

# HEXIMA LIMITED

# ASX ANNOUNCEMENT



**31 August 2023**

## **APPENDIX 4G AND CORPORATE GOVERNANCE STATEMENT**

MELBOURNE, AUSTRALIA (31 August 2023): Hexima Limited (ASX:HXL) provides the attached Appendix 4G and Corporate Governance Statement.

**This announcement is authorised for release to ASX by Board of Hexima Limited.**

***Enquiries:***

Leanne Ralph

Company Secretary

[info@hexima.com.au](mailto:info@hexima.com.au)

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

HEXIMA LIMITED

ABN/ARBN

079 319 314

Financial year ended:

30 June 2023

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://hexima.com.au/investor-centre/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 24 August 2023 and has been approved by the board.

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

Date: 31 August 2023

Name of authorised officer authorising lodgement: Leanne Ralph

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation                             |                                                                                                                                                                                                                                                                                                                                   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                             | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>                                       |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b> |                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                      |
| 1.1                                                                     | A listed entity should have and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management.                                                                                   | <input checked="" type="checkbox"/><br>We have disclosed a copy of our board charter at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a>                                                                                                                                                                | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.2                                                                     | A listed entity should:<br>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and<br>(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. | <input checked="" type="checkbox"/><br>1.2(a) in our Corporate Governance Statement<br>1.2(b) All material information relevant to a decision on whether to elect or not elect or re-elect a director is contained in the Company's AGM Notice of Meeting at:<br><a href="https://hexima.com.au/investor-centre/asx-announcements/">https://hexima.com.au/investor-centre/asx-announcements/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3                                                                     | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.                                                                                                                                                                                               | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.4                                                                     | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.                                                                                                                                                           | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with "*insert location*" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate-governance/charters/").

<sup>5</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                                                                                                | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| <p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(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</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>(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</li> <li>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | <p><input type="checkbox"/></p> <p>We have adopted a Diversity Policy and we have disclosed a copy of it at:<br/> <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a></p> <p>1.5(b) we have not set measurable objectives for achieving gender diversity.</p> <p>1.5(c) we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement.</p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>                                                                       |
| <p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>(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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p><input type="checkbox"/></p> <p>We have disclosed that a performance evaluation was not undertaken for the reporting period in our Corporate Governance Statement.</p>                                                                                                                                                                                                                                                                                           | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>                                                                       |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |                                                                                                                                                                                                                                                                                                                                                 | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| 1.7                                         | <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <input type="checkbox"/>                                                                                                                                                                             | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u>                                                                    |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                                                           | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
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| <b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                |
| 2.1                                                                    | <p>The board of a listed entity should:</p> <p>(a) have a nomination 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, 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><input checked="" type="checkbox"/></p> <p>We have a combined Remuneration and Nomination Committee and have disclosed a copy of the charter of the committee at: <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a></p> <p>The information referred to in paragraphs (4) and (5) is disclosed in our Corporate Governance Statement</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>                                                                                  |
| 2.2                                                                    | A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                       | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement                                                                              |
| 2.3                                                                    | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>                                                                                                                                                                                                                                                                                                                                  | <p><input checked="" type="checkbox"/></p> <p>We have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement.</p> <p>We have disclosed the length of service of each director in our Corporate Governance Statement.</p>                                                                                                                               | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>                                                                                  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                                         |                                                                                                                                                                                                                                                                                   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                               | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.4                                                                                 | A majority of the board of a listed entity should be independent directors.                                                                                                                                                                                                       | <input type="checkbox"/>                                                                                                                                                                                                                                                                           | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement                                                                              |
| 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.                                                                                                                           | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 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. | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| <b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b> |                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                |
| 3.1                                                                                 | A listed entity should articulate and disclose its values.                                                                                                                                                                                                                        | <input checked="" type="checkbox"/><br>We have disclosed our values in our Corporate Governance Statement, and our Code of Conduct which can be found at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 3.2                                                                                 | A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.                                            | <input checked="" type="checkbox"/><br>We have disclosed our code of conduct at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a>                                                                          | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 3.3                                                                                 | A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.                                                                           | <input checked="" type="checkbox"/><br>We have disclosed our Whistleblower Policy at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a>                                                                     | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 3.4                                                                                 | A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.                                                                           | <input checked="" type="checkbox"/><br>We have disclosed our Anti-Bribery Policy at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a>                                                                      | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                                               | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>                                                          |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                         |
| 4.1                                                               | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p><input type="checkbox"/></p> <p>We have a combined Audit and Risk Management Committee and have disclosed a copy of the charter of the committee at: <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a></p> <p>The information referred to in paragraphs (4) and (5) is disclosed in our Corporate Governance Statement.</p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> <p>Our combined Audit and Risk Management Committee has three members, and the composition does not comply with 4.1(a)(2).</p> |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                      | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                                                                                  |
| 4.3                                                               | A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                                                                                  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                 |                                                                                                                                                                                                           | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                     | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>    |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                |
| 5.1                                                         | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.                                                                | <input checked="" type="checkbox"/><br>We have disclosed our continuous disclosure compliance policy at:<br><a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a>                                        | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 5.2                                                         | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.                                                                     | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                      | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 5.3                                                         | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                      | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| <b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b> |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                |
| 6.1                                                         | A listed entity should provide information about itself and its governance to investors via its website.                                                                                                  | <input checked="" type="checkbox"/><br>We have disclosed information about us and our governance on our website at:<br><a href="https://hexima.com.au/">https://hexima.com.au/</a><br>AND<br><a href="https://hexima.com.au/investor-centre/">https://hexima.com.au/investor-centre/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 6.2                                                         | A listed entity should have an investor relations program that facilitates effective two-way communication with investors.                                                                                | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                      | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 6.3                                                         | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.                                                                                          | <input checked="" type="checkbox"/><br>We have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement                                                                                                             | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 6.4                                                         | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.                                                     | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                      | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                                                      | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                       | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| <b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                |
| 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, 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 risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p><input type="checkbox"/></p> <p>We have a combined Audit and Risk Management Committee and we have disclosed a copy of the charter of the committee at: <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) is disclosed in our Corporate Governance Statement.</p> | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement                                                                              |
| 7.2                                            | <p>The board or a committee of the board should:</p> <p>(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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>                                                                                                                                                                                                                                                                                                                                                                        | <p><input checked="" type="checkbox"/></p> <p>We have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement.</p>                                                                                                                                                                                                          | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |                                                                                                                                                                                                                                                                                                                                                                        | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                     | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7.3                                         | A listed entity should disclose:<br>(a) if it has an internal audit function, how the function is structured and what role it performs; or<br>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes. | <input checked="" type="checkbox"/><br><br>We have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes in our Corporate Governance Statement. | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |
| 7.4                                         | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.                                                                                                                                                                                                | <input checked="" type="checkbox"/><br><br>We have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement.                                                                                                                              | <input type="checkbox"/> set out in our Corporate Governance Statement                                                                                         |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:                                                                                                                                                                                                                                                                                        | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>                                                                                                                                                                                                   |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                  |
| 8.1                                                    | <p>The board of a listed entity should:</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, 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 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> | <p><input checked="" type="checkbox"/></p> <p>We have a combined Remuneration and Nomination Committee and we have disclosed a copy of the charter of the committee at: <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a> and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.</p>                                                                          | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>                                                                                                                                                                                                                                                                                    |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p><input checked="" type="checkbox"/></p> <p>We have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in our Corporate Governance Statement and in our Remuneration Report contained in our Annual Report which can be found at: <a href="https://hexima.com.au/investor-centre/reports/">https://hexima.com.au/investor-centre/reports/</a></p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>                                                                                                                                                  |
| 8.3                                                    | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p><input checked="" type="checkbox"/></p> <p>We have disclosed our policy on this issue or a summary of it in our Corporate Governance Statement and at <a href="https://hexima.com.au/investor-centre/corporate-governance/">https://hexima.com.au/investor-centre/corporate-governance/</a></p>                                                                                                                                                                                          | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |



## HEXIMA LIMITED

### 2023 CORPORATE GOVERNANCE STATEMENT

The Hexima Limited (**Hexima** or **Company**) Board of Directors (**Board**) is pleased to present Hexima's Corporate Governance Statement for 2023 (**Statement**). This Statement outlines our principal corporate governance practices in place during the financial year ended 30 June 2023. Copies of all governance documents referred to in this Statement can be found at [Hexima.com.au/investor-centre/corporate-governance](https://hexima.com.au/investor-centre/corporate-governance).

We are committed to ensuring that our Corporate Governance framework is appropriate for the Company's operations and meetings the requirements set out in the 4<sup>th</sup> edition of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (**Governance Principles**) where it is appropriate to do so. Our governance policies and practices are reflected in this Statement as well as our Appendix 4G.

This Statement was approved by the Company's board on 24 August 2023 and is current as at that date.

## **Principle 1: Lay solid foundations for management and oversight**

### ***Recommendation 1.1 – Roles and Responsibilities of the Board - adopted***

*A listed entity should disclose a board charter setting out:*

- (a) the respective roles and responsibilities of its board and management; and*
- (b) those matters expressly reserved to the board and those delegated to management.*

Our Board operates under a formal Charter that sets out the functions reserved to the Board and provides for the delegation of functions to Board Committees and to senior management. Our Board is accountable to our stakeholders for the management of the Company's business and affairs and as such, as outlined in the Board Charter, is responsible for demonstrating leadership, defining the Company's purpose, establishing strategic objectives, approving our values and the Code of Conduct and oversight of the management of the Company.

Usually, the Chief Executive Officer (**CEO**) oversees the day-to-day management of the business, with delegated authority to manage the Company in accordance with the strategy, plans and policies approved by the board. As the operations of the Company have ceased, the board is carrying out the responsibilities which would ordinarily be assumed by the CEO.

Responsibilities specifically delegated to a CEO and those reserved for the Board are outlined in the Board Charter, which was previously reviewed on an annual basis to ensure that the division of functions between the Board and management continued to be appropriate for the needs of the Company.

Our Board has delegated specific authority to two Board committees, which assist the Board by examining various issues and making recommendations. A description of each committee and its responsibilities are set out under Principle 2 of this Statement.

### ***Recommendation 1.2 – Appointment and Re-election of Directors - adopted***

*A listed entity should:*

- (a) undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election, as a director; and*
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.*

Prior to listing on the ASX, we ensured that the appropriate checks were undertaken before appointing its directors. The same process was undertaken for directors appointed after listing. When considering the appointment of any further directors to the board, a formal process will be undertaken to identify various candidates and appropriate back-ground checks will be carried out.

In addition, the Board considers and formally resolves to support the election or re-election of directors to shareholders at general meetings/annual general meeting.

We provide shareholders, in the relevant notice of meeting, with information in our possession relevant to assist them to make an informed decision on all directors standing for election or re-election. This information includes biographical details, covering relevant qualifications, experience, and skills directors bring to the Board, details of any other material directorships currently held by the candidate, the term of office currently served by the directors, a statement on the independence of the candidate and the reasons why, and a statement by the Board as to whether it supports the election or re-election of the candidate and a summary of the reasons why.

Directors are elected or re-elected in accordance with the Company Constitution and the ASX Listing Rules. At our 2022 Annual General Meeting, Mr Michael Aldridge and Mr Scott Robertson were elected by shareholders.

***Recommendation 1.3 – Agreements with directors and senior managers – adopted***

*A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.*

Non-executive directors are appointed pursuant to formal letters of appointment which, among other things, set out the key terms and conditions of the appointment, the Board's expectations in relation to the performance of the director, procedures for dealing with a director's potential conflict of interest and the disclosure obligations of the director, together with the details of the director's remuneration.

There are no senior executives currently employed by the Company.

***Recommendation 1.4 – Accountability of the company secretary - adopted***

*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 Board Charter expressly provides that the company secretary is directly accountable to the Board through the Chair on all matters to do with the proper function of the Board. All directors have access to the company secretary, who is appointed by, and accountable to, the Board on all governance matters.

***Recommendation 1.5 – Diversity Policy – partly adopted***

A listed entity should:

- a) have and disclose a diversity policy;
- b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
- c) disclose in relation to each reporting period:
  - (1) the measurable objectives set for that period to achieve gender diversity;
  - (2) the entity's progress towards achieving those objectives; and
  - (3) either:
    - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or
    - (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "gender Equality Indicators", as defined in and published under that Act.

If the entity is in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.

We have adopted a Diversity Policy, a copy of which is available on the website.

The Diversity Policy provides a framework for the Company to establish measurable objectives for

achieving gender diversity, however, to date, the board has determined that it is not necessary to establish these objectives

Our board will consider establishing measurable objectives for achieving gender diversity at the appropriate time. If these objectives are established, they will be disclosed as required under this Recommendation.

As at 30 June 2023, the respective proportions of women on the board are as follows:

|        |       |
|--------|-------|
| Board: | 16.7% |
|--------|-------|

There are currently no employees of the Company therefore, no further gender data is provided.

In addition to gender, our Diversity Policy supports the Company's stance of a policy of non-discrimination that ensures all employees and contractors are treated fairly.

***Recommendation 1.6 – Evaluation of the performance of the board, its committees and individual directors – partially adopted***

*A listed entity should:*

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and*
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.*

Our Remuneration and Nomination Committee is responsible for the development and implementation of a process for evaluating the performance of the board, committees and directors. This process has not yet been defined and may be considered at an appropriate time.

Given the Company has only been listed since November 2020 and the Company has now ceased operations, a performance evaluation has not been deemed necessary.

***Recommendation 1.7 – Evaluation of the performance of senior executives – not applicable therefore not adopted***

*A listed entity should:*

- (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and*
- (b) disclose, in relation to each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.*

The Company currently has no senior executives employed and therefore, recommendation 1.7 is not applicable.

## Principle 2: Structure the board to add value

As at the date of this report there were five directors on our Board. Table 1 below sets out each director, the commencement of their tenure, and their status as an independent or non-independent director.

Table 1

| Director*                 | Tenure commencement | Independent / Non-independent           |
|---------------------------|---------------------|-----------------------------------------|
| Mr Michael Aldridge       | 21 May 2019         | Non-independent non-executive director  |
| Dr Nicole van der Weerden | 16 December 2014    | Non-independent, executive director     |
| Mr Justin Yap             | 17 July 2018        | Non-independent, non-executive director |
| Mr Jason (Jake) Nunn      | 01 September 2021   | Independent, non-executive director     |
| Mr Scott Robertson        | 21 November 2018    | Independent, non-executive director     |

Directors' qualifications and experience are contained in the Directors' Report in our Annual Report, including details of their other listed entity directorships. This information can also be found on the Company's website.

The ultimate responsibility for the oversight of the operations of the Company rests with the board. However, the board may discharge any of its responsibilities through committees of the board.

Our board has established the following standing committees, which assist it with the execution of its responsibilities.

- Audit and Risk Management Committee; and
- Remuneration and Nomination Committee.

Each of these committees operate in accordance with specific charters approved by the board which can be found on the Company's website.

The applicable composition requirements as stated in the committee charters and current membership of each of the board committees are set out in Table 2 .

Table 2.

| Board Committee                     | Composition Requirements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Membership *                    |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Audit and Risk Management Committee | <p>Where practical, the Committee shall consist of at least three members the majority of whom are where practical, non-executive, independent directors.</p> <p>The Chair of the Committee shall not be the Chair of the Board.</p> <p>The Committee must be structured so that:</p> <p>(a) all members are financially literate, that is, are able to read and understand financial statements;</p> <p>(b) have familiarity with financial management;</p> <p>(c) an understanding of the industry in which the Company operates; and</p> <p>(d) at least one member should have relevant qualifications and experience.</p> | Justin Yap; and Scott Robinson. |

| Board Committee                       | Composition Requirements                                                                                                                                                                                    | Membership *                            |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Remuneration and Nomination Committee | Where practical, the Committee shall consist of at least three members, the majority of whom are independent directors.<br><br>Where practical, the Chair of the Committee shall be an independent director | Scott Robinson (Chair); and Justin Yap. |

\*Professor Jonathan West was a member of both of these committees until 29 July 2023.

The number of scheduled board and committee meetings held during the year ending 30 June 2023 and the number of meetings attended by each of the directors is set out in our 2023 Annual Report.

#### **Recommendation 2.1 – Nomination Committee – adopted**

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.*

Our board has established a Remuneration and Nomination Committee which operates under a charter approved by the board. This can be found on the Company's website.

The members of this committee are outlined in Table 2 and the number of times the committee met and attendances at these meetings are outlined in our 2023 Annual Report.

#### **Recommendation 2.2 – Board skills matrix – not adopted**

*A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.*

Our board has determined that the establishment of a Board Skills Matrix at this time is not appropriate, given the current position of the Company.

In addition to the skills and experience of directors, the board considers that each director has the following attributes:

- Honesty and integrity;
- The ability to think strategically;

- The time available to devote to Hexima's business;
- A willingness to question and challenge; and
- A commitment to the highest standards of governance.

All directors are expected to use their range of relevant skills, knowledge and experience and to apply their judgement to all matters discussed at Board meetings.

**Recommendations 2.3 and 2.4 – Director independence – 2.3 is adopted; 2.4 is not adopted**

*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.*

*A majority of the board of a listed entity should be independent directors.*

On an annual basis, our board assesses the independence of all directors against the criteria outlined in Box 2.3 of the Governance Principles. Our board considers an independent director to be a non-executive director who is not a member of the Company's management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of their judgement.

As indicated in Table 1 above, the following directors have been determined as being independent as at the date of this Statement – Mr Jason Nunn and Mr Scott Robertson. Our Board has made this assessment on the basis that none of these directors has been employed in an executive capacity by the Company within the last three years, has not had a material business relationship with the Company within the last three years, is not a substantial holder of Hexima shares and do not fall within any other criteria listed in Box 2.3 of the ASX Governance Principles.

Mr Michael Aldridge is not considered independent under the Governance Principles criteria as he was CEO of the Company until 02 August 2022. Dr Nicole van der Weerden, by virtue of her previous executive position with the Company, is also considered non-independent. Mr Justin Yap is also considered non-independent as he is a related party of a substantial shareholder in the Company.

Based on this assessment, our Board does not have a majority of independent directors, but until recently had an equal number of independent and non-independent directors. In any case, all directors conduct themselves at arm's length in their engagement with the Company and bring their considerable skillsets to bear on matters before the Board. The approach of these directors to matters of the board is always independent in both appearance and in fact.

The term of office held by each director in office at the date of this statement is outlined earlier in this Statement.

**Recommendation 2.5 –adopted**

*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.*

Until 29 July 2023, Professor Jonathan West had been elected as Chair of the Board as an independent,

non-executive director. The Chair's role is outlined in the Board Charter. The duties of the Chair and the CEO are ordinarily carried out by separate people. As noted earlier in this Statement, the Company has no current requirement for a full time CEO.

***Recommendation 2.6 - adopted***

*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.*

A director induction program has been designed and directors are expected to participate in this induction and orientation program on appointment.

### **Principle 3: Act ethically and responsibly**

#### **Recommendation 3.1 - adopted**

*A listed entity should articulate and disclose its values.*

Hexima has adopted a Code of Conduct, which is available on our website. As stated in the Code of Conduct, all employees and representatives of Hexima are expected at all times to act consistently with the fundamental principles of Hexima, including ethical behaviour, honesty, integrity and respect. These principles are described in the Code of Conduct and are categorised as follows:

- (a) Honesty, integrity and fairness
- (b) Responsibilities to shareholders and financial market
- (c) Compliance with laws, policies and procedures
- (d) Confidential information, privacy and maintenance of business records
- (e) Conflicts of interest
- (f) Engaging external personnel
- (g) Employment practices
- (h) Use of Group resources and information systems
- (i) Sustainability

#### **Recommendation 3.2 - adopted**

*A listed entity should:*

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and*
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.*

Our Code of Conduct (the **Code**) provides a set of guiding principles which are to be observed by all employees of the Company. Our Code applies to anyone who is an employee or works for the Company or its subsidiaries.

Any material breaches of the Code are reported through to the Board.

A copy of the Code is available on the Company's website.

#### **Recommendation 3.3 – adopted**

*A listed entity should:*

- a) have and disclose a whistleblower policy; and*
- b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy*

The Company has adopted a Whistleblower Policy, a copy of which can be found on our website. Any material breaches of the Whistleblower Policy are reported through to the Board.

***Recommendation 3.4 - adopted***

A listed entity should:

- a) have and disclose an anti-bribery and corruption policy; and
- b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Company has adopted an Anti-Bribery Policy, a copy of which can be found on our website. Any material breaches of the Anti-Bribery Policy are reported through to the Board.

## Principle 4: Safeguard integrity in corporate reporting

### **Recommendation 4.1 – partially adopted**

*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.*

An Audit and Risk Management Committee has been established by the board to protect the integrity of financial reports as well as to monitor and review the effectiveness of the Company's structures in the areas of operational risk and legal and regulatory compliance.

The Audit and Risk Management Committee operates in accordance with a charter adopted by the board. The charter sets out the roles and responsibilities as well as the structure and composition of the committee. The responsibilities of the Audit and Risk Management Committee are outlined in its charter, which can be found on our website

Details of the composition of this committee are outlined earlier in this Statement. Until 29 July 2023, the committee had two independent members and all members were non-executive. However, the Chair of this committee was also the Chair of the Board. The board considered that this was appropriate given the operations of the Company have ceased. The composition of the committee as at the date of this report only has two members as outlined in Table 2.

Details on the number of meetings of the committee held during the year and the attendees at those meetings are also outlined earlier in this Statement.

The qualifications and experience of the members of the Audit and Risk Management Committee are outlined in the Directors Report contained in the Annual Report.

#### **Recommendation 4.2 - adopted**

*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.*

We have a requirement that the CEO or equivalent and CFO or equivalent provide written assurance to the board, prior to approval of the Company's financial statements for each financial period, that in their opinion, the Company's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance, and that this opinion has been formed on the basis of a sound system of risk management and internal control which operates effectively.

#### **Recommendation 4.3 – adopted**

*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.*

We have a process in place to verify the integrity of any other financial or non-financial corporate reports not reviewed by the external auditor. Any periodic corporate report, including the Appendix 4C and Quarterly Activity Reports receives the approval of the CEO and COO prior to release to the market. This approval is based on a review of all relevant information provided. The specific process for each periodic corporate report will vary depending on the particular release but generally involves management analysis, discussion and recommendation, backed up by supporting documentation.

## Principle 5: Make timely and balanced disclosure

### **Recommendation 5.1 - adopted**

*A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.*

We have adopted a Continuous Disclosure Policy, a copy of which is available on our website.

The objectives of this policy are to:

- outline the company's obligations in relation to continuous disclosure;
- ensure that the Company is able to meet its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act; and
- establish internal procedures so that all employees understand their obligations to ensure:
  - confidential information is protected; and
  - disclose Price Sensitive Information to the CEO or Board.

The overarching principle of this policy is governed by Listing Rule 3.1, which requires the Company to immediately notify the ASX of any information that a reasonable person would expect to have a material effect on the price or value of Hexima's quoted securities, provided that the information does not fall within the exception to disclosure under the Listing Rules. The Policy provides for the exceptions to Listing Rule 3.1 as outlined in Listing Rule 3.1A.

### **Recommendation 5.2 - adopted**

*A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made*

We have a process of ensuring that all material ASX announcements are distributed to directors immediately upon their release to the market.

### **Recommendation 5.3 - adopted**

*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.*

Any new and substantive investor presentation or analyst presentation is released to the ASX prior to the presentations being given.

## **Principle 6: Respect the rights of security holders**

### **Recommendation 6.1 - adopted**

*A listed entity should provide information about itself and its governance to investors via its website.*

Our website forms a key part of our communications platform to shareholders and the broader investment community.

The 'About Us' section of the Company's website provides the reader with an overview of the Company.

The 'Investors' section of the website, accessed directly from the landing page, contains further information about the Company, corporate governance charters and policies, ASX announcements, annual reports, share price chart, the ability to sign up to Company email alerts and investor contact details.

### **Recommendation 6.2 - adopted**

*A listed entity should have an investor relations program to facilitate effective two-way communication with investors.*

We are committed to maintaining direct, open and timely communications with all shareholders. Our board's policy is that shareholders are informed of all material developments that impact on the Company.

Information is communicated to shareholders through:

- regular releases of financial information, including quarterly, half-year and full-year financial results, and trading updates as required;
- the provision of investor-related resources on our website including information on the operations of the group, the Board, management, corporate governance charters and policies, ASX announcements and the share price
- Disclosures to the ASX;
- responding to shareholder queries; and
- The Annual General Meeting.

There is an investor relations contact in the investor relations section of the website.

### **Recommendation 6.3 – adopted**

*A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.*

Our annual general meeting is convened once a year, usually October or November. In relation to its meetings of shareholders, an explanatory memorandum on the resolutions is included with the notice of meeting.

We encourage shareholders to participate in general meetings and we aim to choose a date, time and venue convenient to shareholders.

If shareholders are unable to attend a general meeting, they are encouraged to vote on the proposed resolutions by appointing a proxy. The proxy form included with a notice of meeting explains how to appoint a proxy. Online proxy voting is also available to shareholders.

Unless specifically stated in a notice of meeting, all shareholders are eligible to vote on all resolutions.

Transcripts of the Chair's address and any investor presentation is released to the ASX upon the commencement of the annual general meeting and the outcome of voting on resolutions at the meeting is released to the market after the conclusion of the meeting. Both documents are also be posted on the Company website.

***Recommendation 6.4 - adopted***

*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.*

Our practice is that voting on each proposed resolution is conducted by poll.

***Recommendation 6.5 - adopted***

*A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.*

All shareholders have the option to receive communications electronically from and send communications to the Company's registry service provider Link Market Services.

## Principle 7: Recognise and manage risk

### **Recommendation 7.1 – partially adopted**

*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.*

Our board is responsible for ensuring that sound risk management strategy and policies are in place. Our board has delegated to the Audit and Risk Management Committee the responsibility for identifying and overseeing major risks and the establishment and implementation of the risk management system.

All material risks affecting the Company, including both financial and non-financial matters, are considered by the Audit and Risk Management Committee.

The Audit and Risk Management Committee's current membership and the independence of the members are set out earlier in this Statement.

### **Recommendation 7.2 – adopted**

*The board or a committee of the board should:*

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and*
- (b) disclose, in relation to each reporting period, whether such a review has taken place.*

It is the responsibility of the Audit and Risk Management Committee to review and assess the Company's risk management framework annually and review the implementation, management and maintenance of appropriate enterprise-wide risk management systems, policies and procedures, reporting protocols and internal controls.

This process was not carried out during FY23 given that the operations of the Company have ceased.

**Recommendation 7.3 – adopted**

*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.*

Due to the relatively small size of the Company, an internal audit function has not been established. The responsibility for oversight of an effective system of internal control has been delegated by the board to the Audit and Risk Management Committee.

**Recommendation 7.4 - adopted**

*A listed entity should disclose whether it has any material exposure to environmental and social risks and, if it does, how it manages or intends to manage those risks.*

The Board does not believe that the Company has any material exposure to environmental and social risks. Hexima is however subject to risk factors that are both specific to its business activities and that are of a more general nature. Specific risk disclosures are included in the Annual Report.

## Principle 8: Remunerate fairly and responsibly

### **Recommendation 8.1 - adopted**

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.*

We have established a Remuneration and Nomination Committee which operates pursuant to a charter which can be found on the Company's website.

The Remuneration and Nomination Committee's current membership and the independence of the members are set out earlier in this Statement. The members of the committee are all non-executive, consist of a majority of independent directors and is chaired by an independent director.

Meeting attendance for the year is outlined in the 2022 Annual Report.

### **Recommendation 8.2 - adopted**

*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.*

Our remuneration policies and practices are disclosed in the Remuneration Report in the Annual Report.

#### *Remuneration of non-executive Directors*

Non-executive Directors do not currently receive any fees. Further, they do not participate in the schemes designed for the remuneration of executives, nor do they receive bonus payments, or any retirement benefits other than statutory superannuation.

### **Recommendation 8.3 - adopted**

*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.*

We have adopted a Security Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited and establish a best practice procedure for the buying and selling of securities that protects the Company's directors, officers, employees and management against the misuse of unpublished information that could materially affect the value of securities.

The Share Trading Policy sets out restrictions that apply to dealing with securities and defines "prohibited periods" during which Key Management Personnel, are unable to deal in Hexima's securities.

In all instances, buying or selling of shares is not permitted at any time by any person who possesses price – sensitive information. The Security Trading Policy is available on the Company website.

Our Security Trading Policy provides that Key Management Personnel must not enter into any transaction that operate to limit the economic risk associated with holding securities in the Company.

**Approved by the Board on 24 August 2023**