible for:

- monitoring the integrity of the financial statements of the Company and reviewing significant financial reporting judgments;
- reviewing the Company's internal financial control system;
- considering the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditors;
- monitoring and reviewing the external auditor's independence, objectivity, and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- developing and implementing policy on the engagements of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

The Audit and Risk Management Committee is responsible for reviewing the nomination, performance, and independence of the Company's external auditors. BDO Audit Pty Ltd (**BDO**) was appointed as the Company's external auditor by shareholders at a General Meeting held on 25 November 2009. BDO has advised the Company that their policy of audit partner rotation requires a change in the lead engagement partner and review partner after a period of five years.

Recommendation 4.2

Prior to the approval of the Group's financial statements each year, the Chief Executive Officer and the Chief Financial Officer confirm in writing to the Board that the financial reports of the Company for the financial year:

- present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

Recommendation 4.3 – External Auditor at AGM

The Company's external audit function is performed by BDO. Representatives of BDO attend the Annual General Meeting and are available to answer shareholder questions regarding the audit or the financial statements.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1 – Disclosure and Communications Policy

The Company has adopted a Continuous Disclosure Policy to ensure compliance with the continuous disclosure requirements of ASX's Listing Rules and the Corporations Act. The Policy sets out the rules and procedures for ASX information disclosure, the responsibility of the Board, senior executives, and staff to ensure that price sensitive information is identified, reviewed by management, and disclosed to ASX in a timely, clear, and objective manner and that all information provided to ASX is posted on the Company's website as soon as possible after its disclosure to ASX.

The Company Secretary manages the Company's compliance with its continuous disclosure obligations and is responsible for communications with, and coordinating disclosure of information to, ASX. Directors receive copies of all announcements released to ASX and copies of announcements, including related information, such as financial statements and public presentations, and are aware of and accountable for the Company's compliance with regard to continuous disclosure.

A copy of the Continuous Disclosure Policy is available on the Company's website under *Corporate Governance*.

Principle 6: Respect the rights of security holders

Recommendation 6.1 – Information on Website

Information about the Company and its operations is located on the Company's website (www.dgrglobal.com.au). Information about the Company's corporate governance policies can be found on the Company's website under *Corporate Governance*.

Recommendation 6.2 – Investor Relations Programs

The Company is committed to informing shareholders of all major developments affecting the operations of the Company and the state of its affairs. Communications with shareholders include:

- annual reports which are distributed or otherwise made available to all investors;
- quarterly activities and cash flow reports;
- half-year financial reports;
- AGMs and other general meetings called to obtain shareholder approval for significant corporate actions, as appropriate;
- Company announcements; and
- all of the information available on the Company's website.

Conference and investor presentations, including videos where applicable, are made available on the Company's website and via its newsletter service. The Company operates a Twitter account and has a free newsletter subscription page available to all interested parties on its website.

The Company welcomes questions from shareholders at any time and these are answered promptly unless the information requested is market sensitive and not in the public domain. All announcements made by the Company to ASX (except disclosures of a routine compliance or administrative nature) are posted to the Company's website. The Managing Director, the Company Secretary, and the Marketing Manager are responsible for this area of the Company's activities.

Recommendation 6.3 – Facilitate Participation at Meetings of Security Holders

The Company encourages shareholder participation at its AGMs including by making notices of meetings available on its website. DGR Global's external auditor attends the Company's AGMs and is available to answer any questions which shareholders may have about the conduct of the external audit for the relevant financial year and the preparation and content of the audit report.

Shareholders who are unable to attend meetings of the Company are encouraged to participate in meetings by way of appointment of a proxy.

Recommendation 6.4 – Facilitate Electronic Communications

The Company has the capability to communicate with shareholders electronically through its website and email communications. Electronic contact details are provided on the Company's website. The Company also has a Twitter account ([@DGRGlobal](#)) through which it provides updates regarding its activities.

Principle 7: Recognize and manage risk

Recommendation 7.1 – Risk Committee

The Company has not set up a stand-alone risk committee, but has established a combined Audit and Risk Management Committee, which is responsible for:

- ensuring the development of an appropriate risk management policy framework that will provide guidance to management in implementing appropriate risk management practices throughout the Company's operations, practices, and systems;
- defining and periodically review management as it applies to the Company and clearly identify all stakeholders;
- ensuring that the Company's risk management philosophy, policies, and strategies are clearly communicated to Directors, senior executives, employees, contractors, and appropriate stakeholders;
- ensuring that Directors and senior executives establish a risk aware culture which reflects the Company's risk policies and philosophies;
- reviewing methods of identifying broad areas of risk and set parameters or guidelines for business risk reviews; and
- considering capital raising, treasury, and market trading activities with particular emphasis on risk treatment strategies, products, and levels of authority.

A copy of the Audit and Risk Management Committee Charter can be accessed on the Company's website under *Corporate Governance*.

Recommendation 7.2 – Annual Risk Review

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. They are required by the Board to report back on the efficiency and effectiveness of risk management, inter alia, by benchmarking the Company's performance against industry standards.

The risk profile of the Company contains both financial and non-financial factors including operational, field and geological risks, and a range of financial and corporate risks. To mitigate these risks, the Company has in place an experienced Board, regular Board meetings, an Audit and Risk Management Committee which aims to meet at least bi-annually, six-monthly financial audits, rigorous appraisal of new investments, and advisers familiar with the Company. The Company's risk management framework has been reviewed on a regular basis throughout the reporting period by the Board.

Recommendation 7.3 – Internal Audit

The Company does not have a formal internal audit function due to its current size. The Audit and Risk Management Committee monitors the need for an internal audit function. The Company's management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement, these systems are developed. The Company's external auditors are consulted for advice by the Audit and Risk Management Committee. At this stage the Company's operational and financial functions are not complex, and all expenditure authorizations include the Managing Director, the CFO, the Group Finance Manager, or the Company Secretary. All suppliers are known to the Company, and any irregular and unrecognized expenses are routinely queried and discussed with one or more of the personnel noted above.

Recommendation 7.4 – Sustainability Risks

The Company, as an exploration company, faces inherent risks in its activities, including economic, environmental, and social sustainability risks which may have a material impact on the Company's ability to create value for its shareholders.

The Board regularly monitors the operational and financial performance of the Company's activities. It monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management. All operational and financial strategies adopted are aimed at improving the value of the Company's shares. However, the Directors recognize that mineral exploration and evaluation is inherently risky.

Material business risks are considered in the preparation of the Review of Operations in the 2020 Annual Report. In relation to environmental risks, the Company closely monitors its exposure to all such risks at the current projects located within Australia, and seeks the input of specialist environmental consultants as required.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1 – Remuneration Committee

The Company's Remuneration Committee comprises two (2) Non-Executive Directors: Mr Brian Moller, and Mr Vincent Mascolo. Mr Vincent Mascolo is Chairman of the Committee. One (1) of the Committee's two (2) members is an independent Non-Executive Director (Mr Vincent Mascolo).

The Committee is responsible for making decisions on Directors' and key management personnel's remuneration packages. There is no requirement that the Remuneration Committee meet a set number of times or intervals during a year. Rather, the Committee will meet at such intervals as required to fulfil its obligations. There were no meetings held during the financial year ended 30 June 2020.

The Company has adopted a Remuneration Committee Charter, which is available on the Company's website under *Corporate Governance*.

Recommendation 8.2 – Disclosure of Executive and Non-Executive Director Remuneration Policy

The Board of the Directors is responsible for determining and reviewing compensation arrangements for the Directors and the executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team. Disclosure of the remuneration details for Directors and executives occurs each year in the Remuneration Report forming part of the Directors' Report contained within the 2020 Annual Report. Details of the Managing Director's remuneration arrangements are announced to market at the time of establishment and at the time of any material change thereafter.

The Constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

All Directors have the opportunity to qualify for participation in the Directors' and executive officers' option plan, subject to the approval of shareholders.

The remuneration of the executives may from time to time be fixed by the Board, which will comprise a fixed remuneration component and also may include offering specific short and long-term incentives in the form of performance-based salary increases and/or bonuses, and/or the issue of options.

Details of the Company's remuneration arrangements for Non-Executive Directors, Executive Directors, and senior executives (including fee rates), are set out within the Remuneration Report forming part of the Directors' Report contained within the 2020 Annual Report.

Recommendation 8.3 – Equity Based Remuneration Scheme

The Directors of the Company are subject to a number of restrictions in relation to them dealing in the Company's shares, all of which are incorporated in a Trading Policy. Directors can only deal in shares in the Company during certain periods or in certain circumstances (eg. a bonus issue), and then only after receiving written clearance for the intended transaction from the Chairman of the Board. The Share Trading Policy can be accessed on the Company's website under *Corporate Governance*.